

Entered November 30, 1978

JOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE
OF CONSIDERING:

CASE NO. 6376
Order No. R-5876

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN ORDER
CREATING, EXTENDING VERTICAL LIMITS AND
REDESIGNATING POOL, AND EXTENDING
HORIZONTAL LIMITS OF CERTAIN POOLS IN
CHAVES, EDDY, AND LEA COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 8, 1978, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of November, 1978, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.
- (2) That there is need for the creation of a new gas pool in Chaves County, New Mexico, for the production of gas from the Pennsylvanian formation, said pool to bear the designation of Mescalero Sands-Pennsylvanian Gas Pool. Said Mescalero Sands-Pennsylvanian Gas Pool was discovered by the Petroleum Development Corporation Estelle Federal Well No. 1 located in Unit E of Section 34, Township 12 South, Range 30 East, NMPM. It was completed June 21, 1978, in the Pennsylvanian formation. The top of the perforations is at 9,319 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 Sioux-Yates Pool. Said Sioux-Yates Pool was discovered by the Gifford,

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Mitchell and Wisenbaker Tishman Federal Well No. 1 located in Unit N of Section 5, Township 26 South, Range 36 East, NMPM. It was completed July 7, 1978, in the Yates formation. The top of the perforations is at 3,203 feet.

(4) That there is need for the extension of the vertical limits of the Box Canyon-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include the Canyon and Wolfcamp formations and the redesignation of said Box Canyon-Upper Pennsylvanian Gas Pool as the Box Canyon-Permo Pennsylvanian Gas Pool, and the extension of the horizontal limits of said Box Canyon-Permo Pennsylvanian Gas Pool.

(5) That there is need for certain extensions to the Avalon-Strawn Gas Pool, the North Burton Flats-Wolfcamp Gas Pool, the East Carlsbad-Morrow Gas Pool, the South Carlsbad-Morrow Gas Pool, the Eagle Creek-Strawn Gas Pool, the East Empire Yates-Seven Rivers Pool, the Forehand Ranch-Delaware Pool, the West Malaga-Morrow Gas Pool, the Revelation-Morrow Gas Pool, the Rock Tank-Upper Morrow Gas Pool, the Southwest Sulphate-Delaware Pool, the White City-Pennsylvanian Gas Pool, the Winchester-Upper Pennsylvanian Gas Pool, and the Winchester-Wolfcamp Gas Pool, all in Eddy County, New Mexico, the Blinebry Oil and Gas Pool, the Comanche Stateline Tansill-Yates Pool, the Fowler-Tubb Gas Pool, the Jenkins-San Andres Pool, the Kemnitz-Cisco Pool, the East Lusk-Wolfcamp Pool, the South Salt Lake-Morrow Gas Pool, the Wantz-Granite Wash Pool, the Watkins Yates-Seven Rivers-Queen-Grayburg Pool, and the Wilson-Morrow Gas Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 12 SOUTH, RANGE 30 EAST, NMPM
Section 34: W/2

(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 Sioux-Yates Pool, consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM
Section 31: NE/4
Section 32: W/2

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TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 5: W/2

(c) That the Avalon-Strawn 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 31: N/2
Section 32: N/2
Section 33: All

(d) 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 26: SE/4

(e) That the vertical limits of the Box Canyon-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, are hereby extended to include the Canyon and Wolfcamp formations and said Box Canyon-Upper Pennsylvanian Gas Pool is hereby redesignated the Box Canyon-Permo Pennsylvanian Gas Pool and the horizontal limits of said pool are extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM
Section 13: All
Section 23: S/2
Section 26: E/2
Section 35: E/2
Section 36: W/2

TOWNSHIP 22 SOUTH, RANGE 21 EAST, NMPM
Section 1: N/2

(f) 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 28: S/2
Section 33: E/2

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(g) That the East Carlsbad-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 27: S/2

(h) 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 34: E/2

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 28: N/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 10: N/2
Section 21: S/2

(i) That the Comanche Stateline Tansill-Yates Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

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

(j) That the Eagle Creek-Strawn 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 29: W/2

(k) That the East Empire Yates-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 22: SW/4 and W/2 SE/4

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

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

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

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 16: SE/4

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

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 28: S/2

(o) That the Kemnitz-Cisco 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 16: W/2

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 10: N/2 and SW/4
Section 15: NW/4

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 9: N/2

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

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 3: W/2

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

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
Section 1: All

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

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 25: N/2

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

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 14: NE/4 NE/4

(v) That the Wantz-Granite Wash 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 3: NE/4

(w) That the Watkins Yates-Seven Rivers-Queen-Grayburg Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 6: SW/4

(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 8: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 4: All

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

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 14: S/2

(z) That the Winchester-Upper Pennsylvanian 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 24: S/2

(aa) That the Winchester-Wolfcamp 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 26: E/2 and SW/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 Division. 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 Division within said 60-day period shall subject the well to cancellation of allowable.

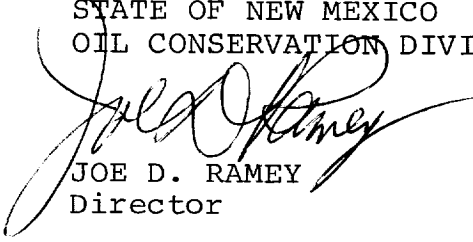
(2) That the effective date of this order and all creations, extensions, and redesignations included herein shall be December 1, 1978.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

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