

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. 9347
Order No. R-8626

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ABOLISHING, REDESIGNATING,
AND EXTENDING VERTICAL AND HORIZONTAL
LIMITS OF CERTAIN POOLS IN LEA AND ROOSE-
VELT COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 30, 1988, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 5th day of April, 1988, 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 oil from the Tubb formation, said pool to bear the designation of Cline-Tubb Pool. Said Cline-Tubb Pool was discovered by the JG 20 Properties Inc. Lineberry Well No. 2 located in Unit J of Section 11, Township 23 South, Range 37 East, NMPM. It was completed in the Tubb formation on January 20, 1988. The top of the perforations is at 5,993 feet.

(3) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of West Red Hills-Morrow Gas Pool. Said West Red Hills-Morrow Gas Pool was discovered by the Enron Oil and Gas Company Brinninstool 21 Federal Well No. 1 located in Unit O of

-2-

Case No. 9347
Order No. R-8626

Section 21, Township 25 South, Range 33 East, NMPM. It was completed in the Morrow formation on January 8, 1988. The top of the perforations is at 15,759 feet.

(4) There is need for the abolishment of the Hardy-Tubb Pool in Lea County, New Mexico, in order to place the abolished acreage in the Hardy Tubb-Drinkard Pool.

(5) There is need for the extension of the vertical limits of the Hardy-Drinkard Pool in Lea County, New Mexico, to include the Tubb formation and the redesignation of said Hardy-Drinkard Pool as the Hardy Tubb-Drinkard Pool.

(6) There is need for certain extensions to the Cass-Pennsylvanian Pool, the Double X-Delaware Pool, the Jennings-Delaware Associated Pool, the South Kemnitz-Cisco Pool, the Querecho Plains-Lower Bone Spring Pool, the Shipp-Strawn Pool, the Shugart Yates-Seven Rivers-Queen-Grayburg Pool, the Skaggs-Drinkard Pool, the Northeast Vacuum-Wolfcamp Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico, and the North Bluitt Siluro-Devonian Pool, the Tule-Montoya Gas Pool, and the Tule-Pennsylvanian Gas Pool, all in Roosevelt County, New Mexico.

(7) The effective date of this order and all creations, abolishments, redesignations, and extensions of vertical and horizontal limits included herein should be April 1, 1988.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico, classified as an oil pool for Tubb production is hereby created and designated as the Cline-Tubb Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 11: SE/4

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

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 21: S/2

-3-

Case No. 9347
Order No. R-8626

(c) The Hardy-Tubb Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 1: SW/4
Section 2: Lots 11, 12, 13, 14 and S/2
Section 3: Lots 9, 10, 15, and 16
Section 11: NW/4

is hereby abolished.

(d) The vertical limits of the Hardy-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, are hereby extended to include the Tubb formation and said pool is hereby redesignated as the Hardy Tubb-Drinkard Pool. The horizontal limits of said Hardy Tubb-Drinkard Pool are hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 3, 4, 5, 6, 9, 10,
11, 12, 13, 14, 15, and 16
Section 3: Lots 1, 2, 7, 8, and SW/4
Section 11: NW/4

(e) The North Bluit Siluro-Devonian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM
Section 27: N/2 NW/4
Section 28: NE/4

(f) The Cass-Pennsylvanian 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: W/2

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

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 11: SW/4

-4-

Case No. 9347
Order No. R-8626

(h) The Jennings-Delaware Associated 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 4: NW/4

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

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 26: 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 33 EAST, NMPM
Section 36: E/2

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 31: NW/4

(k) 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 25: SW/4
Section 26: SE/4
Section 36: NW/4

(l) 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 2: N/2
Section 3: SW/4

(m) The Shugart Yates-Seven Rivers-Queen-Grayburg 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 19: W/2

-5-

Case No. 9347
Order No. R-8626

(n) 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 8: SW/4
Section 17: NW/4

(o) 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 22: S/2

(p) The Tule-Pennsylvanian 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 22: S/2

(q) The Northeast Vacuum-Wolfcamp 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 33: NW/4

(r) 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 1: SE/4
Section 9: SE/4
Section 17: NW/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

-6-

Case No. 9347

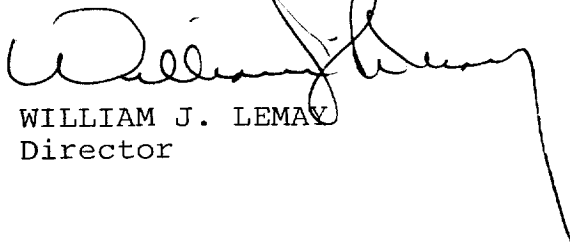
Order No. R-8626

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, abolishments, redesignations, and extensions of vertical and horizontal limits shall be April 1, 1988.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

S E A L

fd/