

Entered February 8, 1977

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. 5855
Order No. R-5361

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING VERTICAL
AND HORIZONTAL LIMITS OF CERTAIN POOLS
IN CHAVES, 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 February 2, 1977, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of February, 1977, 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 Illinois Camp-Morrow Gas Pool. Said Illinois Camp-Morrow Gas Pool was discovered by the Yates Petroleum Corporation H-Y State GH Well No. 1 located in Unit K of Section 31, Township 18 South, Range 28 East, NMPM. It was completed in the Morrow formation on September 15, 1976. The top of the perforations is at 10,414 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 Morrow formation, said pool to bear the designation of POW-Morrow Gas Pool. Said POW-Morrow Gas Pool was discovered by the Yates Petroleum Corporation State CK Com Well No. 1 located in Unit C of Section 4, Township 17 South, Range 26

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East, NMPM. It was completed in the Morrow formation on July 27, 1973. The top of the perforations is at 7,963 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 Morrow formation, said pool to bear the designation of Revelation-Morrow Gas Pool. Said Revelation-Morrow Gas Pool was discovered by the Belco Petroleum Corporation Jones Com Well No. 1 located in Unit I of Section 9, Township 22 South, Range 25 East, NMPM. It was completed in the Morrow formation on September 17, 1976. The top of the perforations is at 10,385 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 Delaware formation, said pool to bear the designation of Southwest Sulphate-Delaware Pool. Said Southwest Sulphate-Delaware Pool was discovered by the Hanson Oil Corporation Gulf Federal Well No. 1 located in Unit M of Section 12, Township 25 South, Range 26 East, NMPM. It was completed in the Delaware formation on July 13, 1976. The top of the perforations is at 1,928 feet.

(6) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Fusselman formation, said pool to bear the designation of Teague-Fusselman Pool. Said Teague-Fusselman Pool was discovered by the Carter Foundation Production Company E. C. Hill Federal Well No. 5 located in Unit E of Section 35, Township 23 South, Range 37 East, NMPM. It was completed in the Fusselman formation on December 3, 1976. The top of the perforations is at 8,069 feet.

(7) 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 North Turkey Track-Morrow Gas Pool. Said North Turkey Track-Morrow Gas Pool was discovered by the Hondo Drilling Company Alscott Well No. 1 located in Unit G of Section 31, Township 18 South, Range 29 East, NMPM. It was completed in the Morrow formation on July 6, 1976. The top of the perforations is at 11,079 feet.

(8) That there is need for the extension of the vertical limits of the South Tonto-Yates Pool in Lea County, New Mexico, to include the Seven Rivers formation, redesignating said pool as the South Tonto Yates-Seven Rivers Pool, and the

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extension of the horizontal limits of said South Tonto Yates-Seven Rivers Pool.

(9) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool, Cato-San Andres Pool, the East Chisum-San Andres Pool, and the Many Gates-Abo Pool, all in Chaves County, New Mexico, and the Atoka-Pennsylvanian Gas Pool, the Avalon-Morrow Gas Pool, the Buffalo Valley-Pennsylvanian Gas Pool, the Burton Flat-Morrow Gas Pool, the South Carlsbad-Morrow Gas Pool, the Esperanza-Delaware Pool, the Little Box Canyon-Morrow Gas Pool, the South Loco Hills Queen-Grayburg-San Andres Pool, the Nash Draw-Atoka Gas Pool, the Red Lake-Pennsylvanian Gas Pool, the Scanlon-Morrow Gas Pool, and the Winchester-Morrow Gas Pool, all in Eddy County, New Mexico, and the Corbin-Queen Pool, the Cruz-Delaware Pool, the Hat Mesa-Morrow Gas Pool, the Kemnitz-Morrow Gas Pool, and the Tubb Gas Pool, all in Lea County, New Mexico.

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 Illinois Camp-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 31: S/2

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

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: N/2

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

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 9: E/2

(d) That a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production, is hereby created and

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designated as the Southwest Sulphate-Delaware Pool, consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM

Section 11: E/2 SE/4

Section 12: W/2 SW/4

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 35: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 29: S/2

Section 31: N/2

Section 32: N/2

(g) 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 14: E/2

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 34: S/2

(i) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM

Section 8: S/2

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(j) That the Burton Flat-Morrow 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 34: N/2

(k) 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 7: E/2

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

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM
Section 1: SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 6: S/2 and NE/4

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

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: S/2 NE/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 35: SW/4

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

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 25: NE/4

(p) That the Esperanza-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is

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hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 10: N/2 NE/4

Section 11: W/2 NW/4 and NW/4 SW/4

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM

Section 3: Lots 9, 10, 11, 12, 13 14,
15 and 16

(r) That the Kemnitz-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM

Section 15: W/2

(s) That the Little Box Canyon-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM

Section 13: E/2

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM

Section 18: W/2

(t) That the South Loco Hills Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 32: N/2 NW/4

(u) That the Many Gates-Abo 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 31: NW/4

(v) That the Nash Draw-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described,

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is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM
Section 12: S/2
Section 13: E/2

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

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 29: N/2
Section 30: N/2

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

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 32: N/2

(y) That the vertical limits of the South Tonto-Yates Pool in Lea County, New Mexico, are hereby extended to include the Seven Rivers formation, and said South Tonto-Yates Pool is redesignated the South Tonto Yates-Seven Rivers Pool. Also, said South Tonto Yates-Seven Rivers Pool is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 30: SW/4

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 28: N/2

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 33: N/2

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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 Form 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 March 1, 1977.

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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