

Entered March 30, 1983
JSR

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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. 7832
Order No. R-7248

THE APPLICATION OF THE OIL
CONSERVATION DIVISION UPON ITS
OWN MOTION FOR AN ORDER CREATING,
ABOLISHING, 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 16, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 30th day of March, 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 Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of East Acme-San Andres Pool. Said East Acme-San Andres Pool was discovered by the C. E. LaRue and B. N. Muncy, Jr. State D Well No. 1 located in Unit I of Section 2, Township 8 South, Range 27 East, NMPM. It was completed in the San Andres formation on January 8, 1981. The top of the perforations is at 2,069 feet.

(3) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Big Sinks-Delaware Pool. Said Big Sinks-Delaware Pool was discovered by the Perry R. Bass Poker Lake Unit Well No. 57 located in Unit N of Section 28, Township 25 South, Range 31

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East, NMPM. It was completed in the Delaware formation on December 5, 1982. The top of the perforations is at 6,050 feet.

(4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Yates formation, said pool to bear the designation of Southeast Byers-Yates Gas Pool. Said Southeast Byers-Yates Gas Pool was discovered by the Amoco Production Company State A Well No. 38 located in Unit J of Section 4, Township 19 South, Range 38 East, NMPM. It was completed in the Yates formation on December 30, 1981. The top of the perforations is at 2,711 feet.

(5) 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 Southeast Scharb-Wolfcamp Pool. Said Southeast Scharb-Wolfcamp Pool was discovered by the Fred Pool Operating Company Pearl State Well No. 1 located in Unit O of Section 10, Township 19 South, Range 35 East, NMPM. It was completed in the Wolfcamp formation on January 26, 1983. The top of the perforations is at 10,534 feet.

(6) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of East White Ranch-Atoka Gas Pool. Said East White Ranch-Atoka Gas Pool was discovered by the Gulf Oil Corporation East White Ranch Deep Well No. 1 located in Unit N of Section 14, Township 13 South, Range 30 East, NMPM. It was completed in the Atoka formation on November 4, 1982. The top of the perforations is at 9,906 feet.

(7) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Wolf Lake-San Andres Pool. Said Wolf Lake-San Andres Pool was discovered by the Coronado Exploration Corporation Duncan Federal Well No. 1 located in Unit E of Section 31, Township 8 South, Range 28 East, NMPM. It was completed in the San Andres formation on March 7, 1981. The top of the perforations is at 2,274 feet.

(8) That there is need for the abolishment of the North Paddock Gas Pool in Lea County, New Mexico, in order to place the abolished acreage in the North Paddock Oil Pool since the only well in the pool has been reclassified as an oil well.

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(9) That there is need for certain extensions to the Bull's Eye-San Andres Pool, the Pecos Slope-Abo Gas Pool, the West Pecos Slope-Abo Gas Pool, and the Springer Basin-Morrow Gas Pool, all in Chaves County, New Mexico, and the Brushy Draw-Cherry Canyon Pool, the Cemetary-Morrow Gas Pool, the Crow Flats-Morrow Gas Pool, the South Culebra Bluff-Bone Spring Pool, and the North Turkey Track-Atoka Gas Pool, all in Eddy County, New Mexico, and the Blinebry Oil and Gas Pool, the East EK- Queen Pool, the East Grama Ridge-Morrow Gas Pool, the South Kemnitz Atoka-Morrow Gas Pool, the King-Devonian Pool, the Lea-Bone Spring Pool, the East Lusk-Wolfcamp Pool, the Northeast Lusk-Yates Pool, the North Mason-Delaware Pool, the Monument-Tubb Pool, the Morton-Wolfcamp Pool, the North Paddock Oil Pool, the Saunders-Permo Upper Pennsylvanian Pool, the North Shoe Bar-Wolfcamp Pool, and the Tubb Oil and Gas Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production is hereby created and designated as the East Acme-San Andres Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM
Section 2: SE/4

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

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM
Section 28: SW/4

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

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

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

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 10: SE/4

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

TOWNSHIP 13 SOUTH, RANGE 30 EAST, NMPM
Section 14: S/2

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

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 31: NW/4

(g) That the North Paddock Gas Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 2: Lots 3, 4, 5, and 6

is hereby abolished.

(h) 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 20 SOUTH, RANGE 38 EAST, NMPM
Section 23: SE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 7: SW/4
Section 18: W/2

(i) That the Brushy Draw-Cherry Canyon Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 35: All

(j) That the Bull's Eye-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 29 EAST, NMPM
Sections 17 through 20: All
Section 29: All
Section 30: E/2, NW/4, and N/2 SW/4

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 3: N/2

(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 17 SOUTH, RANGE 27 EAST, NMPM
Section 2: All

(m) 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 27: NW/4

(n) That the East EK-Queen 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 22: S/2 NW/4 and NW/4 SW/4

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 11: N/2

(p) 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 33 EAST, NMPM
Section 25: N/2

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

TOWNSHIP 14 SOUTH, RANGE 37 EAST, NMPM
Section 1: SW/4

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(r) That the Lea-Bone Spring 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 25: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 15: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 16: NE/4

(u) That the North Mason-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 19: NE/4

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

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 14: W/2 NE/4

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

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 7: W/2 SE/4

(x) That the North Paddock Oil 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 2: Lots 3, 4, 5, and 6

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(y) 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 7 SOUTH, RANGE 27 EAST, NMPM
Section 6: All

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM
Sections 8 and 9: All
Sections 16 and 17: All
Section 20: E/2

(z) 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
Sections 8 and 9: All
Sections 16 and 17: All
Section 20: N/2
Section 21: N/2

TOWNSHIP 7 SOUTH, RANGE 22 EAST, NMPM
Sections 1 and 2: All
Sections 12 and 13: All

TOWNSHIP 7 SOUTH, RANGE 23 EAST, NMPM
Section 16: All
Section 21: E/2

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 21: NW/4

(bb) That the North Shoe Bar-Wolfcamp 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 23: NE/4

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

TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM
Section 14: W/2

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(dd) That the Tubb 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 1: NE/4

(ee) That the North Turkey Track-Atoka Gas 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 31: S/2
Section 32: S/2
Section 33: S/2

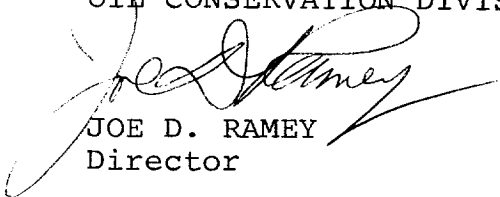
IT IS FURTHER ORDERED:

(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, abolishments, and extensions included herein shall be April 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

S E A L
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