

Entered August 26, 1981
JLR

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. 7328
Order No. R-6758

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.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9:00 a.m. on August 12, 1981, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 26th day of August, 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 Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of North Burton Flat-Strawn Gas Pool. Said North Burton Flat-Strawn Gas Pool was discovered by the Southland Royalty Company Citgo 5 Federal Com Well No. 1 located in Unit B of Section 5, Township 20 South, Range 28 East, NMPM. It was completed April 24, 1981, in the Strawn formation. The top of the perforations is at 10,135 feet.

(3) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Elkins-San Andres Pool. Said Elkins-San Andres Pool was discovered by the Tom L. Ingram Pogo State Well No. 1 located in

Unit P of Section 16, Township 7 South, Range 28 East, NMPM. It was completed in the San Andres formation on May 14, 1981. The top of the perforations is at 2,293 feet.

(4) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Bone Spring formation, said pool to bear the designation of Indian Flats-Bone Spring Pool. Said Indian Flats-Bone Spring Pool was discovered by the Gulf Oil Corporation Eddy C State Well No. 1 located in Unit F of Section 2, Township 22 South, Range 28 East, NMPM. It was completed in the Bone Spring formation on July 16, 1980. The top of the perforations is at 8,804 feet.

(5) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of West Indian Flats-Strawn Gas Pool. Said West Indian Flats-Strawn Gas Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 64 located in Unit N of Section 33, Township 21 South, Range 28 East, NMPM. It was completed in the Strawn formation on July 15, 1980. The top of the perforations is at 10,904 feet.

(6) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of East Lake McMillan-Wolfcamp Gas Pool. Said East Lake McMillan-Wolfcamp Gas Pool was discovered by the Gulf Oil Corporation Lake McMillan Federal Unit Well No. 1 located in Unit I of Section 30, Township 19 South, Range 27 East, NMPM. It was completed in the Wolfcamp formation on November 21, 1980. The top of the perforations is at 7,870 feet.

(7) That there is need for certain extensions to the Chaveroo-San Andres Pool, the Springer Basin-Morrow Gas Pool, and the Twin Lakes-San Andres Associated Pool, all in Chaves County, New Mexico, and the Baldrige Canyon-Morrow Gas Pool, the Bunker Hill-Penrose Pool, the Burton Flat-Morrow Gas Pool, the North Burton Flats-Wolfcamp Gas Pool, the East Carlsbad-Strawn Gas Pool, the Los Medanos-Atoka Gas Pool, the Red Lake Queen-Grayburg-San Andres Pool, the Sand Point-Morrow Gas Pool, the Shugart-Morrow Gas Pool, the North Turkey Track-Morrow Gas Pool, and the Winchester-Morrow Gas Pool, all in Eddy County, New Mexico, and the Antelope Ridge-Morrow Gas Pool, the Baum-Upper Pennsylvanian Pool, the North Berry-Morrow Gas Pool, the Foster-San Andres Pool, the Jenkins-San Andres Pool, the Kemnitz-Morrow Gas Pool, the East LaRica-Morrow Gas Pool, the North Lusk-Wolfcamp Pool, the West Osudo-Morrow Gas Pool, the Sawyer-San Andres Associated Pool, the Vaca Draw-Morrow Gas Pool, and

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the North Young-Bone Spring Pool, all in Lea County, New Mexico, and the North Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) 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 Burton Flat-Strawn Gas Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 5: N/2

(b) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production is hereby created and designated as the Elkins-San Andres Pool, consisting of the following described area:

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM
Section 16: SE/4

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

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 2: SE/4 NW/4

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 33: S/2

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 30: E/2

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 27: N/2

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

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 6: E/2

(h) That the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 8: SW/4
Section 17: NW/4

(i) That the North Berry-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 5: Lots 11, 12, 13, 14, and
SW/4

(j) 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 14: SE/4 SE/4
Section 24: NW/4 NW/4

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 29: E/2
Section 32: E/2

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(l) That the North Burton Flats-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 29: S/2

Section 32: E/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 31: All

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM

Section 6: N/2

(n) 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 2: SW/4

Section 10: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM

Section 6: NE/4

(p) 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 17: S/2 SE/4

(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 9: S/2

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

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 1: N/2

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 36: N/2 and SW/4

(t) That the North Lusk-Wolfcamp 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 32: SE/4
Section 33: SW/4

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

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 22: E/2

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

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 21: NW/4

(w) That the Red Lake Queen-Grayburg-San Andres 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 18: W/2 NW/4

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 10: N/2

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

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
Section 36: SE/4

TOWNSHIP 9 SOUTH, RANGE 38 EAST, NMPM
Section 31: W/2

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

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 36: S/2

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

TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM
Section 23: W/2

(bb) 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 4: All

(cc) That the Twin Lake-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 24: SE/4

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM
Section 18: N/2 SW/4
Section 19: E/2 E/2
Section 30: E/2
Section 32: W/2 NW/4

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM
Section 5: W/2 W/2
Section 6: S/2 N/2 and S/2
Section 7: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 2: E/2

(ee) That the Winchester-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 36: E/2

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 31: N/2

(ff) That the North Young-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 3: S/2

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 and extensions included herein shall be September 1, 1981.

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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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