

Entered November 30, 1982
JAR

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. 7734
Order No. R-7131

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 a.m. on November 10, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 30th day of November, 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 Wolfcamp formation, said pool to bear the designation of Brushy Draw-Wolfcamp Gas Pool. Said Brushy Draw-Wolfcamp Gas Pool was discovered by the Fuller Petroleum, Inc. Brushy Draw Deep Federal Well No. 1 located in Unit C of Section 24, Township 26 South, Range 29 East, NMPM. It was completed in the Wolfcamp formation on August 29, 1982. The top of the perforations is at 11,479 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 Morrow formation, said pool to bear the designation of North Rock Lake-Morrow Gas Pool. Said North Rock Lake-Morrow Gas Pool was discovered by the Gulf Oil Corporation North Rock Lake Unit Well No. 1 located in Unit G of Section 16, Township 22 South, Range 35 East, NMPM. It was completed in the Morrow formation on December 2, 1981. The top of the perforations is at 13,015 feet.

-2-

Case No. 7734

Order No. R-7131

(4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Mississippian formation, said pool to bear the designation of Shoe Bar-Mississippian Gas Pool. Said Shoe Bar-Mississippian Gas Pool was discovered by the Buffton Oil and Gas, Inc. Eidson Well No. 1 located in Unit L of Section 35, Township 16 South, Range 35 East, NMPM. It was completed in the Mississippian formation on June 13, 1982. The top of the perforations is at 12,180 feet.

(5) That there is need for certain extensions to the Chaveroo-San Andres Pool, the Chisum-San Andres Pool, the West Pecos Slope-Abo Gas Pool, and the Tom-Tom San Andres Pool, all in Chaves County, New Mexico, and the Atoka-Yeso Pool, the South Carlsbad-Atoka Gas Pool, the South Culebra Bluff-Bone Spring Pool, the North Dagger Draw-Upper Pennsylvanian Pool, the Dublin Ranch-Morrow Gas Pool, the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool, the Hoag Tank-Morrow Gas Pool, the Indian Flats-Atoka Gas Pool, the Los Medanos-Atoka Gas Pool, the West Parkway-Atoka Gas Pool, the West Parkway-Morrow Gas Pool, and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the Dollarhide Tubb-Drinkard Pool, the West Nadine-Blinebry Pool, the Quail Ridge-Morrow Gas Pool, the West Reeves-Queen Gas Pool, the Scarborough Yates-Seven Rivers Pool, the Talco-Strawn Gas Pool, the Teague-Blinebry Pool, the Teas-Pennsylvanian Gas Pool, and the Wantz-Abo Pool, all in Lea County, New Mexico, and the Peterson-Mississippian 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 Wolfcamp production is hereby created and designated as the Brushy Draw-Wolfcamp Gas Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 24: N/2

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

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 16: N/2

-3-

Case No. 7734

Order No. R-7131

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

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 35: W/2

(d) 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 34: N/2 NE/4

(e) That the South Carlsbad-Atoka 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 1: E/2

(f) 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 15: SE/4

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

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 18: SW/4 and S/2 NW/4

(h) That the South Culebra Bluff-Bone Spring 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 25: E/2

(i) That the North Dagger Draw-Upper Pennsylvanian 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 16: S/2
Section 21: N/2

-4-

Case No. 7734
Order No. R-7131

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

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
Section 18: SE/4

(k) That the Dublin Ranch-Morrow 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 29: S/2
Section 32: E/2

(l) That the Grayburg Jackson Seven Rivers-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 31 EAST, NMPM
Section 1: E/2 SW/4 and W/2 SE/4

(m) That the Hoag Tank-Morrow 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 15: N/2

(n) That the Indian Flats-Atoka 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 14: All
Section 23: E/2

(o) 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 23 SOUTH, RANGE 31 EAST, NMPM
Section 6: S/2

(p) That the West Nadine-Blinebry Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is

-5-

Case No. 7734
Order No. R-7131

hereby extended to include therein:

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

(q) That the West Parkway-Atoka 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 21: All

(r) That the West Parkway-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 27: N/2
Section 28: N/2

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

TOWNSHIP 6 SOUTH, RANGE 23 EAST, NMPM
Section 20: S/2
Section 21: S/2
Section 29: All
Section 32: All

TOWNSHIP 7 SOUTH, RANGE 23 EAST, NMPM
Section 3: SW/4
Section 4: S/2
Section 5: All
Sections 7 through 10: All
Section 11: W/2
Sections 17 through 20: All
Section 21: W/2
Sections 29 through 32: All

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

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM
Section 6: SE/4

-6-

Case No. 7734
Order No. R-7131

(u) That the Quail Ridge-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 29: E/2
Section 32: N/2

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 20: E/2

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

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 18: E/2 SE/4

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

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM
Section 2: S/2

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4 and N/2 SE/4

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

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 12: W/2

(aa) That the Tom-Tom 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 32: NW/4

-7-

Case No. 7734
Order No. R-7131

(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 18 SOUTH, RANGE 28 EAST, NMPM
Section 27: W/2
Section 28: N/2

(cc) That the Wantz-Abo 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 29: SE/4

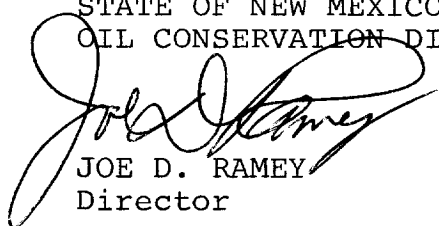
IT IS FURTHER ORDERED:

(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 the allowable.

(2) That the effective date of this order and all creations and extensions included herein shall be December 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

S E A L
fd/