

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. 10240
Order No. R-9447

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 February 7, 1991, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 18th day of February, 1991, 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 Seven Rivers formation, said pool to bear the designation of Buffalo-Seven Rivers Pool. Said Buffalo-Seven Rivers Pool was discovered by the Chevron U.S.A. Inc. Langlie A Federal Well No. 1 located in Unit K of Section 9, Township 19 South, Range 33 East, NMPM. It was completed in the Seven Rivers formation on August 9, 1990. The top of the perforations is at 3,572 feet.

(3) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Tansill-Yates-Seven Rivers formation, said pool to bear the designation of West Dollarhide Tansill-Yates-Seven Rivers

Case No. 10240
Order No. R-9447
-2-

Gas Pool. Said West Dollarhide Tansill-Yates-Seven Rivers Gas Pool was discovered by the Texaco Producing Inc. Mexico J Well No. 2 located in Unit O of Section 32, Township 24 South, Range 38 East, NMPM. It was completed in the Tansill-Yates-Seven Rivers formation on July 24, 1990. The top of the perforations is at 2,647 feet.

(4) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Gem-Delaware Pool. Said Gem-Delaware Pool was discovered by the JFG Enterprises Tonto State Well No. 1 located in Unit J of Section 32, Township 19 South, Range 33 East, NMPM. It was completed in the Delaware formation on November 8, 1990. The top of the perforations is at 7,906 feet.

(5) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Geronimo-Delaware Pool. Said Geronimo-Delaware Pool was discovered by the Mitchell Energy Corporation Geronimo Federal Well No. 1 located in Unit D of Section 31, Township 19 South, Range 33 East, NMPM. It was completed in the Delaware formation on October 3, 1990. The top of the perforations is at 7,586 feet.

(6) 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 Northeast Lovington-Wolfcamp Pool. Said Northeast Lovington-Wolfcamp Pool was discovered by the Bridge Oil Company L. P. Kim Harris Well No. 1 located in Unit B of Section 12, Township 16 South, Range 36 East, NMPM. It was completed in the Wolfcamp formation on October 19, 1990. The top of the perforations is at 10,590 feet.

(7) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of East Nadine-Abo Pool. Said East Nadine-Abo Pool was discovered by the Petroleum Technical Services Company Carter Well No. 1 located in Unit I of Section 30, Township 19 South, Range 39 East, NMPM. It was completed in the Abo formation on May 9, 1990. The top of the perforations is at 7,456 feet.

(8) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the

Case No. 10240
Order No. R-9447
-3-

Bone Spring formation, said pool to bear the designation of Red Tank-Bone Spring Pool. Said Red Tank-Bone Spring Pool was discovered by the Chevron U.S.A. Inc. Covington A Federal Well No. 1 located in Unit C of Section 25, Township 22 South, Range 32 East, NMPM. It was completed in the Bone Spring formation on August 22, 1990. The top of the perforations is at 9,976 feet.

(9) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Paddock formation, said pool to bear the designation of Teague-Paddock Pool. Said Teague-Paddock Pool was discovered by the Arch Petroleum Inc. E. C. Hill B Federal Well No. 1 located in Unit A of Section 34, Township 23 South, Range 37 East, NMPM. It was completed in the Paddock formation on November 2, 1990. The top of the perforations is at 4,888 feet.

(10) 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 Vaca Draw-Atoka Gas Pool. Said Vaca Draw-Atoka Gas Pool was discovered by the Oryx Energy Company Gila 4 Deep Com Well No. 1 located in Unit G of Section 4, Township 25 South, Range 33 East, NMPM. It was completed in the Atoka formation on July 18, 1990. The top of the perforations is at 14,276 feet.

(11) There is need for certain extensions to the Bilbrey-Morrow Gas Pool, the West Corbin-Delaware Pool, the East Crossroads-Devonian Pool, the Cuerno Largo-Pennsylvanian Pool, the Southwest Eunice-San Andres Pool, the Flying M-San Andres Pool, the East Gem-Morrow Gas Pool, the Hat Mesa-Delaware Pool, the Kemnitz-Cisco Pool, the Lane-Abo Pool, the East Lusk-Bone Spring Pool, the East Lusk-Delaware Pool, the Monument-Tubb Pool, the Tonto-Atoka Gas Pool, the West Tonto-Bone Spring Pool, the North Young-Bone Spring Pool, and the Young-Wolfcamp Pool, all in Lea County, New Mexico, and the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico, classified as an oil pool for Seven Rivers production is hereby created and designated as the Buffalo-Seven Rivers Pool, consisting

Case No. 10240
Order No. R-9447
-4-

of the following described area:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 9: SW/4

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

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
Section 32: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 32: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 31: NW/4

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

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 12: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM
Section 30: SE/4

Case No. 10240
Order No. R-9447
-5-

(g) A new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the Red Tank-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 25: NW/4

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

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

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 4: E/2

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 32: SW/4

(k) The West Corbin-Delaware 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 16: SE/4

(l) The East Crossroads-Devonian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 25: NE/4

Case No. 10240
Order No. R-9447
-6-

(m) The Cuerno Largo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 35: NE/4

(n) 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 5: SE/4
Section 8: E/2

(o) The Flying M-San Andres 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 8: NE/4
Section 9: NW/4

(p) The East Gem-Morrow Gas 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 2: S/2

(q) The Hat Mesa-Delaware 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 32: SE/4

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 22: W/2
Section 27: N/2

Case No. 10240
Order No. R-9447
-7-

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 26: SW/4

(t) 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 16: SW/4
Section 26: SE/4
Section 35: NE/4

(u) The East 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 26: S/2

(v) The Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM
Section 34: SE/4

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 3: NW/4

(w) The Monument-Tubb 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 23: SW/4

(x) The Tonto-Atoka 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 22: N/2

Case No. 10240
Order No. R-9447
-8-

(y) The West Tonto-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 1: NE/4

(z) 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: NW/4
Section 16: NE/4

(aa) The Young-Wolfcamp 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 9: SE/4
Section 10: W/2

IT IS FURTHER ORDERED THAT:

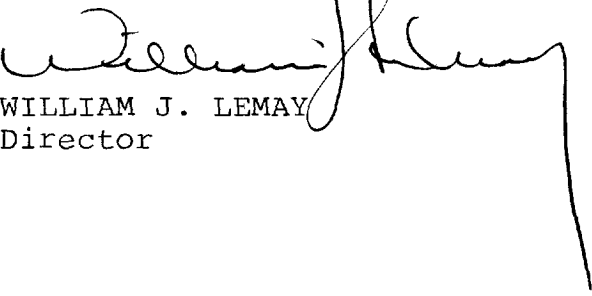
(1) Pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective 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 and extensions included herein shall be March 1, 1991.

Case No. 10240
Order No. R-9447
-9-

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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