

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. 10612
Order No. R-9792

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING 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 November 19, 1992, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 3rd day of December, 1992, 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 San Andres formation, said pool to bear the designation of South Allison-San Andres Pool. Said South Allison-San Andres Pool was discovered by the Layton Enterprises Inc. El Zorro C Federal Well No. 2 located in Unit A of Section 11, Township 9 South, Range 36 East, NMPM. It was completed in the San Andres formation on June 22, 1992. The top of the perforations is at 4,868 feet.

(3) 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 Dagger Lake-Delaware Pool. Said Dagger Lake-Delaware Pool was discovered by the Meridian Oil Inc. Dagger Lake State Well No. 1 located in Unit 0 of Section 5, Township 22 South, Range 33 East, NMPM. It was

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completed in the Delaware formation on September 2, 1992. The top of the perforations is at 4,951 feet.

(4) 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 Southeast Lane-Abo Pool. Said Southeast Lane-Abo Pool was discovered by the Purvis Oil Corporation State 15 Well No. 1 located in Unit F of Section 15, Township 10 South, Range 34 East, NMPM. It was completed in the Abo formation on September 15, 1992. The top of the perforations is at 9,014 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 Southeast Livingston Ridge-Delaware Pool. Said Southeast Livingston Ridge-Delaware Pool was discovered by the Yates Petroleum Corporation Lotus ALT State Well No. 2 located in Unit G of Section 32, Township 22 South, Range 32 East, NMPM. It was completed in the Delaware formation on October 19, 1992. The top of the perforations is at 8,326 feet.

(6) 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 North Lusk-Delaware Pool. Said North Lusk-Delaware Pool was discovered by the Oryx Energy Company Jennings A Federal Well No. 4 located in Unit J of Section 15, Township 19 South, Range 32 East, NMPM. It was completed in the Delaware formation on December 17, 1991. The top of the perforations is at 6,521 feet.

(7) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Bone Spring formation, said pool to bear the designation of Red Hills-Bone Spring Pool. Said Red Hills-Bone Spring Pool was discovered by the Enron Oil and Gas Company Vaca 13 Federal Well No. 1 located in Unit C of Section 13, Township 25 South, Range 33 East, NMPM. It was completed in the Bone Spring formation on August 12, 1992. The top of the perforations is at 12,230 feet.

(8) 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 South Red Tank-Delaware Pool. Said South Red Tank-Delaware Pool was discovered by the C. W. Trainer Shell State Well No. 1 located in Unit C of Section 36, Township 22 South, Range 32 East, NMPM. It was

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completed in the Delaware formation on October 3, 1991. The top of the perforations is at 5,012 feet.

(9) 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 West Red Tank-Delaware Pool. Said West Red Tank-Delaware Pool was discovered by the Pogo Producing Company Federal 27 Well No. 1 located in Unit N of Section 27, Township 22 South, Range 32 East, NMPM. It was completed in the Delaware formation on July 13, 1992. The top of the perforations is at 8,330 feet.

(10) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Devonian formation, said pool to bear the designation of Northwest Teague-Devonian Pool. Said Northwest Teague-Devonian Pool was discovered by the Texaco Exploration and Production Inc. R. R. Sims Well No. 2 located in Unit N of Section 4, Township 23 South, Range 37 East, NMPM. It was completed in the Devonian formation on July 22, 1992. The top of the perforations is at 7,508 feet.

(11) 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 Teas-Morrow Gas Pool. Said West Teas-Morrow Gas Pool was discovered by the Mitchell Energy Corporation Anasazi 9 Federal Well No. 1 located in Unit G of Section 9, Township 20 South, Range 33 East, NMPM. It was completed in the Morrow formation on July 16, 1992. The top of the perforations is at 13,289 feet.

(12) There is need for the creation of a new pool in Roosevelt County, New Mexico, for the production of gas from the San Andres formation, said pool to bear the designation of Tule-San Andres Gas Pool. Said Tule-San Andres Gas Pool was discovered by the Marshall Pipe and Supply Company Stoltenberg Well No. 1 located in Unit F of Section 26, Township 2 South, Range 29 East, NMPM. It was completed in the San Andres formation on October 2, 1992. The top of the perforations is at 2,920 feet.

(13) The effective date of this order and all creations included herein should be December 1, 1992.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico, classified as an oil pool for San Andres production is hereby created and designated

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as the South Allison-San Andres Pool, consisting of the following described area:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 11: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM
Section 5: SE/4

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

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM
Section 15: NW/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 Southeast Livingston Ridge-Delaware Pool, consisting of the following described area:

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

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 15: SE/4

(f) 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 Hills-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 13: NW/4

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 36: NW/4

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 27: SW/4

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

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

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

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 9: N/2

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

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 26: NW/4

IT IS FURTHER ORDERED THAT:

(1) The effective date of this order and all creations included herein shall be December 1, 1992.

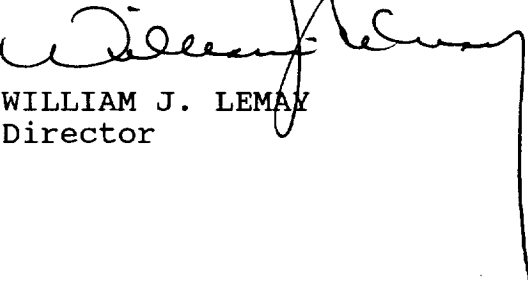
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DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

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