

Entered August 14, 1980
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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
COMMISSION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 6848 DE NOVO
Order No. R-6332-A
NOMENCLATURE

APPLICATION OF PETROLEUM DEVELOPMENT
CORPORATION FOR POOL CONTRACTION AND
CREATION, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 5, 1980, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 14th day of August, 1980, the Commission, a quorum being present, having considered the testimony, the record, and the exhibits, and being fully advised in the premises,

FINDS:

(1) That Case No. 6848 originally came on for hearing before Examiner Richard L. Stamets on March 26, 1980, whereupon the Division entered Order No. R-6332 on April 30, 1980, denying the application.

(2) That the applicant filed timely application for hearing de novo of Case No. 6848 and this case was set for hearing before the Commission.

(3) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(4) That the applicant in this case, Petroleum Development Corporation, requested the contraction of the vertical limits of the Querecho Plains-Bone Spring Pool in Sections 27 and 34, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico, to comprise the Upper Bone Spring formation only, from 8390 feet to 8680 feet, and the creation of the Querecho Plains-Lower Bone Spring Pool to comprise the Lower Bone Spring formation only,

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from 8680 feet to the base of the Bone Spring formation, all depths being from the log of applicant's McKay West Federal Well No. 1, located in Unit F of the aforesaid Section 34.

(5) That pressure and production information indicates there are at least two distinct separate reservoirs within the Bone Spring formation in the present Querecho Plains-Bone Spring Pool.

(6) That it appears that the upper section of the Bone Spring formation should be designated a pool, and that said pool should be known as the Querecho Plains-Upper Bone Spring Pool with vertical limits from 8390 feet to 8680 feet on the log of the McKay West Federal Well No. 1 located in Unit F of Section 34, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico, and with horizontal limits comprising the following described lands:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: SW/4
Section 34: NW/4

(7) That to accomplish the above-described designation of an upper Bone Spring pool, it would be best to contract the vertical limits of the present Querecho Plains-Bone Spring Pool to the limits described above, extend the horizontal limits of said pool to the horizontal limits described above, and redesignate said pool the Querecho Plains-Upper Bone Spring Pool.

(8) That there is need for the creation of a lower Bone Spring pool, said pool to be designated the Querecho Plains-Lower Bone Spring Pool and have vertical limits from 8680 feet to the base of the Bone Spring formation on the log of the above-described McKay West Federal Well No. 1, and horizontal limits comprising the following described lands:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: SW/4
Section 34: NW/4

(9) That an order embodying the above findings will not impair correlative rights nor cause waste and should be approved.

IT IS THEREFORE ORDERED:

(1) That the Querecho Plains-Bone Spring Pool in Lea County, New Mexico, is hereby redesignated the Querecho Plains-Upper Bone

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Spring Pool, and the vertical limits of said Querecho Plains-Upper Bone Spring Pool are established as being that interval in the Bone Spring formation from 8390 feet to 8680 feet on the log of the Petroleum Development Corporation McKay West Federal Well No. 1 located in Unit F of Section 34, Township 18 South, Range 32 East, NMPM, Lea County, New Mexico, and the horizontal limits of said pool are established as comprising the following described area:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: SW/4
Section 34: NW/4

(2) That a new pool for Lower Bone Spring production, classified as an oil pool and designated the Querecho Plains-Lower Bone Spring Pool is hereby created, with vertical limits established as being that interval in the Bone Spring formation from 8680 feet to the base of the Bone Spring formation on the log of the aforementioned Petroleum Development Corporation McKay West Federal Well No. 1, and the horizontal limits of said pool are established as comprising the following described lands in Lea County, New Mexico:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 27: SW/4
Section 34: NW/4

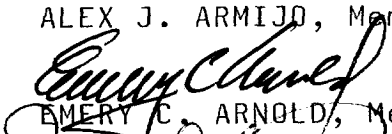
(3) That this order shall become effective February 21, 1980.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

ALEX J. ARMIJO, Member


EMERY C. ARNOLD, Member


JOE D. RAMEY, Member & Secretary

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