

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. 8886
Order No. R-8214

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 30, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 1st day of May, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of Jabalina-Strawn Gas Pool. Said Jabalina-Strawn Gas Pool was discovered by the Amoco Production Company Perro Grande Unit Strawn Federal Well No. 1 located in Unit J of Section 6, Township 26 South, Range 35 East, NMPM. It was completed in the Strawn formation on February 7, 1983. The top of the perforations is at 14,482 feet.

(3) There is need for the contraction of the Warren-Drinkard Pool in Lea County, New Mexico, due to the completion of the Conoco Inc. SEMU Burger B Well No. 108 located in Unit L of Section 20, Township 20 South, Range 38 East, in the Drinkard formation. The deleted area will be placed in the Skaggs-Drinkard Pool.

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(4) There is need for certain extensions to the West Casey-Strawn Pool, the Eight Mile Draw-Permo Pennsylvanian Pool, the Laguna Valley-Morrow Gas Pool, the Lea-Bone Spring Pool, the Northeast Lovington-Pennsylvanian Pool, the East Lusk-Bone Spring Pool, the Quail Ridge-Morrow Gas Pool, the Querecho Plains-Upper Bone Spring Pool, the Saunders-Permo Upper Pennsylvanian Pool, the Shipp-Strawn Pool, the South Shoe Bar-Atoka Gas Pool, and the Skaggs-Drinkard Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico, classified as a gas pool for Strawn production is hereby created and designated as the Jabalina-Strawn Gas Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM
Section 6: E/2

(b) The Warren-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 20: SW/4

(c) The Skaggs-Drinkard 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 20: SW/4

(d) The West Casey-Strawn 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 33: NW/4 and E/2 NE/4

(e) The Eight Mile Draw-Permo Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 24: SE/4
Section 25: NE/4

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(f) The Laguna Valley-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
Section 15: E/2
Section 22: NE/4
Section 23: NW/4

(g) 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 22: SE/4
Section 23: SW/4

(h) The Northeast Lovington-Pennsylvanian 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 17: SW/4
Section 29: NE/4

(i) The East Lusk-Bone Spring 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 26: NW/4
Section 27: NE/4

(j) The Quail Ridge-Morrow Gas 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 30: S/2

(k) The Querecho Plains-Upper 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 23: SW/4
Section 25: SW/4
Section 26: W/2 NE/4
Section 36: NW/4

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(1) 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 29: NE/4

(m) The Shipp-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 9: NE/4

(n) The South Shoe Bar-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 22: N/2
Section 23: NW/4

IT IS FURTHER ORDERED THAT:

(1) 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 the said 60-day period shall subject the well to cancellation of allowable.


(2) The effective date of this order and all creations, contractions, and extensions included herein shall be May 1, 1986.

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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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