

Entered January 26, 1983
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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. 7785
Order No. R-7193

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ABOLISHING, CONTRACTING,
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 January 19, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 26th day of January, 1983, 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 oil from the Bone Spring formation, said pool to bear the designation of Hackberry-Bone Spring Pool. Said Hackberry-Bone Spring Pool was discovered by the Anadarko Production Company Hanson Federal Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 31 East, NMPM. It was completed in the Bone Spring formation on February 2, 1982. The top of the perforations is at 8,833 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 Tubb formation, said pool to bear the designation of North House-Tubb Pool. Said North House-Tubb Pool was discovered

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by the Alpha Twenty-One Production Company Werta Federal Well No. 1 located in Unit O of Section 35, Township 19 South, Range 38 East, NMPM. It was completed in the Tubb formation on July 3, 1982. The top of the perforations is at 6,675 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 Morrow formation, said pool to bear the designation of McIver Ranch-Morrow Gas Pool. Said McIver Ranch-Morrow Gas Pool was discovered by the Uriah Exploration, Inc. Stein Federal Well No. 1 located in Unit J of Section 30, Township 22 South, Range 25 East, NMPM. It was completed in the Morrow formation on November 16, 1981. The top of the perforations is at 9,951 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 Abo formation, said pool to bear the designation of South Pecos Slope-Abo Gas Pool. Said South Pecos Slope-Abo Gas Pool was discovered by the Yates Petroleum Corporation Federal IX Well No. 1 located in Unit L of Section 3, Township 9 South, Range 26 East, NMPM. It was completed in the Abo formation on March 14, 1978. The top of the perforations is at 4,810 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 Abo formation, said pool to bear the designation of Vada-Abo Pool. Said Vada-Abo Pool was discovered by the Amoco Production Company Pruitt A Well No. 2 located in Unit G of Section 17, Township 9 South, Range 34 East, NMPM. It was completed in the Abo formation on June 3, 1982. The top of the perforations is at 8,850 feet.

(7) That there is need for the abolishment of the East Bitter Lakes-Abo Gas Pool in Chaves County, New Mexico, and the abolished acreage is to be included in the South Pecos Slope-Abo Gas Pool.

(8) That there is need for the abolishment of the Penjack-Abo Gas Pool in Chaves County, New Mexico, and the abolished acreage is to be included in the South Pecos Slope-Abo Gas Pool.

(9) That there is need for the contraction of the horizontal limits of the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico.

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(10) That there is need for the extension of the vertical limits of the Atoka-Yeso Pool in Eddy County, New Mexico, to include the Glorieta formation and the redesignation of said pool as the Atoka Glorieta-Yeso Pool.

(11) That there is need for certain extensions to the Palma Mesa-Pennsylvanian Gas Pool and the Race Track-San Andres Pool, both in Chaves County, New Mexico, and the Avalon-Delaware Pool, the Bunker Hill-Penrose Pool, the North Burton Flat-Wolfcamp Gas Pool, the Dog Town Draw-Morrow Gas Pool, the Logan Draw-San Andres Pool, and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the Airstrip-Wolfcamp Pool, the Blinebry Oil and Gas Pool, the Jalmat Tansill-Yates-Seven Rivers Gas Pool, the South Kemnitz Atoka-Morrow Gas Pool, the Lazy J-Pennsylvanian Pool, the Lea-Bone Spring Pool, the Oil Center-Blinebry Pool, the Pitchfork Ranch-Morrow Gas Pool, the Querecho Plains-Queen Associated Pool, the Scharb-Bone Spring Pool, and the Townsend-Wolfcamp Pool, all in Lea County, New Mexico, and the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) 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 Hackberry-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 20: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 35: SE/4

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

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 30: All

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

TOWNSHIP 9 SOUTH, RANGE 25 EAST, NMPM

Sections 1 through 4: All
 Section 5: E/2
 Section 8: E/2
 Sections 9 through 15: All
 Sections 23 through 28: All
 Section 29: E/2
 Section 35: E/2
 Section 36: All

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Section 3: W/2
 Sections 4 through 9: All
 Section 10: W/2
 Sections 16 through 24: All
 Section 26: W/2
 Sections 27 through 34: All
 Section 35: W/2

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM

Section 1: E/2 and NW/4
 Section 2: N/2

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM

Section 6: NW/4

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM

Section 17: NE/4

(f) That the East Bitter Lakes-Abo Gas Pool in Chaves County, New Mexico, consisting of the following described area:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Section 20: NW/4

is hereby abolished.

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(g) That the Penjack-Abo Gas Pool in Chaves County, New Mexico, consisting of the following described area:

TOWNSHIP 9 SOUTH, RANGE 25 EAST, NMPM
Section 36: SE/4

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 31: S/2
Section 32: All

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM
Section 1: E/2 and NW/4
Section 2: NE/4

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM
Section 6: NW/4

is hereby abolished.

(h) That the horizontal limits of the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, are hereby contracted by the deletion of the following described area:

TOWNSHIP 8 SOUTH, RANGE 25 EAST, NMPM
Section 13: SW/4

(i) That the vertical limits of the Atoka-Yeso Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, are hereby extended to include the Glorieta formation and said pool is redesignated as the Atoka Glorieta-Yeso Pool.

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 35: E/2

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 36: S/2 SE/4

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 31: All

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(l) That the Blinebry 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 36 EAST, NMPM

Section 12: SE/4

Section 13: E/2

(m) That the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM

Section 34: SE/4

(n) 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 13: NW/4

Section 23: S/2 N/2 and S/2

(o) That the North Burton Flat-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 30: E/2

Section 31: All

Section 32: W/2

Section 33: W/2

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

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM

Section 8: S/2

(q) That the Jalmat Tansill-Yates-Seven Rivers 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: SE/4

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(r) 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 18: S/2
Section 19: NE/4

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

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 35: SE/4

(t) That the Lea-Bone Springs 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 23: E/2

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

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 20: NW/4

(v) That the Oil Center-Blinebry 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 3: Lots 3 and 4

(w) That the Palma Mesa-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM
Section 14: S/2
Section 23: N/2

(x) That the Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and

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described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: SW/4

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 5: NW/4
Section 6: N/2

(y) That the Querecho Plains-Queen Associated 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 22: SE/4
Section 27: NE/4

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

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 17: SW/4

(aa) That the Scharb-Bone Springs Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 4: SE/4
Section 9: SE/4

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

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 35: SE/4

(cc) 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 23: S/2

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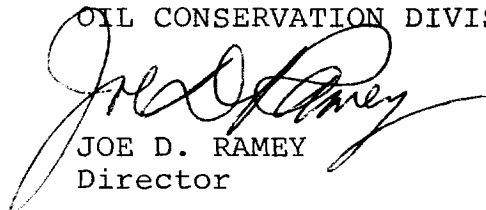
IT IS FURTHER ORDERED:

(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, abolishments, contractions, and extensions included herein shall be February 1, 1983.

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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