

Entered September 21, 1984

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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. 8339
Order No. R-7668

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN
EXISTING POOLS IN EDDY COUNTY, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on September 5, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 21st day of September, 1984, 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 Benson-Bone Spring Pool. Said Benson-Bone Spring Pool was discovered by the Great Western Drilling Company Mable Hale Federal Well No. 2 located in Unit C of Section 11, Township 19 South, Range 30 East, NMPM. It was completed in the Bone Spring formation on May 15, 1984. The top of the perforations is at 8,398 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 Bone Spring formation, said pool to bear the designation of Northeast Fenton-Bone Spring Pool. Said Northeast Fenton-

Bone Spring Pool was discovered by the Ammex Production Inc. Big Eddy Unit Well No. 103 located in Unit N of Section 10, Township 21 South, Range 28 East, NMPM. It was completed in the Bone Spring formation on June 9, 1984. The top of the perforations is at 6,276 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 Atoka formation, said pool to bear the designation of Four Mile Draw-Atoka Gas Pool. Said Four Mile Draw-Atoka Gas Pool was discovered by the Robert Enfield Walters Well No. 1 located in Unit B of Section 7, Township 19 South, Range 27 East, NMPM. It was completed in the Atoka formation on September 18, 1983. The top of the perforations is at 9,310 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 East Indian Draw-Delaware Pool. Said East Indian Draw-Delaware Pool was discovered by the Perry R. Bass Bass 10 Federal Well No. 1 located in Unit J of Section 10, Township 22 South, Range 28 East, NMPM. It was completed in the Delaware formation on June 22, 1984. The top of the perforations is at 3,722 feet.

(6) That there is need for certain extensions to the Antelope Sink-Upper Pennsylvanian Gas Pool, the West Atoka-Upper Pennsylvanian Gas Pool, the Northeast Avalon-Atoka Gas Pool, the East Avalon-Bone Spring Pool, the Avalon-Delaware Pool, the Brushy Draw-Delaware Pool, the Carlsbad-Delaware Pool, the South Carlsbad-Strawn Gas Pool, the Cemetery-Morrow Gas Pool, the Fenton-Delaware Pool, the Happy Valley-Morrow Gas Pool, the Hay Hollow-Bone Spring Pool, the High Lonesome-Queen Pool, the West Indian Flat-Atoka Gas Pool, the Shugart Yates-Seven Rivers-Queen-Grayburg Pool, the Square Lake Grayburg-San Andres Pool, and the North Turkey Track-Morrow Gas Pool, all in Eddy 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 Benson-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMPM
Section 11: NW/4

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(b) 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 Northeast Fenton-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 10: SW/4

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 7: N/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 East Indian Draw-Delaware Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 10: SE/4

(e) That the Antelope Sink-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 23 EAST, NMPM
Section 13: S/2

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

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 14: W/2

(g) That the Northeast Avalon-Atoka Gas 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 25: E/2

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

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TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 28: NE/4

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 1: Lots 1, 2, 7 through 16,
and S/2

(i) 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 25: SE/4
Section 36: NE/4

(j) That the Brushy Draw-Delaware 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 23: W/2

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 18: All
Section 19: N/2

(l) That the South Carlsbad-Strawn 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 28: All
Section 29: S/2

(m) That the Cemetery-Morrow Gas 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 34: S/2
Section 35: S/2

(n) That the Fenton-Delaware 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 16: N/2

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

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 19: S/2
Section 30: N/2

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

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 13: SW/4

(q) 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 10: SE/4

(r) That the West Indian Flat-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 28: W/2

(s) That the Shugart Yates-Seven Rivers-Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 35: SE/4 and S/2 NE/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 16 SOUTH, RANGE 31 EAST, NMPM
Section 21: NE/4

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(u) 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: N/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 allowable.

(2) That the effective date of this order and all creations and extensions included herein shall be October 1, 1984.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



R. L. STAMETS
Acting Director

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