

Entered March 5, 1982
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. 7480
Order No. R-6914

APPLICATION OF ARCO OIL & GAS COMPANY
FOR POOL CREATION, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 17, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 5th day of March, 1982, 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, Arco Oil and Gas Company, seeks the creation of a new Upper Devonian gas pool for its Custer Wells Well No. 1 located 1810 feet from the North line and 2164 feet from the West line of Section 6, Township 25 South, Range 37 East, Custer Field, Lea County, New Mexico.

(3) That said Custer Wells Well No. 1 has discovered a separate common source of supply in the Devonian formation in an isolated fault block at a measured depth of 9435 feet to 9482 feet in the side tracked hole.

(4) That a new gas pool for Devonian production should be created and designated the East Custer-Devonian Gas Pool, Lea County, New Mexico, with vertical limits to include the Devonian formation (within the same fault block) and horizontal limits to include:

-2-

Case No. 7480
Order No. R-6914

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 6: W/2

(5) That the effective date of this order and of the pool creation contained herein should be February 1, 1982.

IT IS THEREFORE ORDERED:

(1) That effective February 1, 1982, a new gas pool for Devonian production is hereby created and designated the East Custer-Devonian Gas Pool, Lea County, New Mexico, with horizontal limits to include:

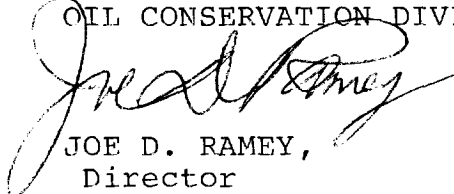
TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 6: W/2

(2) That the vertical limits of the East Custer-Devonian Gas Pool shall be the Devonian formation where such formation is located within the same fault block as the Arco Oil and Gas Company Custer Wells Well No. 1 completed at a measured vertical depth of from 9435 feet to 9482 feet in the side tracked hole in Unit F of said Section 6.

(3) 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 hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L