

Entered April 25, 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. 6499
Order No. R-5987

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 14, 1979,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 25th day of April, 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 gas pool
in Eddy County, New Mexico, for the production of gas from the
Morrow formation, said pool to bear the designation of Antelope
Sink-Morrow Gas Pool. Said Antelope Sink-Morrow Gas Pool was
discovered by the Maddox Energy Corporation State 32 Well No. 1
located in Unit I of Section 32, Township 18 South, Range 24
East, NMPM. It was completed May 8, 1978, in the Morrow forma-
tion. The top of the perforations is at 8329 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 Baldridge
Canyon-Morrow Gas Pool. Said Baldridge Canyon-Morrow Gas Pool
was discovered by the W. A. Moncrief, Jr. Baldridge Canyon Com
Well No. 1 located in Unit G of Section 13, Township 24 South,

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Range 24 East, NMPM. It was completed September 13, 1978, in the Morrow formation. The top of the perforations is at 10,789 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 Burton Flat-Delaware Pool. Said Burton Flat-Delaware Pool was discovered by the Yates Petroleum Corporation Stonewall EP State Well No. 3 located in Unit N of Section 19, Township 20 South, Range 28 East, NMPM. It was completed October 17, 1977, in the Delaware formation. The top of the perforations is at 4369 feet.

(5) 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 East Crossroads-San Andres Pool. Said East Crossroads-San Andres Pool was discovered by the MGF Oil Corporation Thompson Well No. 1 located in Unit A of Section 13, Township 10 South, Range 36 East, NMPM. It was completed November 9, 1978, in the San Andres formation. The top of the perforations is at 4942 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 South Culebra Bluff-Atoka Gas Pool. Said South Culebra Bluff-Atoka Gas Pool was discovered by the Delta Drilling Company South Culebra Bluff Unit Well No. 1 located in Unit G of Section 23, Township 23 South, Range 28 East, NMPM. It was completed October 16, 1978, in the Atoka formation with open hole from 10,750 feet to 10,879 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 Dublin Ranch-Morrow Gas Pool. Said Dublin Ranch-Morrow Gas Pool was discovered by the J. C. Barnes Oil Company Big Chief Com Well No. 1 located in Unit F of Section 22, Township 22 South, Range 28 East, NMPM. It was completed August 9, 1978, in the Morrow formation. The top of the perforations is at 12,150 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 Morrow formation, said pool to bear the designation of Gardner Draw-Morrow Gas Pool. Said Gardner Draw-Morrow Gas Pool was discovered by the Phoenix Resources Company Gardner Draw Unit Well No. 1 located in Unit C of Section 20, Township 19 South, Range 21 East, NMPM. It was completed May 18, 1978, in the Morrow formation. The top of the perforations is at 7018 feet.

(9) 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 Jubilee-Pennsylvanian Gas Pool. Said Jubilee-Pennsylvanian Gas Pool was discovered by the Tom L. Ingram Jubilee Well No. 1 located in Unit E of Section 28, Township 10 South, Range 29 East, NMPM. It was completed August 18, 1977, in the Pennsylvanian formation. The top of the perforations is at 8380 feet.

(10) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Mississippian formation, said pool to bear the designation of King-Mississippian Gas Pool. Said King-Mississippian Gas Pool was discovered by the Cabot Corporation J. L. Reed Well No. 1 located in Unit H of Section 35, Township 13 South, Range 37 East, NMPM. It was completed July 17, 1978, in the Mississippian formation. The top of the perforations is at 11,421 feet.

(11) That there is need for the creation of a new gas pool in Chaves County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Lone Wolf-Atoka Gas Pool. Said Lone Wolf-Atoka Gas Pool was discovered by the Depco, Inc. Sundance A Federal Well No. 1 located in Unit J of Section 25, Township 12 South, Range 29 East, NMPM. It was completed July 17, 1978, in the Atoka formation. The top of the perforations is at 8886 feet.

(12) That there is need for the creation of a new gas pool in Chaves County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of Lost Lake-Strawn Gas Pool. Said Lost Lake-Strawn Gas Pool was discovered by the Texas Oil and Gas Corporation O'Brien Well No. 1 located in Unit I of Section 11, Township 9 South, Range 29 East, NMPM. It was completed May 27, 1977, in the Strawn formation. The top of the perforations is at 8708 feet.

(13) 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 West Mescalero-Morrow Gas Pool. Said West Mescalero-Morrow Gas Pool was discovered by the Natomas North America, Inc. New Mexico State Well No. 1 located in Unit M of Section 19, Township 10 South, Range 32 East, NMPM. It was completed July 11, 1978, in the Morrow formation. The top of the perforations is at 10,756 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 Permo Penn formation, said pool to bear the designation of

Penasco Draw-Permo Penn Gas Pool. Said Penasco Draw-Permo Penn Gas Pool was discovered by the Yates Petroleum Corporation La Cama Com Well No. 1 located in Unit F of Section 20, Township 18 South, Range 25 East, NMPM. It was completed October 24, 1977, in the Upper Penn formation. The top of the perforations is at 6919 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 Siegreist Draw-Morrow Gas Pool. Said Siegreist Draw-Morrow Gas Pool was discovered by the Yates Petroleum Corporation Siegreist JS State Com Well No. 1 located in Unit C of Section 30, Township 19 South, Range 24 East, NMPM. It was completed July 28, 1978, in the Morrow formation. The top of the perforations is at 8435 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 Atoka formation, said pool to bear the designation of North Turkey Track-Atoka Gas Pool. Said North Turkey Track-Atoka Gas Pool was discovered by the Amoco Production Company State ER Com Well No. 1 located in Unit G of Section 6, Township 19 South, Range 29 East, NMPM. It was completed December 11, 1977, in the Atoka formation. The top of the perforations is at 10,568 feet.

(17) That there is need for the contraction of the vertical limits of the Monument Tubb-Drinkard Pool in Lea County, New Mexico, to the Tubb formation only and the redesignation of said pool as the Monument-Tubb Pool.

(18) That there is need for certain extensions to the Buffalo Valley-Penn Gas Pool, the Cato-San Andres Pool, the East Chisum-San Andres Pool, the Double L Queen Associated Pool, the Round Tank-Queen Associated Pool, and the Twin Lake-San Andres Associated Pool, all in Chaves County, New Mexico, and the Angell Ranch-Morrow Gas Pool, the Cedar Lake-Morrow Gas Pool, the East Eagle Creek Atoka-Morrow Gas Pool, the West Indian Basin-Morrow Gas Pool, the Millman-Strawn Gas Pool, and the Richard Knob Atoka-Morrow Gas Pool, all in Eddy County, New Mexico, and the South Corbin-Wolfcamp Pool, the Drinkard Pool, the Grama Ridge-Morrow Gas Pool, the Querecho Plains-Bone Springs Pool, the South Salt Lake-Morrow Gas Pool, and the North Teague-Devonian Pool, all in Lea County, New Mexico, and the South Prairie-Wolfcamp Pool and the Tomahawk-San Andres Pool, both in Roosevelt County, New Mexico.

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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 Antelope Sink-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 32: E/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 Baldridge Canyon-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 13: E/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 Burton Flat-Delaware Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 19: SW/4

(d) 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 East Crossroads-San Andres Pool, consisting of the following described area:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 13: NE/4 and S/2
Section 14: SW/4
Section 23: NE/4

TOWNSHIP 10 SOUTH, RANGE 37 EAST, NMPM
Section 18: NW/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 South Culebra Bluff-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 14: E/2
Section 23: All
Section 26: All

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(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 Dublin Ranch-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 22: All
Section 27: N/2

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

TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM
Section 17: W/2
Section 19: N/2
Section 20: N/2

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

TOWNSHIP 10 SOUTH, RANGE 29 EAST, NMPM
Section 28: W/2

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

TOWNSHIP 13 SOUTH, RANGE 37 EAST, NMPM
Section 35: NE/4

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

TOWNSHIP 12 SOUTH, RANGE 29 EAST, NMPM
Section 25: S/2

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

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM

Section 2: S/2

Section 11: All

Section 14: N/2

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

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM

Section 19: W/2

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM

Section 18: S/2

Section 19: All

Section 20: All

Section 21: W/2

Section 30: All

Section 31: All

(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 Siegreist Draw-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 30: N/2

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

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 6: N/2

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 35: E/2

(q) 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 17: S/2

(r) 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 31 EAST, NMPM
Section 5: NW/4 SW/4

(s) That the Cedar Lake-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 25: W/2
Section 26: E/2
Section 36: NW/4

(t) 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 9: E/2 NE/4
Section 10: W/2 NW/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 20: SW/4

(v) That the Double L Queen Associated Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 24: NW/4 and E/2 SW/4
Section 36: NW/4 NW/4, S/2 NW/4 and SW/4

(w) That the Drinkard 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 12: SE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 18: SE/4

(x) That the East Eagle Creek Atoka-Morrow 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 7: N/2

(y) That the Grama Ridge-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 35: All

(z) That the vertical limits of the Monument Tubb-Drinkard Pool in Lea County, New Mexico, are hereby contracted to the Tubb formation only, and said pool is hereby redesignated as the Monument-Tubb Pool.

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

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM
Section 23: E/2

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 12: E/2

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

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 20: N/2

(dd) That the Querecho Plains-Bone Spring 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 34: NW/4

(ee) That the Richard Knob Atoka-Morrow 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 7: All
Section 18: N/2

(ff) That the Round Tank-Queen Associated Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 30: NE/4

(gg) 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 21 SOUTH, RANGE 32 EAST, NMPM
Section 5: Lots 11, 12, 13, 14, and SW/4

(hh) That the North Teague-Devonian 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: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 30: SW/4

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

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 36: NE/4

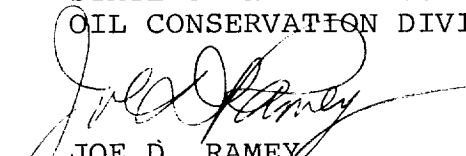
IT IS FURTHER ORDERED:

(1) That, pursuant to Section 70-2-18, NMSA 1978, 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 May 1, 1979.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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