

Entered April 20, 1976
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BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 5669
Order No. R-5204

IN THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN POOLS
IN CHAVES, EDDY, LEA, AND ROOSEVELT COUNTIES,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on April 14, 1976, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 20th day of April, 1976, the Commission, a quorum being present, having considered the testimony, the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Queen formation, said pool to bear the designation of Eidson-Queen Pool. Said Eidson-Queen Pool was discovered by the Hanson Oil Corporation Caldonia Well No. 1, located in Unit N of Section 11, Township 16 South, Range 34 East, NMPM. It was completed in the Queen formation on October 3, 1975. The top of the perforations is at 4110 feet.

(3) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of McKittrick Hills-Atoka Gas Pool. Said McKittrick Hills-Atoka Gas Pool was discovered by the Southern Union Production Company Shelby Federal Well No. 1, located in Unit H of Section 13, Township 22 South, Range 24 East, NMPM. It was completed in the Atoka formation on January 3, 1974. The top of the perforations is at 9467 feet.

(4) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of McKittrick Hills-Strawn Gas Pool. Said McKittrick Hills-Strawn Gas Pool was discovered by the Southern Union Production Company Shelby Federal Well No. 1, located in Unit H of Section 13, Township 22 South, Range 24 East, NMPM. It was completed in the Strawn formation on February 28, 1975. The top of the perforations is at 9094 feet.

(5) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Upper Pennsylvanian formation, said pool to bear the designation of McKittrick Hills-Upper Pennsylvanian Gas Pool. Said McKittrick Hills-Upper Pennsylvanian Gas Pool was discovered by Southern Union Production Company Shelby Federal Well No. 2, located in Unit K of Section 12, Township 22 South, Range 24 East, NMPM. It was completed in the Upper Pennsylvanian formation on June 11, 1974. The top of the perforations is at 7834 feet.

(6) That there is need for the creation of a new gas pool in Chaves County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of South Newmill-Strawn Gas Pool. Said South Newmill-Strawn Gas Pool was discovered by Marathon Oil Company State 27 Well No. 1, located in Unit M of Section 27, Township 4 South, Range 27 East, NMPM. It was completed in the Strawn formation on November 21, 1975. The top of the perforations is at 6218 feet.

(7) That there is need for the creation of a new oil pool in Roosevelt County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of South Prairie-Wolfcamp Pool. Said South Prairie-Wolfcamp Pool was discovered by the SNB Operating Company New Mexico Federal Well No. 1, located in Unit I of Section 20, Township 8 South, Range 36 East, NMPM. It was completed in the Wolfcamp formation on May 2, 1975. The top of the perforations is at 8992 feet.

(8) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Bone Springs formation, said pool to bear the designation of Salt Lake-Bone Springs Pool. Said Salt Lake-Bone Springs Pool was discovered by the Flag-Redfern Oil Company Hanson State Well No. 1, located in Unit N of Section 13, Township 20 South, Range 32 East, NMPM. It was completed in the Bone Springs formation on January 31, 1976. The top of the perforations is at 10,267 feet.

(9) That there is need for the creation of a new gas pool in Chaves County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Sand Ranch-Atoka Gas Pool. Said Sand Ranch-Atoka Gas Pool was discovered by Depco, Inc. Midwest Federal Well No. 1,

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located in Unit O of Section 23, Township 10 South, Range 29 East, NMPM. It was completed in the Atoka formation on September 6, 1974. The top of the perforations is at 9277 feet.

(10) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of Sheep Draw-Strawn Gas Pool. Said Sheep Draw-Strawn Gas Pool was discovered by Corinne Grace Cueva Unit Well No. 1, located in Unit K of Section 6, Township 23 South, Range 26 East, NMPM. It was completed in the Strawn formation on August 5, 1975. The top of the perforations is at 10,164 feet.

(11) That there is need for certain extensions to Cato-San Andres Pool, the Chaveroo-San Andres Pool, and the South Lucky Lake-Queen Pool, all in Chaves County, New Mexico, and the Atoka-Pennsylvanian Gas Pool, the South Carlsbad-Canyon Gas Pool, the South Carlsbad-Morrow Gas Pool, the Catclaw Draw-Morrow Gas Pool, the Golden Lane-Strawn Gas Pool, and the Kennedy Farms-Morrow Gas Pool, all in Eddy County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Queen production, is hereby created and designated as the Eidson-Queen Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 11: S/2
Section 12: SW/4

(b) That a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated the McKittrick Hills-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM
Section 13: N/2

(c) That a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production, is hereby created and designated the McKittrick Hills-Strawn Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM
Section 13: N/2

(d) That a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production, is hereby created and designated the McKittrick Hills-Upper Pennsylvanian Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM
Section 12: S/2

(e) That a new pool in Chaves County, New Mexico, classified as a gas pool for Strawn production, is hereby created and designated the South Newmill-Strawn Gas Pool, consisting of the following described area:

TOWNSHIP 4 SOUTH, RANGE 27 EAST, NMPM
Section 27: W/2

(f) That a new pool in Roosevelt County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated the South Prairie-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 20: SE/4

(g) That a new pool in Lea County, New Mexico, classified as an oil pool for Bone Springs production, is hereby created and designated the Salt Lake-Bone Springs Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 13: SW/4

(h) That a new pool in Chaves County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated the Sand Ranch-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM
Section 23: S/2

(i) That a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production, is hereby created and designated the Sheep Draw-Strawn Gas Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 6: W/2

(j) That the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 13: All

(k) That the South Carlsbad-Canyon Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 13: S/2

(l) That the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 36: W/2

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 32: E/2

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 10: E/2
Section 34: N/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 20: S/2

(m) That the Catclaw Draw-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM
Section 2: Lots 9 through 16 & S/2
Section 28: All

(n) That the Cato-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
Section 6: NE/4
Section 8: NW/4

(o) That the Chaveroo-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 1: SE/4
Section 2: NW/4

(p) That the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
Section 33: W/2

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(q) That the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 15: E/2

(r) That the South Lucky Lake Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 16: S/2 SE/4
Section 21: NE/4 NE/4


IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations and extensions included herein shall be May 1, 1976.

DONE at Santa Fe, New Mexico, on the day and year herein-above designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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