

Entered August 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. 7634
Order No. R-7048

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ASSIGNING A DISCOVERY
ALLOWABLE, ABOLISHING, 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 a.m. on August 4, 1982,
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of August, 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
Eddy County, New Mexico, for the production of gas from the
Atoka formation, said pool to bear the designation of West
Indian Flat-Atoka Gas Pool. Said West Indian Flat-Atoka Gas
Pool was discovered by the Perry R. Bass Big Eddy Unit Well
No. 79-Y located in Unit J of Section 21, Township 21 South,
Range 28 East, NMPM. It was completed in the Atoka formation
on April 8, 1982. The top of the perforations is at 11,182
feet.

(3) That there is need for the creation of a new pool in
Roosevelt County, New Mexico, for the production of oil from the
San Andres formation, said pool to bear the designation of South
Bluitt-San Andres Pool. Said South Bluitt-San Andres Pool was

discovered by the Ike Lovelady, Inc. Lignum Well No. 1 located in Unit A of Section 35, Township 8 South, Range 37 East, NMPM. It was completed in the San Andres formation on March 19, 1982. The top of the perforations is at 4,808 feet.

(4) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Canyon formation, said pool to bear the designation of Boyd Permo-Pennsylvanian Gas Pool. Said Boyd Permo-Pennsylvanian Gas Pool was discovered by the Yates Petroleum Company Rio Penasco MF Federal Well No. 1 located in Unit F of Section 11, Township 19 South, Range 25 East, NMPM. It was completed in the Canyon formation on August 26, 1981. The top of the perforations is at 7,592 feet.

(5) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of gas from the Pre Permian formations, said pool to bear the designation of Foor Ranch-Pre Permian Gas Pool. Said Foor Ranch-Pre Permian Gas Pool was discovered by the Plains Radio Broadcasting Company Camel Well No. 1 located in Unit F of Section 7, Township 9 South, Range 27 East, NMPM. It was completed in the Pennsylvanian formation on May 9, 1981. The top of the perforations is at 6,154 feet.

(6) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Seven Rivers formation, said pool to bear the designation of House Yates-Seven Rivers Gas Pool. Said House Yates-Seven Rivers Gas Pool was discovered by the MGF Oil Corporation J. Wright Well No. 1 located in Unit D of Section 5, Township 20 South, Range 39 East, NMPM. It was completed in the Seven Rivers formation on March 30, 1982. The top of the perforations is at 3,004 feet.

(7) 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 Pollock-Wolfcamp Pool. Further, that there is need for the assignment of a discovery allowable of 46,910 barrels to the discovery well, the Reading and Bates Company Dickinson Cattle Company 33 Well No. 1 located in Unit N of Section 33, Township 14 South, Range 38 East, NMPM. It was completed in the Wolfcamp formation on April 29, 1982. The top of the perforations is at 9,404 feet.

(8) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the

Case No. 7634
Order No. R-7048

Wolfcamp formation, said pool to bear the designation of West Red Hills-Wolfcamp Gas Pool. Said West Red Hills-Wolfcamp Gas Pool was discovered by the BTA Oil Producers Mesa 8105 JV-P Well No. 1 located in Unit I of Section 1, Township 26 South, Range 32 East, NMPM. It was completed in the Wolfcamp formation on May 5, 1982. The top of the perforations is at 13,367 feet.

(9) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of Townsend-Abo Pool. Said Townsend-Abo Pool was discovered by the Charles B. Gillespie, Jr. Exxon Townsend Well No. 1 located in Unit B of Section 9, Township 16 South, Range 35 East, NMPM. It was completed in the Abo formation on September 25, 1981. The top of the perforations is at 8,716 feet.

(10) That there is need for the abolishment of the Tanneyhill-Cisco Pool in Roosevelt County, New Mexico, the productive acreage to be placed in the South Peterson-Pennsylvanian Associated Pool.

(11) That there is need for certain extensions to the Carson-Morrow Gas Pool, the Pecos Slope-Abo Gas Pool, the Tomahawk-San Andres Pool, and the Twin Lakes-San Andres Associated Pool, all in Chaves County, New Mexico, and the Crow Flats-Morrow Gas Pool, the Empire-Pennsylvanian Gas Pool, the High Lonesome-Queen Pool, the North Loving-Morrow Gas Pool, the Square Lake Grayburg-San Andres Pool, the Turkey Track-Morrow Gas Pool, and the Willow Lakes-Bone Spring Pool, all in Eddy County, New Mexico, and the West Nadine-Blinebry Pool and the West Sawyer-San Andres Pool, both in Lea County, New Mexico, and the Bluit-San Andres Associated Pool and the South Peterson-Pennsylvanian Associated Pool, both 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 Atoka production is hereby created and designated as the West Indian Flat -Atoka Gas Pool, consisting of the following described area:

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

(b) That a new pool in Roosevelt County, New Mexico,

-4-

Case No. 7634
Order No. R-7048

classified as an oil pool for San Andres production is hereby created and designated as the South Bluitt-San Andres Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 35: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 2: S/2
Section 3: E/2
Section 11: N/2

(d) That a new pool in Chaves County, New Mexico, classified as a gas pool for Pre Permian production is hereby created and designated as the Foor Ranch-Pre Permian Gas Pool, consisting of the following described area:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 1: E/2
Section 12: E/2
Section 13: All

TOWNSHIP 9 SOUTH, RANGE 27 EAST, NMPM
Section 7: W/2
Section 18: W/2

(e) That a new pool in Lea County, New Mexico, classified as a gas pool for Yates and Seven Rivers production is hereby created and designated as the House Yates-Seven Rivers Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM
Section 31: SE/4
Section 32: SW/4

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
Section 5: NW/4

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

-5-

Case No. 7634
Order No. R-7048

TOWNSHIP 14 SOUTH, RANGE 38 EAST, NMPM
Section 33: SW/4

Further, that the discovery well for said Pollock-Wolfcamp Pool, being the Reading and Bates Company Dickinson Cattle Company 33 Well No. 1 located in Unit N of Section 33, Township 14 South, Range 38 East, NMPM, is hereby assigned a bonus discovery allowable in the amount of 46,910 barrels to be produced over a two-year period.

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

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 1: E/2

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

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 9: NE/4

(i) That the East Tanneyhill-Cisco Pool in Roosevelt County, New Mexico, consisting of the following described area:

TOWNSHIP 6 SOUTH, RANGE 34 EAST, NMPM
Section 8: SE/4

is hereby abolished.

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

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 23: E/2

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

TOWNSHIP 9 SOUTH, RANGE 31 EAST, NMPM
Section 3: S/2

-6-

Case No. 7634
Order No. R-7048

(l) That the Crow Flats-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 31: W/2

(m) That the Empire-Pennsylvanian Gas 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 3: S/2

(n) That the High Lonesome-Queen Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 19: SE/4 NE/4

(o) 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 7: N/2
Section 18: All
Section 19: W/2
Section 30: W/2

(p) That the West Nadine-Blinebry 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 5: NW/4
Section 8: SW/4

(q) That the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM
Section 26: W/2

TOWNSHIP 5 SOUTH, RANGE 24 EAST, NMPM
Section 3: E/2

-7-

Case No. 7634

Order No. R-7048

TOWNSHIP 6 SOUTH, RANGE 24 EAST, NMPM

Section 15: All

Section 16: All

Section 17: All

Section 18: E/2

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM

Section 27: All

Section 33: All

Section 34: All

TOWNSHIP 8 SOUTH, RANGE 25 EAST, NMPM

Section 13: S/2

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM

Section 3: All

Section 4: All

Section 5: All

Section 6: E/2

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

TOWNSHIP 6 SOUTH, RANGE 34 EAST, NMPM

Section 7: S/2

Section 8: S/2

(s) That the West Sawyer-San Andres 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 32: SW/4

(t) That the Square Lake 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 30 EAST, NMPM

Section 11: S/2

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM

Section 36: SE/4

-8-

Case No. 7634

Order No. R-7048

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 1: N/2

(v) That the 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 3: N/2

(w) 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 9 SOUTH, RANGE 28 EAST, NMPM
Section 12: SE/4

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM
Section 18: N/2

(x) That the Willow Lakes-Bone Spring Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 32: N/2 N/2
Section 33: N/2 NW/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 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.

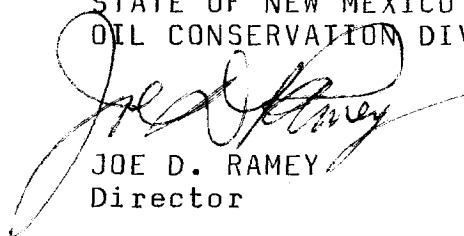
(2) That the effective date of this order and all creations, abolishments, assignments of discovery allowable, and extensions included herein shall be September 1, 1982.

-9-

Case No. 7634
Order No. R-7048

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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