

Entered October 20, 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. 7981  
Order No. R-7372

THE APPLICATION OF THE OIL CONSERVATION  
DIVISION UPON ITS OWN MOTION FOR AN ORDER  
CREATING, CONTRACTING, 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 October 12, 1983,  
at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 20th day of October, 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 gas from the Bone  
Spring formation, said pool to bear the designation of Northeast  
Black River-Bone Spring Gas Pool. Said Northeast Black River-  
Bone Spring Gas Pool was discovered by The Desana Corporation  
State AK Well No. 1 located in Unit K of Section 32, Township  
23 South, Range 27 East, NMPM. It was completed in the Bone  
Spring formation on February 24, 1982. The top of the perfora-  
tions is at 5,496 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 Yeso  
formation, said pool to bear the designation of Cemetery-Yeso  
Pool. Said Cemetery-Yeso Pool was discovered by the Amoco Pro-  
duction Company Rio Siete Well No. 1 located in Unit J of Section  
11, Township 20 South, Range 25 East, NMPM. It was completed in  
the Yeso formation on January 10, 1983. The top of the perfora-  
tions is at 2,948 feet.

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(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 Chosa Draw-Morrow Gas Pool. Said Chosa Draw-Morrow Gas Pool was discovered by The Superior Oil Company Delta Federal Well No. 1 located in Unit G of Section 7, Township 25 South, Range 26 East, NMPM. It was completed in the Morrow formation on May 22, 1980. The top of the perforations is at 11,333 feet.

(5) 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 West Dark Canyon-Delaware Pool. Said West Dark Canyon-Delaware Pool was discovered by the Exxon Corporation New Mexico DI State Well No. 1 located in Unit E of Section 19, Township 23 South, Range 26 East, NMPM. It was completed in the Delaware formation on June 9, 1983. The top of the perforations is at 4,690 feet.

(6) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Yeso formation, said pool to bear the designation of East Dayton-Yeso Pool. Said East Dayton-Yeso Pool was discovered by the Read and Stevens, Inc. Fair Well No. 1 located in Unit F of Section 30, Township 18 South, Range 27 East, NMPM. It was completed in the Yeso formation on September 23, 1982. The top of the perforations is at 3,150 feet.

(7) 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 Empire-Atoka Gas Pool. Said Empire-Atoka Gas Pool was discovered by the Exxon Corporation New Mexico CY State Well No. 1 located in Unit J of Section 23, Township 17 South, Range 28 East, NMPM. It was completed in the Atoka formation on August 26, 1980. The top of the perforations is at 9,956 feet.

(8) 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 Owen Mesa-Morrow Gas Pool. Said Owen Mesa-Morrow Gas Pool was discovered by The Superior Oil Company Oscar State Well No. 1 located in Unit G of Section 36, Township 24 South, Range 29 East, NMPM. It was completed in the Morrow formation on July 30, 1980. The top of the perforations is at 13,594 feet.

(9) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of South Red Hills-Atoka Gas Pool. Said South Red Hills-Atoka Gas Pool was

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discovered by the Amoco Production Company State IT Well No. 1 located in Unit F of Section 16, Township 26 South, Range 33 East, NMPM. It was completed in the Atoka formation on October 15, 1981. The top of the perforations is at 14,418 feet.

(10) That there is need for the contraction of the vertical limits of the Rhodes Yates-Seven Rivers Gas Pool in the E/2 of Section 5, Township 26 South, Range 37 East, NMPM, to be defined as being from the top of the Yates formation to a point in the Seven Rivers formation which is 100 feet above the top of the Queen formation, in order to correct an overlap with the Langlie Mattix Seven Rivers-Queen-Grayburg Pool.

(11) That there is need for certain extensions to the South Haystack-San Andres Pool, the Railroad Mountain-San Andres Pool, and the Sams Ranch-Grayburg Gas Pool, all in Chaves County, New Mexico, and the South Carlsbad-Bone Spring Pool, the South Carlsbad-Morrow Gas Pool, the Dublin Ranch-Atoka Gas Pool, the Grayburg-Upper Pennsylvanian Pool, the McMillan-Upper Pennsylvanian Gas Pool, the Sand Dunes-Morrow Gas Pool, the Square Lake Grayburg-San Andres Pool, the Travis-Yates Gas Pool, and the Turkey Track Seven Rivers-Queen-Grayburg-San Andres Pool, all in Eddy County, New Mexico, and the Antelope Ridge-Atoka Gas Pool, the Blinebry Oil and Gas Pool, the South Humble City-Strawn Pool, the Justis-Paddock Pool, the South Kemnitz Atoka-Morrow Gas Pool, the Langlie Mattix Seven Rivers-Queen-Grayburg Pool, the Pitchfork Ranch-Morrow Gas Pool, the Sawyer-San Andres Associated Pool, the Scharb-Bone Spring Pool, the Southeast Scharb-Wolfcamp Pool, the Wantz-Granite Wash Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as a gas pool for Bone Spring production is hereby created and designated as the Northeast Black River-Bone Spring Gas Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM  
Section 32: SW/4

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM  
Section 11: SE/4

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(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 Chosa Draw-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM  
Section 7: E/2

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

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM  
Section 19: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM  
Section 30: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 23: E/2

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

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM  
Section 36: N/2

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

TOWNSHIP 26 SOUTH, RANGE 33 EAST, NMPM  
Section 16: W/2

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(i) That the vertical limits of the Rhodes Yates-Seven Rivers Gas Pool in Lea County, New Mexico, are hereby contracted being from the top of the Yates formation to a point in the Seven Rivers formation which is 100 feet above the top of the Queen formation in an area described as follows:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM  
Section 5: E/2

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 3: S/2

(k) 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 37 EAST, NMPM  
Section 27: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM  
Section 19: SE/4

(m) 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 22 SOUTH, RANGE 27 EAST, NMPM  
Section 21: All

(n) That the Dublin Ranch-Atoka 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 34: All

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 22: W/2  
Section 27: NW/4

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(p) That the South Haystack-San Andres 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 18: NE/4

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM  
Section 13: SW/4

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 13: NW/4

(s) 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 32: N/2

(t) That the Langlie Mattix Seven Rivers-Queen-Grayburg 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 5: NE/4

(u) That the McMillan-Upper Pennsylvanian 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 8: All  
Section 17: All

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 29: W/2

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

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM  
Section 32: S/2 S/2

(x) That the Sams Ranch-Grayburg Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM  
Section 9: NE/4  
Section 10: NW/4

(y) That the Sand Dunes-Morrow 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 23: All  
Section 26: N/2

(z) That the Sawyer-San Andres Associated 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 36: NW/4

(aa) That the Scharb-Bone Spring 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 16: NE/4

(bb) That the Southeast Scharb-Wolfcamp 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 15: N/2

(cc) 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 16 SOUTH, RANGE 31 EAST, NMPM  
Section 22: N/2, SE/4, N/2 SW/4, and  
SE/4 SW/4

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(dd) That the Travis-Yates 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 19: NE/4 and E/2 NW/4

Section 20: N/2

(ee) That the Turkey Track 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 18 SOUTH, RANGE 29 EAST, NMPM

Section 23: SW/4

(ff) That the Wantz-Granite Wash 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 36: NW/4

(gg) 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 2: SW/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.



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(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be November 1, 1983.

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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