

Entered April 26, 1977

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. 5892
Order No. R-5417

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 March 23, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of April, 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 Atoka formation, said pool to bear the designation of East Burton Flat-Atoka Gas Pool. Said East Burton Flat-Atoka Gas Pool was discovered by the J. C. Williamson and D. W. Underwood et al Williamson Federal Well No. 1 located in Unit J of Section 9, Township 20 South, Range 29 East, NMPM. It was completed in the Atoka formation on October 15, 1976. The top of the perforations is at 10,927 feet.
- (3) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of North Eidson-Morrow Gas Pool. Said North Eidson-Morrow Gas Pool was discovered by the Sabine Production Company North Eidson Fee

Well No. 1 located in Unit M of Section 34, Township 15 South, Range 34 East, NMPM. It was completed in the Morrow formation on January 27, 1977. The top of the perforations is at 13,130 feet.

(4) 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 Forehand Ranch-Delaware Pool. Said Forehand Ranch-Delaware Pool was discovered by the Husky Oil Company of Delaware Forehand Well No. 2 located in Unit K of Section 15, Township 23 South, Range 27 East, NMPM. It was completed in the Delaware formation on September 23, 1976. The top of the perforations is at 3737 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 Strawn formation, said pool to bear the designation of Grayburg-Strawn Gas Pool. Said Grayburg-Strawn Gas Pool was discovered by the Amoco Production Company Empire South Deep Unit Gas Com Well No. 8 located in Unit L of Section 33, Township 17 South, Range 29 East, NMPM. It was completed in the Strawn formation on December 8, 1976. The top of the perforations is at 10,160 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 Morrow formation, said pool to bear the designation of Indian Flats-Morrow Gas Pool. Said Indian Flats-Morrow Gas Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 41 located in Unit J of Section 35, Township 21 South, Range 28 East, NMPM. It was completed in the Morrow formation on October 31, 1975. The top of the perforations is at 12,414 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 South Maroon Cliffs-Morrow Gas Pool. Said South Maroon Cliffs-Morrow Gas Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 44 located in Unit H of Section 16, Township 21 South, Range 30 East, NMPM. It was completed in the Morrow formation on October 15, 1975. The top of the perforations is at 13,073 feet.

(8) 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 Quahada Ridge-Atoka Gas Pool. Said Quahada Ridge-Atoka Gas Pool was

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discovered by the Perry R. Bass Big Eddy Unit Well No. 40 located in Unit G of Section 22, Township 21 South, Range 29 East, NMPM. It was completed in the Atoka formation on May 15, 1976. The top of the perforations is at 11,894 feet.

(9) That the proposed creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of East Red Tank-Morrow Gas Pool should be dismissed.

(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 Morrow formation, said pool to bear the designation of South Rock Tank-Morrow Gas Pool. Said South Rock Tank-Morrow Gas Pool was discovered by the Amoco Production Company South Rock Tank Well No. 1 located in Unit H of Section 2, Township 24 South, Range 24 East, NMPM. It was completed in the Morrow formation on November 21, 1974. The top of the perforations is at 10,262 feet.

(11) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Trinity-Wolfcamp Pool. Said Trinity-Wolfcamp Pool was discovered by the Wainoco, Inc. Hodge et al Well No. 1 located in Unit P of Section 28, Township 12 South, Range 38 East, NMPM. It was completed in the Wolfcamp formation on December 6, 1976. The top of the perforations is at 9,560 feet.

(12) That there is need for certain extensions to the Cemetery-Morrow Gas Pool, the North Dagger Draw-Upper Pennsylvanian Pool, the South Empire-Morrow Gas Pool, the Indian Draw-Delaware Pool, the South Loco Hills-Morrow Gas Pool, the Red Lake Queen - Grayburg - San Andres Pool, and the White City-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, and the Baum-Upper Pennsylvanian Pool, the South Bell Lake-Atoka Gas Pool, the South Bell Lake-Morrow Gas Pool, the Blinebry Oil and Gas Pool, the North Teague-Devonian Gas Pool, the North Vacuum-Abo Pool, and the Warren-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 Atoka production, is hereby created and designated as the East Burton Flats-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 9: E/2

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

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 34: W/2

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 15: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 33: S/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 35: E/2

(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 South Maroon Cliffs-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 30 EAST, NMPM
Section 16: E/2

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

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 22: N/2

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(h) That the proposed new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the East Red Tank-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 25: N/2

is hereby dismissed.

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

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

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

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM
Section 28: SE/4

(k) That the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 30: NE/4

(l) That the South Bell Lake-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 31: S/2
Section 32: W/2

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

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 36: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 21: SW/4
Section 28: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 36: S/2

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 28: S/2
Section 31: S/2
Section 32: S/2
Section 33: All
Section 34: N/2
Section 35: N/2

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 1: All

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 6: Lots 1, 2, 7, 8, 9, 10, 15 & 16

(p) That the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 13: SE/4

(q) That the South Empire-Morrow Gas 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 5: S/2

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

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 7: S/2 SW/4
Section 18: N/2 NE/4

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

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 29: All

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

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 22: S/2 NE/4
Section 23: S/2 SE/4 & SW/4 NW/4

(u) That the North Teague-Devonian Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 22: SE/4

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

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 2: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 21: S/2

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

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 15: All
Section 28: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 2: All

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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 May 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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