

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 9185  
Order No. R-8483

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 8:15 a.m. on July 29, 1987, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 13th day of August, 1987, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and having been 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 Roosevelt County, New Mexico, for the production of gas from the Pennsylvanian formation, said pool to bear the designation of Tule-Pennsylvanian Gas Pool. Said Tule-Pennsylvanian Gas Pool was discovered by the Marshall Pipe & Supply Company J. T. McGee Well No. 1 located in Unit B of Section 27, Township 2 South, Range 29 East, NMPM. It was completed in the Pennsylvanian formation on May 13, 1987. The top of the perforations is at 6,759 feet.

(3) There is need for certain extensions to the EK-Bone Spring Pool, the Mescalero Escarpe-Bone Spring Pool, the Oil Center-Glorieta Gas Pool, the Southwest Osudo-Wolfcamp Gas Pool, the Pitchfork Ranch-Atoka Gas Pool, the Querecho Plains-Lower Bone Spring Pool, the Sanmal-Queen Pool, the South Shoe Bar-Devonian Pool, and the West Teas Yates-Seven Rivers Pool, all in Lea County, New Mexico, and the Tule-Montoya Gas Pool in Roosevelt County, New Mexico.

-2-

Case No. 8185  
Order No. R-8483

(4) The effective date of this order and all creations and extensions included herein should be August 1, 1987.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM  
Section 27: N/2

(b) The EK-Bone Spring 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 30: NW/4

(c) The Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
Section 11: NW/4

(d) The Oil Center-Glorieta Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 3: SE/4

(e) The Southwest Osudo-Wolfcamp Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM  
Section 23: SE/4

(f) The Pitchfork Ranch-Atoka 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 28: S/2  
Section 33: NE/4

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM  
Section 3: W/2  
Section 10: N/2

-3-

Case No. 8185  
Order No. R-8483

(g) The Querecho Plains-Lower 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 26: NW/4

(h) The Sanmal-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM  
Section 2: SE/4

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

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM  
Section 6: W/2

(j) The West Teas Yates-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM  
Section 9: NW/4

(k) The Tule-Montoya Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM  
Section 27: N/2

IT IS FURTHER ORDERED THAT:

(l) Pursuant to Section 70-2-18, 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

-4-

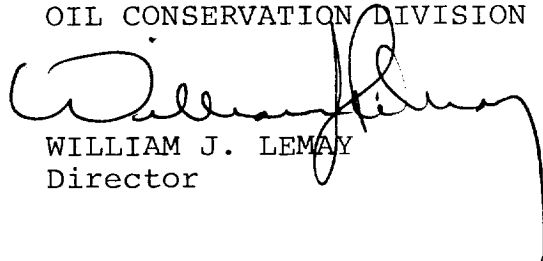
Case No. 8185  
Order No. R-8483

to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division shall subject the well to cancellation of allowable.

(2) The effective date of this order and all creations and extensions included herein shall be August 1, 1987.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY  
Director

S E A L

fd/