

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. 8396
Order No. R-7714

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN
POOLS IN LEA AND ROOSEVELT COUNTIES,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on October 31, 1984, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 7th day of November, 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 Lea County, New Mexico, for the production of oil from the Cisco and Canyon formations, said pool to bear the designation of North Anderson Ranch-Cisco Canyon Pool. Said North Anderson Ranch-Cisco Canyon Pool was discovered by the H. L. Brown, Jr. State 32 Well No. 1 located in Unit P of Section 32, Township 15 South, Range 32 East, NMPM. It was completed in the Canyon formation on March 2, 1984. The top of the perforations is at 10,498 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 Atoka formation, said pool to bear the designation of West Pitchfork Ranch-Atoka Gas Pool. Said West Pitchfork Ranch-Atoka Gas Pool was discovered by the HNG Oil Company Madera Ridge 25 Federal Com Well No. 1 located in Unit L of Section 25, Township 24 South, Range 33 East, NMPM. It was completed in the Atoka

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formation on July 2, 1984. The top of the perforations is at 14,644 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 Atoka formation, said pool to bear the designation of South Shoe Bar-Atoka Gas Pool. Said South Shoe Bar-Atoka Gas Pool was discovered by the HNG Oil Company Shoe Bar 14 State Com Well No. 1 located in Unit L of Section 14, Township 17 South, Range 35 East, NMPM. It was completed in the Atoka formation on June 26, 1984. The top of the perforations is at 12,151 feet.

(5) That there is need for certain extensions to the Airstrip-Wolfcamp Pool, the Baum-Upper Pennsylvanian Pool, the Northeast Caudill-Wolfcamp Pool, the Drinkard Pool, the East Hightower-Lower Pennsylvanian Pool, the Lea-San Andres Pool, the Lovington-Paddock Pool, the North Mason-Delaware Pool, the West Nadine-Blinbry Pool, the Pitchfork Ranch-Morrow Gas Pool, the East Saunders-Permo Pennsylvanian Pool, the Scharb-Bone Spring Pool, the Southeast Scharb-Wolfcamp Pool, the North Shoe Bar-Devonian Pool, the Townsend-Permo Upper Pennsylvanian Pool, the Wantz-Abo Pool, the Weir-Drinkard Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico, and the Bluit-San Andres Associated Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

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

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 1, 2, 7, and 8

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

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 25: W/2

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(c) 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 Shoe Bar-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 14: W/2

(d) 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 26: SW/4

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

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

(f) That the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 21: Lots 1 and 2 and NW/4

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

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM
Section 2: SE/4

(h) That the Drinkard 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 24: NE/4

(i) That the East Hightower-Lower Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 29: NW/4

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(j) That the Lea-San Andres 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: NE/4

Section 24: N/2

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 30: SE/4

(l) 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 8: N/2 SE/4

(m) That the West Nadine-Blinebry 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 7: NW/4

(n) 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 33: E/2

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

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 9: SW/4

(p) 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 15: NW/4

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(q) 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: SW/4

(r) That the North Shoe Bar-Devonian 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 15: N/2 NE/4 and NW/4

(s) That the Townsend-Permo Upper Pennsylvanian 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 35: SE/4

(t) That the Wantz-Abo 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 23: NE/4

(u) That the Weir-Drinkard 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 15: NW/4

(v) 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: NW/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 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

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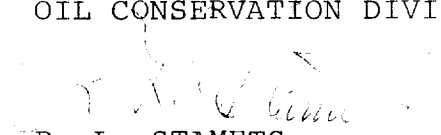
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effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the 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 November 1, 1984.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


R. L. STAMETS
Director

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