

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. 9212
Order No. R-8513

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on September 9, 1987, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 18th day of September, 1987, 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 Chaves County, New Mexico, for the production of gas from the Abo formation, said pool to bear the designation of Oasis-Abo Gas Pool. Said Oasis-Abo Gas Pool was discovered by the Tom Brown, Inc. Middlebrook "3" Well No. 1 located in Unit K of Section 3, Township 10 South, Range 30 East, NMPM. It was completed in the Abo formation on March 7, 1987. The top of the perforations is at 7,430 feet.

(3) There is need for certain extensions to the North Hume-Wolfcamp Pool, the Pitchfork Ranch-Atoka Gas Pool, the Pitchfork Ranch-Morrow Gas Pool, the Reeves-Delaware Pool, the San Simon-Yates Pool, the Shipp-Strawn Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico.

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IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 10 SOUTH, RANGE 30 EAST, NMPM
Section 3: SW/4

(b) The North Hume-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 33 EAST, NMPM
Section 36: SW/4

(c) The Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 3: NE/4

(d) 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 27: W/2
Section 28: N/2

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 4: S/2
Section 9: N/2

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 11: SE/4
Section 14: NE/4

(f) The San Simon-Yates Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 4: NE/4

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(g) The Shipp-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: SE/4

(h) 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 11: NE/4

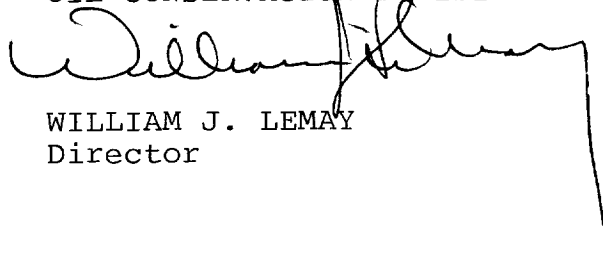
IT IS FURTHER ORDERED THAT:

(1) 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 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 October 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

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