Entered January 24, 1978

## 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. 6136 Order No. R-5626

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

# ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 18, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>24th</u> day of January, 1978, 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 oil pool in Lea County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Caprock-San Andres Pool. Said Caprock-San Andres Pool was discovered by the Elk Oil Company State D.J. Well No. 1 located in Unit H of Section 2, Township 12 South, Range 32 East, NMPM. It was completed in the San Andres formation on July 15, 1977. The top of the perforations is at 4190 feet.

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Yates formation, said pool to bear the designation of West Scarborough-Yates Pool. Said West Scarborough-Yates Pool was discovered by the Gifford, Mitchell & Wisenbaker Horse Back Well No. 2 located in Unit G of Section 33, Township 26 South, Range 36 East, NMPM. It was completed in the Yates formation on October 14, 1977. The top of the perforations is at 3140 feet. -2-Case No. 6136 Order No. R-5626

(4) 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 Sombrero-Morrow Gas Pool. Said Sombrero-Morrow Gas Pool was discovered by the Phillips Petroleum Company Michel Well No. 1 located in Unit C of Section 13, Township 16 South, Range 33 East, NMPM. It was completed in the Morrow formation on September 27, 1977. The top of the perforations is at 13,062 feet.

(5) That there is need for the creation of a new gas pool in Chaves County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of East Vest Ranch-Morrow Gas Pool. Said East Vest Ranch-Morrow Gas Pool was discovered by the Cockrell Corporation Occidental Federal Well No. 1 located in Unit A of Section 22, Township 14 South, Range 30 East, NMPM. It was completed in the Morrow formation on November 1, 1977. The top of the perforations is at 10,668 feet.

(6) That there is need for certain extensions to the Tom-Tom-San Andres Pool in Chaves County, New Mexico, the Blinebry Oil and Gas Pool, the Brinninstool-Morrow Gas Pool, the South Brunson-Granite Wash Pool, the West Kemnitz-Lower Wolfcamp Pool, the Querecho Plains-Queen Pool, the Townsend-Wolfcamp Pool, the North Vacuum-Abo Pool, the Warren-Tubb Gas Pool, the West Warren-Blinebry Pool, all in Lea County, New Mexico, and the Bluitt-Wolfcamp Pool in Roosevelt County, New Mexico.

#### IT IS THEREFORE ORDERED:

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

> TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM Section 2: NE/4

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

> TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM Section 33: NE/4

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

> TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 13: NW/4

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

> TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM Section 22: N/2

(e) 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 23: SW/4 Section 26: NW/4

(f) That the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM Section 10: NE/4 Section 11: NW/4

(g) That the Brinninstool-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 21: W/2

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

> TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM Section 31: SW/4

(i) That the West Kemnitz-Lower Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 29: S/2 Section 30: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 27: NW/4 -4-Case No. 6136 Order No. R-5626

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

> TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM Section 23: SW/4 Section 26: W/2 Section 33: SE/4

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

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM Section 27: SE/4

(m) 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 15: NW/4

(n) 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 23: SW/4 Section 26: NW/4

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

TOWNSHIL			RANGE	38	EAST,	NMPM
Section	20:	SW/4				
Section	29:	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 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 nonstandard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable. -5-Case No. 6136 Order No. R-5626

(2) That the effective date of this order and all creations and extensions included herein shall be February 1, 1978.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION Lucero Ĩ PHIL R. LUCERO, Chairman Lagar C aur ENERY C. ARNOLD, Member mer L JOE D. RAMEY, Member & Secretary

SEAL