

Entered January 23, 1979  
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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. 6421  
Order No. R-5911

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, LEA,  
AND ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 17,  
1979, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 23rd day of January, 1979, 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 oil pool  
in Eddy County, New Mexico, for the production of oil from the  
Wolfcamp formation, said pool to bear the designation of Avalon-  
Wolfcamp Pool. Said Avalon-Wolfcamp Pool was discovered by the  
Maralo, Inc. Hanson Federal Well No. 2 located in Unit O of  
Section 28, Township 20 South, Range 27 East, NMPM. It was com-  
pleted May 21, 1975, in the Wolfcamp formation. The top of the  
perforations is at 8,332 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  
Atoka formation, said pool to bear the designation of Black  
River-Atoka Gas Pool. Said Black River-Atoka Gas Pool was dis-  
covered by the HNG Oil Company Bowden 25 Federal Com Well No. 1  
located in Unit I of Section 25, Township 24 South, Range 26  
East, NMPM. It was completed May 15, 1973, in the Atoka formation.  
The top of the perforations is at 11,210 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 Strawn formation, said pool to bear the designation of Box Canyon-Strawn Gas Pool. Said Box Canyon-Strawn Gas Pool was discovered by the Yates Petroleum Corporation Huber IA Federal Well No. 2 located in Unit P of Section 15, Township 21 South, Range 21 East, NMPM. It was completed April 6, 1978, in the Strawn formation. The top of the perforations is at 6,790 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 Cotton Draw-Delaware Pool. Said Cotton Draw-Delaware Pool was discovered by the Coquina Oil Corporation El Paso Federal Well No. 1 located in Unit K of Section 12, Township 24 South, Range 31 East, NMPM. It was completed July 16, 1978, in the Delaware formation. The top of the perforations is at 4,590 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 East Cottonwood Creek-Atoka Gas Pool. Said East Cottonwood Creek-Atoka Gas Pool was discovered by the Yates Petroleum Corporation Lizzie Howard HK Well No. 1 located in Unit K of Section 13, Township 16 South, Range 25 East, NMPM. It was completed April 13, 1977, in the Atoka formation. The top of the perforations is at 7,178 feet.

(7) 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-Seven Rivers formation, said pool to bear the designation of North Custer Yates-Seven Rivers Pool. Said North Custer Yates-Seven Rivers Pool was discovered by the Gifford, Mitchell & Wisenbaker Amoco State Well No. 1 located in Unit B of Section 36, Township 24 South, Range 35 East, NMPM. It was completed September 14, 1978, in the Yates-Seven Rivers formation. The top of the perforations is at 3,668 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 Diamond Mound-Atoka Gas Pool. Said Diamond Mound-Atoka Gas Pool was discovered by the Northern Natural Gas Company Vandagriff Federal Well No. 1 located in Unit K of Section 1, Township 16 South, Range 27 East, NMPM. It was completed June 8, 1972, in the Atoka formation. The top of the perforations is at 8,698 feet.

(9) 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 Fenton Draw-Morrow Gas Pool. Said Fenton Draw-Morrow Gas Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 53 located in Unit G of Section 8, Township 21 South, Range 28 East, NMPM. It was completed June 20, 1978, in the Morrow formation. The top of the perforations is at 11,639 feet.

(10) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Cherry Canyon formation, said pool to bear the designation of Herradura Bend-Cherry Canyon Pool. Said Herradura Bend-Cherry Canyon Pool was discovered by The Eastland Oil Company City of Carlsbad Well No. 1 located in Unit K of Section 29, Township 22 South, Range 28 East, NMPM. It was completed August 5, 1978, in the Cherry Canyon formation. The top of the perforations is at 3,274 feet.

(11) 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 High Hope-Atoka Gas Pool. Said East High Hope-Atoka Gas Pool was discovered by the Beard Oil Company Hagstrom Well No. 1 located in Unit K of Section 8, Township 17 South, Range 24 East, NMPM. It was completed March 29, 1978, in the Atoka formation. The top of the perforations is at 7,022 feet.

(12) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Hume-Atoka Gas Pool. Said Hume-Atoka Gas Pool was discovered by the Mewbourne Oil Company State E Com Well No. 1 located in Unit V of Section 6, Township 16 South, Range 34 East, NMPM. It was completed May 13, 1977, in the Atoka formation. The top of the perforations is at 12,474 feet.

(13) 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 Loafer Draw-Strawn Gas Pool. Said Loafer Draw-Strawn Gas Pool was discovered by the Inexco Oil Company Arroyo Federal Well No. 1 located in Unit K of Section 26, Township 21 South, Range 22 East, NMPM. It was completed August 25, 1978, in the Strawn formation. The top of the perforations is at 8,399 feet.

(14) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Cisco Canyon formation, said pool to bear the designation of Logan Draw-Cisco Canyon Gas Pool. Said Logan Draw-Cisco Canyon

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Gas Pool was discovered by Mesa Petroleum Company Potter Federal Com Well No. 1 located in Unit B of Section 29, Township 17 South, Range 27 East, NMPM. It was completed October 8, 1977, in the Cisco Canyon formation. The top of the perforations is at 7,697 feet.

(15) 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 Loving-Morrow Gas Pool. Said North Loving-Morrow Gas Pool was discovered by the Cities Service Company Polk A Com Well No. 1 located in Unit B of Section 17, Township 23 South, Range 28 East, NMPM. It was completed June 28, 1978, in the Morrow formation. The top of the perforations is at 12,144 feet.

(16) 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 North Loving-Strawn Gas Pool. Said North Loving-Strawn Gas Pool was discovered by the Cities Service Company Polk A Com Well No. 1 located in Unit B of Section 17, Township 23 South, Range 28 East, NMPM. It was completed June 27, 1978, in the Strawn formation. The top of the perforations is at 11,152 feet.

(17) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Drinkard formation, said pool to bear the designation of Lovington-Drinkard Pool. Said Lovington-Drinkard Pool was discovered by the Getty Oil Company State "O" Well No. 12 located in Unit J of Section 31, Township 16 South, Range 37 East, NMPM. It was completed September 14, 1978, in the Drinkard formation. The top of the perforations is at 7,849 feet.

(18) 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 South Millman-Atoka Gas Pool. Said South Millman-Atoka Gas Pool was discovered by the Hondo Oil and Gas Company Hondo 22 State Well No. 1 located in Unit H of Section 22, Township 19 South, Range 28 East, NMPM. It was completed December 13, 1977, in the Atoka formation. The top of the perforations is at 10,477 feet.

(19) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Premier formation, said pool to bear the designation of Pavo Mesa-Premier Gas Pool. Said Pavo Mesa-Premier Gas Pool was discovered by the Carl A. Schellinger Exxon Federal Well No. 1 located in Unit M of Section 29, Township 16 South, Range 29 East, NMPM. It was completed October 3, 1978, in the Premier formation. The top of the perforations is at 2,360 feet.

(20) 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 Penasco Draw-Morrow Gas Pool. Said Penasco Draw-Morrow Gas Pool was discovered by the Morris R. Antweil Penasco Well No. 1 located in Unit O of Section 20, Township 18 South, Range 25 East, NMPM. It was completed June 23, 1977, in the Morrow formation. The top of the perforations is at 8,634 feet.

(21) That there is need for the extension of the vertical limits of the Monument-Tubb Pool in Lea County, New Mexico, to include the Drinkard formation and the redesignation of said Monument-Tubb Pool as the Monument Tubb-Drinkard Pool. The Amoco Production Company Gillully B Federal Well No. 20 located in Unit H of Section 21, Township 20 South, Range 37 East, NMPM, has been completed in the Tubb and Drinkard formations.

(22) That there is need for certain extensions to the Southeast Chaves Queen Gas Area and the Tom-Tom San Andres Pool, both in Chaves County, New Mexico, the South Empire-Morrow Gas Pool, the South Millman-Morrow Gas Pool, the Penasco Draw-Atoka Gas Pool, and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, the Blinebry Oil and Gas Pool, the Jenkins-San Andres Pool, the Langley-Ellenburger Gas Pool, the Lovington-Queen Gas Pool, the Sioux-Yates Pool, the Sombrero-Morrow Gas Pool, the West Tonto-Pennsylvanian Gas Pool, the Tubb Gas Pool, the Wantz-Abo Pool, and the Warren-Tubb Gas Pool, all in Lea County, New Mexico, and the South Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM  
Section 28: SE/4

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

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM  
Section 25: E/2

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

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM  
Section 15: S/2

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

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM  
Section 12: 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 East Cottonwood Creek-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 25 EAST, NMPM  
Section 13: W/2

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

TOWNSHIP 24 SOUTH, RANGE 35 EAST, NMPM  
Section 36: NE/4

(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 Diamond Mound-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM  
Section 1: All  
Section 2: Lots 1, 2, 7, 8, 9, 10, 15, and 16

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM  
Section 8: E/2

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(i) That a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production, is hereby created and designated as the Herradura Bend-Cherry Canyon Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 29: SW/4

(j) 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 High Hope-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM  
Section 8: W/2  
Section 17: W/2  
Section 18: All

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM  
Section 6: S/2

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

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM  
Section 26: S/2

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

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM  
Section 29: N/2

(n) 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 Loving-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 16: W/2  
Section 17: N/2

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

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 17: N/2

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM  
Section 31: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM  
Section 22: E/2

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

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM  
Section 29: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM  
Section 24: E/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 19: All  
Section 20: S/2  
Section 29: All  
Section 30: N/2  
Section 32: N/2



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(t) That the vertical limits of the Monument-Tubb Pool in Lea County, New Mexico, are hereby extended to include the Drinkard formation, and said Monument-Tubb Pool is hereby re-designated as the Monument Tubb-Drinkard Pool.

(u) 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 21 SOUTH, RANGE 37 EAST, NMPM  
Section 8: S/2

(v) That the Southeast Chaves Queen Gas Area in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 13 SOUTH, RANGE 31 EAST, NMPM  
Section 3: S/2

(w) 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 17 SOUTH, RANGE 28 EAST, NMPM  
Section 36: E/2

(x) 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 27: SW/4

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

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM  
Section 21: S/2

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

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM  
Section 1: S/2  
Section 12: W/2

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(aa) That the South Millman-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 19: S/2

(bb) That the Penasco Draw-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM  
Section 27: W/2  
Section 28: All

(cc) That the South Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM  
Section 31: SE/4 SE/4

(dd) That the Sioux-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 8: N/2  
Section 9: NW/4

(ee) That the Sombrero-Morrow Gas 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 12: W/2

(ff) 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 32: E/2

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM  
Section 5: NE/4

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(gg) That the West Tonto-Pennsylvanian Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 8: W/2

(hh) 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 6: SW/4  
Section 7: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 5: N/2

(jj) That the Wantz-Abo 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 34: NE/4

(kk) 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 26: SE/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

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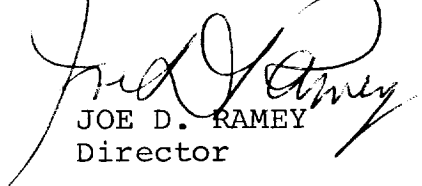
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the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, extensions, and redesignations included herein shall be February 1, 1979.

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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