

Entered March 9, 1982
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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. 7501
Order No. R-6923

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING 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 3, 1982,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th 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 there is need for the creation of a new pool in
Lea County, New Mexico, for the production of oil from the Wolf-
camp formation, said pool to bear the designation of North
Caprock-Wolfcamp Pool. Said North Caprock-Wolfcamp Pool was
discovered by the Petroleum Corporation Landlady Well No. 1
located in Unit J of Section 8, Township 12 South, Range 32 East,
NMPM. It was completed in the Wolfcamp formation on November 24,
1981. The top of the perforations is at 8,619 feet.

(3) That there is need for the creation of a new pool in
Lea County, New Mexico, for the production of oil from the Morrow
formation, said pool to bear the designation of Feather-Morrow
Pool. Said Feather-Morrow Pool was discovered by the Santa Fe
Energy Company State UTP Well No. 1 located in Unit J of Section
21, Township 15 South, Range 32 East, NMPM. It was completed in
the Morrow formation on September 15, 1981. The top of the
perforations is at 12,364 feet.

(4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Abo Reef formation, said pool to bear the designation of Garrett-Abo Reef Pool. Said Garrett-Abo Reef Pool was discovered by the Marathon Oil Company Delmont L. Hatfield Well No. 1 located in Unit J of Section 23, Township 16 South, Range 38 East, NMPM. It was completed in the Abo Reef formation on December 1, 1981. The top of the perforations is at 8,267 feet.

(5) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Strawn and Atoka formations, said pool to bear the designation of Pronghorn Strawn-Atoka Gas Pool. Said Pronghorn Strawn-Atoka Gas Pool was discovered by the Yates Petroleum Corporation Pronghorn Unit Well No. 1 located in Unit G of Section 6, Township 23 South, Range 33 East, NMPM. It was completed in the Strawn and Atoka formations on August 18, 1981. The top of the perforations is at 13,804 feet.

(6) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Paddock formation, said pool to bear the designation of Skaggs-Paddock Pool. Said Skaggs-Paddock Pool was discovered by the Conoco Inc. SEMU Burger Well No. 107 located in Unit J of Section 19, Township 20 South, Range 38 East, NMPM. It was completed in the Paddock formation on September 24, 1981. The top of the perforations is at 5,703 feet.

(7) That there is need that the proposed extension of the Sand Ranch-Morrow Pool in Eddy County, New Mexico, be dismissed due to an error in advertising.

(8) That there is need for certain extensions to the Chaveroo-San Andres Pool and the Tomahawk-San Andres Pool, both in Chaves County, New Mexico, and the Angell Ranch Atoka-Morrow Gas Pool, the Atoka-Yeso Pool, the Boyd-Morrow Gas Pool, the Bunker Hill-Penrose Pool, the South Carlsbad-Morrow Gas Pool, the Dark Canyon-Pennsylvanian Gas Pool, the Happy Valley-Morrow Gas Pool, the Herradura Bend-Delaware Pool, the North Loving-Morrow Gas Pool, the Travis-Upper Pennsylvanian Pool, and the Turkey Track Seven Rivers-Queen-Grayburg Pool, all in Eddy County, New Mexico, and the Austin-Mississippian Gas Pool, the Drinkard Pool, the North Eidson-Morrow Gas Pool, the Hobbs-Blinebry Pool, the Jalmat Yates-Seven Rivers Oil and Gas Pool, the South Kemnitz Atoka-Morrow Gas Pool, the Northeast Lovington-Pennsylvanian Pool, the North Lusk-Morrow Gas Pool, the Oil Center-Glorieta Gas Pool, the San Simon-Wolfcamp Pool, the Tulk-Pennsylvanian Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico.

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IT IS THEREFORE ORDERED:

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

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM
Section 8: SE/4

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

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 21: SE/4

(c) That a new pool in Lea County, New Mexico, classified as an oil pool for Abo Reef production is hereby created and designated as the Garrett-Abo Reef Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 38 EAST, NMPM
Section 23: SE/4

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

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 6: N/2

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 19: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 2: S/2
Section 11: N/2

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

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2 NW/4 and E/2 SW/4

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

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM
Section 18: S/2

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 3: E/2

(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: S/2 SW/4
Section 23: N/2 N/2
Section 24: S/2 NW/4 and NE/4 NW/4

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

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 36: S/2

(l) 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 33 EAST, NMPM
Section 10: W/2
Section 15: W/2

(m) That the Dark Canyon-Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and

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described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 31: N/2

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 12: E/2

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM
Section 7: NW/4

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

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 6: Lots 3, 4, 5, 6, 11, 12,
13, 14, and SW/4

(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 20: S/2

(q) That the Herradura Bend-Delaware 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 29: NW/4 SW/4

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 34: W/2

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 3: NW/4

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(s) That the Jalmat Yates-Seven Rivers Oil and Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 26: NE/4

(t) That the South Kemnitz Atoka-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 30: W/2

(u) That the North Loving-Morrow Gas 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 20: E/2
Section 21: All
Section 22: S/2
Section 27: All
Section 28: All
Section 29: All

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 7: SW/4

(w) That the North Lusk-Morrow Gas 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 35: All

(x) That the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 11: NW/4

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

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 5: NW/4

(z) That the proposed extension to the Sand Ranch-Morrow Gas Pool in Eddy County, New Mexico, is hereby dismissed.

(aa) That the Tomahawk-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 6: SW/4
Section 7: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 12: S/2 SE/4

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

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
Section 35: SW/4

(dd) That the Turkey Track Seven Rivers-Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 22: SE/4 SW/4

(ee) 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 8: S/2
Section 9: W/2

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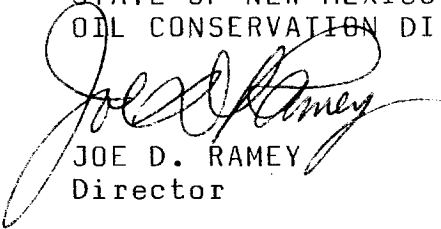
IT IS FURTHER ORDERED:

(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 therein shall be April 1, 1982.

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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