

Entered April 30, 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  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 6848  
Order No. R-6332  
NOMENCLATURE

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on March 26, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of April, 1980, 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 the applicant, Petroleum Development Corporation, seeks the contraction of the Querecho Plains-Bone Spring Pool to comprise the Upper Bone Spring formation only, from 8390 feet to 8680 feet on the log of its McKay West Federal Well No. 1 located in Unit F of Section 34, Township 18 South, Range 32 East, and the creation of the Querecho Plains-Lower Bone Spring Pool to comprise said formation from 8680 feet to the base of the Bone Spring underlying the NW/4 of said Section 34.

(3) That the application is based upon the temporary completion of applicant's said McKay West Federal Well No. 1 in isolated Second Bone Spring and Third Bone Spring lime zones during July, 1975.

(4) That said well produced a total of only 1296 barrels of oil from these isolated Bone Springs zones before depleting

-2-

Case No. 6848  
Order No. R-6332

them and was subsequently recompleted in a First Bone Spring sand zone during February, 1980.

(5) That the McKay West Federal Well No. 1 is completed in the same First Bone Spring sand zone as the discovery well for said Querecho Plains-Bone Springs Pool and there are no other producing Bone Spring horizons within or adjacent to the horizontal limits of said pool.

(6) That at this time there are no engineering or geologic reasons to grant the applicant's request in this case.

(7) That the arbitrary designation of upper and lower Bone Spring stratigraphic units for purposes of production could result in separation of zones which should be produced as a unit.

(8) That pending further development, the application for designation of a Querecho Plains-Upper Bone Springs Pool and Querecho Plains-Lower Bone Springs Pool should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Petroleum Development Corporation for contraction of the vertical limits of the Querecho Plains-Bone Springs Pool to include only the Upper Bone Springs formation and creation of a Querecho Plains-Lower Bone Spring Pool is hereby denied.

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

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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