

*Entered February 20, 1970
A.H.P.*

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4307
Order No. R-3922

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 18, 1970, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of February, 1970, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of South Carlsbad-Strawn Gas Pool. Said South Carlsbad-Strawn Gas Pool was discovered by the Superior Oil Company Collat Estate Com Well No. 1, located in Unit J of Section 1, Township 23 South, Range 26 East, NMPM. It was completed in the Strawn formation on November 27, 1969. The top of the perforations is at 10,453 feet.

(3) That there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from

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the Queen formation, said pool to bear the designation of Round Tank-Queen Pool. Said Round Tank-Queen Pool was discovered by the Elk Oil Company JW State Well No. 1, located in Unit K of Section 30, Township 15 South, Range 29 East, NMPM. It was completed in the Queen formation on November 30, 1969. The top of the perforations is at 1506 feet.

(4) That there is need for the consolidation of the Forest-San Andres Pool and the Square Lake Pool, both in Eddy County, New Mexico, inasmuch as both pools are producing from one common source of supply. Said consolidation to be accomplished by the abolishment of the Forest-San Andres Pool and the extension of the Square Lake Pool.

(5) That there is need for certain extensions to the Cato-San Andres Pool in Chaves County, New Mexico, the Shugart Yates Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, the Blinebry Pool, the Cerca-Upper Pennsylvanian Pool, the Lusk-Delaware Pool, and the Spencer-San Andres Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production, is hereby created and designated as the South Carlsbad-Strawn Gas Pool, consisting of the following-described area:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 1: E/2

(b) That a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production, is hereby created and designated as the Round Tank-Queen Pool, consisting of the following-described area:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 30: NE/4 SW/4

(c) That the Forest-San Andres Pool in Eddy County, New Mexico, consisting of the following-described area:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 26: S/2
Section 27: S/2

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(c) (Forest-San Andres Pool - continued from page 2)

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM - continued

Section 34: All

Section 35: W/2 and SW/4 SE/4

is hereby abolished.

(d) That the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM

Section 27: S/2 SE/4

Section 34: All

Section 35: W/2 and SW/4 SE/4

(e) That the Blinebry 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 8: NE/4

(f) That the Cato-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM

Section 6: SE/4

(g) That the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 8: SE/4

(h) That the 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 28: SW/4

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(i) That the Shugart Yates Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 24: SE/4 SW/4

(j) That the Spencer-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 24: SW/4 SW/4 and S/2 SE/4

IT IS FURTHER ORDERED:

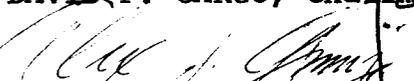
(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from 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 Commission. 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 Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, abolishments, and extensions included herein shall be March 1, 1970.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

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