

Entered June 22, 1976
JDR

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. 5694
Order No. R-5226

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

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

NOW, on this 22nd day of June, 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 gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of West Bubbling Springs-Morrow Gas Pool. Said West Bubbling Springs-Morrow Gas Pool was discovered by the American Quasar Petroleum Company of New Mexico Federal Well No. 1 located in Unit I of Section 24, Township 20 South, Range 25 East, NMPM. It was completed in the Morrow formation on August 7, 1973. The top of the perforations is at 9968 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 Canyon formation, said pool to bear the designation of Carlsbad-Canyon Gas Pool. Said Carlsbad-Canyon Gas Pool was discovered by the Morris R. Antweil Randall Well No. 1 located in Unit K of Section 21, Township 22 South, Range 27 East, NMPM. It was completed in the Canyon formation on July 3, 1972. The top of the perforations is at 9930 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 Atoka formation, said pool to bear the designation of North

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Cemetery-Atoka Gas Pool. Said North Cemetery-Atoka Gas Pool was discovered by the Mark Production Company State B Com Well No. 1 located in Unit B of Section 33, Township 19 South, Range 25 East, NMPM. It was completed in the Atoka formation on May 23, 1974. The top of the perforations is at 8877 feet.

(5) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Strawn formation, said pool to bear the designation of Washington Ranch-Strawn Pool. Said Washington Ranch-Strawn Pool was discovered by the Black River Corporation BR Federal Well No. 3 located in Unit M of Section 33, Township 25 South, Range 24 East, NMPM. It was completed in the Strawn formation on January 28, 1976. The top of the perforations is at 5927 feet.

(6) 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 Willow Lake-Atoka Gas Pool. Said Willow Lake-Atoka Gas Pool was discovered by the Burmah Oil & Gas Company Willow Lake Unit Well No. 1 located in Unit C of Section 22, Township 24 South, Range 28 East, NMPM. It was completed in the Atoka formation on February 23, 1976. The top of the perforations is at 11,680 feet.

(7) That there is need for certain extensions to the Atoka-San Andres Pool, the North Benson Queen-Grayburg Pool, the North Burton Flats-Wolfcamp Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the South Carlsbad-Morrow Gas Pool, the South Carlsbad-Strawn Gas Pool, the Kennedy Farms-Atoka Gas Pool, the Red Lake-Seven Rivers Pool, the Shugart Pool and the Winchester-Wolfcamp Pool, all in Eddy County, New Mexico, and the Double X-Delaware Pool, the Drinkard Pool, the Midway-Abo Pool, and the Wantz-Granite Wash Pool, all in Lea County, New Mexico.

(8) That the proposed extension to the Kennedy Farms-Morrow Gas Pool, Eddy County, New Mexico, should be dismissed due to an error in advertising.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 24: E/2

(b) That a new pool in Eddy County, New Mexico, classified as a gas pool for Canyon production, is hereby created and

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designated as the Carlsbad-Canyon Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 33: N/2

(d) That a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production, is hereby created and designated as the Washington Ranch-Strawn Pool, consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 24 EAST, NMPM
Section 33: SW/4

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 22: N/2

(f) That the Atoka-San Andres 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 21: NW/4 & W/2 SW/4
Section 22: SW/4

(g) That the North Benson Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 29: S/2 NE/4
Section 32: N/2 SE/4
Section 33: NW/4 NW/4 & S/2 NW/4

(h) That the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 15: E/2

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 25: NW/4

Section 35: N/2

(j) 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 27 EAST, NMPM

Section 5: W/2

(k) That the South Carlsbad-Strawn 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: E/2

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

Section 1: W/2

Section 2: S/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 5: N/2

(l) That the Double X-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM

Section 13: N/2

(m) That the Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Section 7: SE/4

(n) That the Kennedy Farms-Atoka 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 25: N/2

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(o) That the proposed extension to the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico is hereby dismissed.

(p) That the Midway-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 10: S/2

(q) That the Red Lake-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 9: N/2 SE/4 & SE/4 NE/4

(r) That the Shugart Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 2: N/2 SE/4

(s) That the Wantz-Granite Wash Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 35: SE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 2: NE/4

(t) That the Winchester-Wolfcamp Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 1: NW/4 NW/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

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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 July 1, 1976.

DONE at Santa Fe, New Mexico, on the day and year hereinabove 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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