

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. 9494
Order No. R-8772

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CONTRACTING, AND EXTEND-
ING 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 October 12, 1988, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 24th day of October, 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 Wolfcamp formation, said pool to bear the designation of North Airstrip-Wolfcamp Pool. Said North Airstrip-Wolfcamp Pool was discovered by the Meridian Oil, Inc. Tonto 23 Well No. 1 located in Unit B of Section 23, Township 18 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on July 14, 1988. The top of the perforations is at 9,973 feet.

(3) 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 East Pitchfork Ranch-Atoka Gas Pool. Said East Pitchfork Ranch-

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Atoka Gas Pool was discovered by the Tom Brown Inc. Madera "25" Federal Well No. 1 located in Unit J of Section 25, Township 24 South, Range 34 East, NMPM. It was completed in the Atoka formation on June 11, 1987. The top of the perforations is at 15,356 feet.

(4) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Cisco formation, said pool to bear the designation of East Ranger Lake-Cisco Pool. Said East Ranger Lake-Cisco Pool was discovered by the MWJ Producing Company Elkan 6 Com Well No. 1 located in Unit L of Section 6, Township 13 South, Range 35 East, NMPM. It was completed in the Cisco formation on July 14, 1988. The top of the perforations is at 10,122 feet.

(5) There is need for the contraction of the horizontal limits of the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico, in order to place the deleted acreage in the Maljamar Grayburg-San Andres Pool.

(6) There is need for the dismissal of the proposed extension to the North Shoe Bar-Wolfcamp Pool in Lea County, New Mexico.

(7) There is need for certain extensions to the Bootleg Ridge-Morrow Gas Pool, the Southwest Eunice-San Andres Pool, the Foster-San Andres Pool, the Lane-Abo Pool, the Lovington Grayburg-San Andres Pool, the Northeast Lovington-Pennsylvanian Pool, the West Lusk-Delaware Pool, the Maljamar Grayburg-San Andres Pool, the Mescalero Escarpe-Bone Spring Pool, the South Paddock Pool, the Pitchfork Ranch-Atoka Gas Pool, the Quail Ridge-Morrow Gas Pool, the Shipp-Strawn Pool, the North Shoe Bar-Wolfcamp Pool, and the Young-Bone Spring Pool, all in Lea County, New Mexico, and the South Prairie-Wolfcamp Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 23: NE/4

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 25: S/2

(c) A new pool in Lea County, New Mexico, classified as an oil pool for Cisco production is hereby created and designated as the East Ranger Lake-Cisco Pool, consisting of the following described area:

TOWNSHIP 13 SOUTH, RANGE 35 EAST, NMPM
Section 6: SW/4

(d) The Vacuum Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 26: E/2
Section 35: SE/4 NW/4, NW/4 NE/4, and
S/2 NE/4

(e) The Maljamar Grayburg-San Andres 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 22: SE/4
Section 23: S/2
Section 26: E/2
Section 35: SE/4 NW/4, NW/4 NE/4, and
S/2 NE/4

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 13: N/2

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM
Section 18: NW/4

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(g) The Southwest Eunice-San Andres 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 18: E/2

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 36: NE/4

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM
Section 31: S/2 N/2

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

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 2: SE/4
Section 11: NE/4
Section 12: NW/4

(j) The Lovington Grayburg-San Andres 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 32: SE/4

(k) 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 6: Lots 11, 12, 13, and 14

(l) The West Lusk-Delaware 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 20: SE/4
Section 21: W/2

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(m) 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 15: NW/4

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

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 29: SW/4 and W/2 SE/4

(o) 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 4: S/2

(p) The South Prairie-Wolfcamp Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
Section 27: NW/4
Section 28: N/2
Section 29: NE/4

(q) 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 31: SW/4

(r) 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 36: W/2

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 1: NW/4

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(s) The proposed extension to the North Shoe Bar-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby dismissed.

(t) The 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 22: NW/4

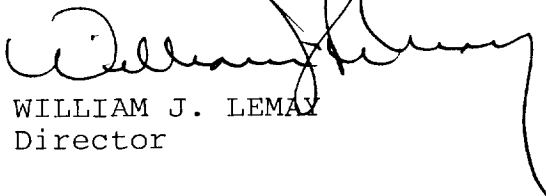
IT IS FURTHER ORDERED THAT:

(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 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 November 1, 1988.

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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