

Entered April 2, 1981
JMR

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. 7197
Order No. R-6623

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN ORDER
CREATING AND EXTENDING VERTICAL AND
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 March 11, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 7th day of April, 1981, 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 pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Bilbrey-Morrow Gas Pool. Said Bilbrey-Morrow Gas Pool was discovered by the Getty Oil Company Getty 32 State Com Well No. 1 located in Unit G of Section 32, Township 21 South, Range 32 East, NMPM. It was completed in the Morrow formation on December 20, 1980. The top of the perforations is at 14,394 feet.

(3) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of East Grama Ridge-Strawn Gas Pool. Said East Grama Ridge-Strawn Gas Pool was discovered by the Minerals, Inc. Llano "3" State Com Well No. 1 located in Unit H of Section 3, Township 22 South, Range 34 East, NMPM. It was completed in the Strawn formation on December 19,

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1980. The top of the perforations is at 11,653 feet.

(4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Lera-Morrow Gas Pool. Said Lera-Morrow Gas Pool was discovered by the John L. Cox Proctor Well No. 1 located in Unit D of Section 7, Township 11 South, Range 32 East, NMPM. It was completed in the Morrow formation on December 20, 1980. The top of the perforations is at 10,907 feet.

(5) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of East Triste Draw-Wolfcamp Pool. Said East Triste Draw-Wolfcamp Pool was discovered by the Getty Oil Company State 29 J Well No. 1 located in Unit J of Section 29, Township 24 South, Range 33 East, NMPM. It was completed in the Wolfcamp formation on November 3, 1980. The top of the perforations is at 13,166 feet.

(6) That there is need for the extension of the vertical limits of the Comanche Stateline Tansill-Yates-Seven Rivers Pool in Lea County, New Mexico, to include the Queen formation and said pool redesignated to Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool.

(7) That there is need for certain extensions to the Bull's Eye-San Andres Pool, the Chaveroo-San Andres Pool, the Diablo-San Andres Pool, the Diamond Mound-Atoka Gas Pool, the L.E. Ranch-San Andres Pool, the Linda-San Andres Pool, the Railroad Mountain-San Andres Pool, the East Siete-San Andres Pool, and the Twin Lakes-San Andres Associated Pool, all in Chaves County, New Mexico, and the Bunker Hill-Penrose Pool, the South Culebra Bluff-Bone Spring Pool, the Diamond Mound-Atoka Gas Pool, the Diamond Mound-Morrow Gas Pool, the Dublin Ranch-Atoka Gas Pool, the Happy Valley-Morrow Gas Pool, the East Millman-San Andres Pool, the Penasco Draw-Morrow Gas Pool, and the Penasco Draw Permo-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, and the Airstrip-Wolfcamp Pool, the Arkansas Junction-San Andres Pool, the Comanche Stateline Tansill-Yates-Seven Rivers Pool, the Kemnitz-Morrow Gas Pool, the Maljamar Grayburg-San Andres Pool, the Ojo Chiso-Morrow Gas Pool, the Warren-Drinkard Pool, and the Weir-Drinkard Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production is hereby created and desig-

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nated as the Bilbrey-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 32: E/2

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 3: E/2

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

TOWNSHIP 11 SOUTH, RANGE 32 EAST, NMPM
Section 7: W/2

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

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 29: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 36: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM
Section 30: NW/4

(g) That the Bull's Eye-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is

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hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 1: SE/4 SW/4

(h) That the Bunker Hill-Penrose Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 13: SW/4 SW/4

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

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 10: NE/4

(j) That the vertical limits of the Comanche Stateline Tansill-Yates-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, are hereby extended to include the Queen formation and said pool redesignated to Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool, and horizontal limits extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
Section 27: SW/4

(k) That the South Culebra Bluff-Bone Springs Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 26: NW/4
Section 27: S/2 NE/4

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

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 22: W/2 SW/4 and SW/4 NW/4
Section 27: NW/4 NW/4

(m) That the Diamond Mound-Atoka Gas Pool in Eddy and Chaves Counties, New Mexico, as heretofore classified, defined,

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and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 34: S/2

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 15: N/2
Section 16: N/2

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

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 6: Lots 1, 2, 7, 8, 9, 10,
15 and 16

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

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 21: E/2
Section 28: All

(p) That the Happy Valley-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 7: N/2
Section 8: All
Section 9: W/2
Section 16: W/2
Section 17: All

(q) That the Kemnitz-Morrow Gas 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 23: W/2

(r) That the L.E. Ranch-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 29: S/2 NW/4
Section 30: S/2 NE/4

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

TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM
Section 30: NW/4 SE/4 and SW/4 NE/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 24: S/2

(u) That the East Millman-San Andres 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 22: W/2 SE/4
Section 27: NW/4 NE/4 and NE/4 NW/4

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 14: All

(w) That the Penasco Draw-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 30: S/2
Section 31: All

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 2: E/2

(y) That the Railroad Mountain-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and

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described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM
Section 35: SW/4 SW/4

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 2: W/2 NW/4

(z) That the East Siete-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 10: SE/4
Section 11: W/2

(aa) 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 29 EAST, NMPM
Section 32: W/2 SW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
Section 12: N/2 NE/4

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM
Section 6: N/2 N/2

(bb) That the Warren-Drinkard 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 29: SE/4
Section 32: E/2

(cc) That the Weir-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 15: 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

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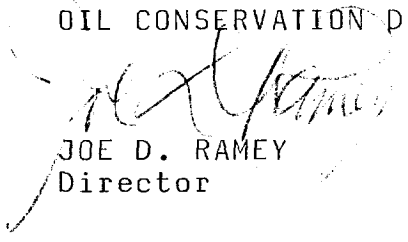
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of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating 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 and extensions included herein shall be April 1, 1981.

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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