

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 7416
Order No. R-6891

APPLICATION OF EL PASO NATURAL GAS
COMPANY FOR POOL CREATION AND REDELINEATION,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on November 19, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 1st day of February, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, El Paso Natural Gas Company, seeks to contract the horizontal limits of the Jalmat Gas Pool by deleting therefrom most of the lands in Township 26 South, Range 37 East, NMPM, Lea County, New Mexico.
- (3) That the applicant additionally seeks to redefine the Rhodes Yates-Seven Rivers Oil Pool as two separate pools, an oil pool and a gas pool, and to extend the horizontal limits of the Scarborough-Yates Seven Rivers Pool to take in two certain wells.
- (4) Applicant further seeks to contract the horizontal boundaries of the Rhodes Gas Storage Unit to delete certain lands and wells not participating in the Rhodes Gas Storage Project and to withdraw without restriction all gas remaining in the newly redefined Rhodes Yates-Seven Rivers Gas Pool.

(5) That the aforesaid Jalmat Gas Pool and Rhodes Yates-Seven Rivers Oil Pool have substantially the same vertical limits and overlap, horizontally, to a great degree in Township 26 South, Range 37 East, Lea County, New Mexico.

(6) That to clarify the Division's pool nomenclature and eliminate said overlap, and to permit gas wells and oil wells within the overlap area to receive their proper allowable or authority to produce, the following action should be taken:

- (a) the horizontal limits of the Jalmat Tansill-Yates-Seven Rivers Gas Pool should be contracted by deletion therefrom of the acreage shown in paragraph (a) of Exhibit "A" attached to this order;
- (b) the horizontal limits of the Rhodes Yates-Seven Rivers Oil Pool should be contracted by deletion therefrom of the acreage shown in paragraph (b) of said Exhibit "A";
- (c) the horizontal limits of the Scarborough Yates-Seven Rivers Pool should be extended to include therein the acreage shown in paragraph (c) of said Exhibit "A";
- (d) That a new gas pool for Yates-Seven Rivers production should be created and designated the Rhodes Yates-Seven Rivers Gas Pool consisting of the acreage shown in paragraph (d) of said Exhibit "A".

(7) That no testimony was received relative to contraction of the Rhodes Gas Storage Unit and that portion of this application should be dismissed.

(8) That the newly created Rhodes Yates-Seven Rivers Gas Pool will be a non-prorated Gas Pool.

(9) That the effective date of this order should be January 1, 1982.

(10) That approval of the subject application and all the pool contractions, extensions, and creation included therein will not result in waste and will not violate correlative rights.

IT IS THEREFORE ORDERED:

(1) That the Jalmat Tansill Yates-Seven Rivers Gas Pool as previously defined and described in Lea County, New Mexico, is hereby contracted as shown in paragraph (a) of Exhibit "A" attached to this order.

(2) That the Rhodes Yates-Seven Rivers Oil Pool as previously defined and described in Lea County, New Mexico, is hereby contracted as shown in paragraph (b) of Exhibit "A" attached to this order.

(3) That the Scarborough Yates-Seven Rivers Pool as previously defined and described in Lea County, New Mexico, is hereby extended as shown in paragraph (c) of Exhibit "A" attached to this order.

(4) That a new pool for Yates-Seven Rivers gas production is hereby created and designated the Rhodes Yates-Seven Rivers Gas Pool with vertical limits consisting of the Yates and Seven Rivers formations and horizontal limits as shown in paragraph (d) of Exhibit "A" attached to this order, provided however, that the vertical limits of said pool in Section 4, Township 26 South, Range 37 East, NMPM, shall be the Yates formation and all of the Seven Rivers formation except the lowermost 100 feet thereof.

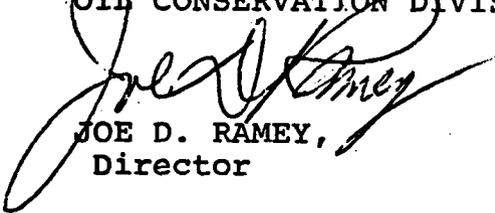
(5) That the portion of this case seeking deletion of certain lands from the Rhodes Gas Storage Unit is hereby dismissed.

(6) That the effective date of this order and of the pool contractions, extensions and creation and the dismissal contained herein shall be January 1, 1982.

(7) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

S E A L

- (a) Contraction of the Jalmat Tansill Yates-Seven Rivers Gas Pool, Lea County, New Mexico:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Sections 4, 5, and 6: All
Section 7: E/2 E/2
Sections 8 and 9: All
Section 10: W/2
Section 14: SW/4
Section 15, 16, and 17: All
Section 18: E/2 E/2
Section 19: E/2 NE/4
Sections 20, 21, and 22: All
Sections 27 and 28: All
Section 29: NE/4
Section 33: E/2 E/2
Section 34: All

- (b) Contraction of the Rhodes Yates-Seven Rivers Oil Pool, Lea County, New Mexico:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Sections 4, 5, and 6: All
Section 7: E/2
Section 8: N/2, E/2 SE/4, SW/4 SE/4, and SE/4 SW/4
Section 9: All
Section 10: S/2
Sections 15 and 16: All
Section 17: NE/4, E/2 SE/4, and E/2 W/2
Section 21: N/2 N/2, SW/4 NW/4, and SE/4 NE/4
Section 22: N/2, N/2 SE/4, SE/4 SE/4, and NE/4 SW/4
Section 23: S/2

- (c) Extension of the Scarborough-Yates-Seven Rivers Pool, Lea County, New Mexico:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Section 6: SW/4 SW/4
Section 29: NE/4

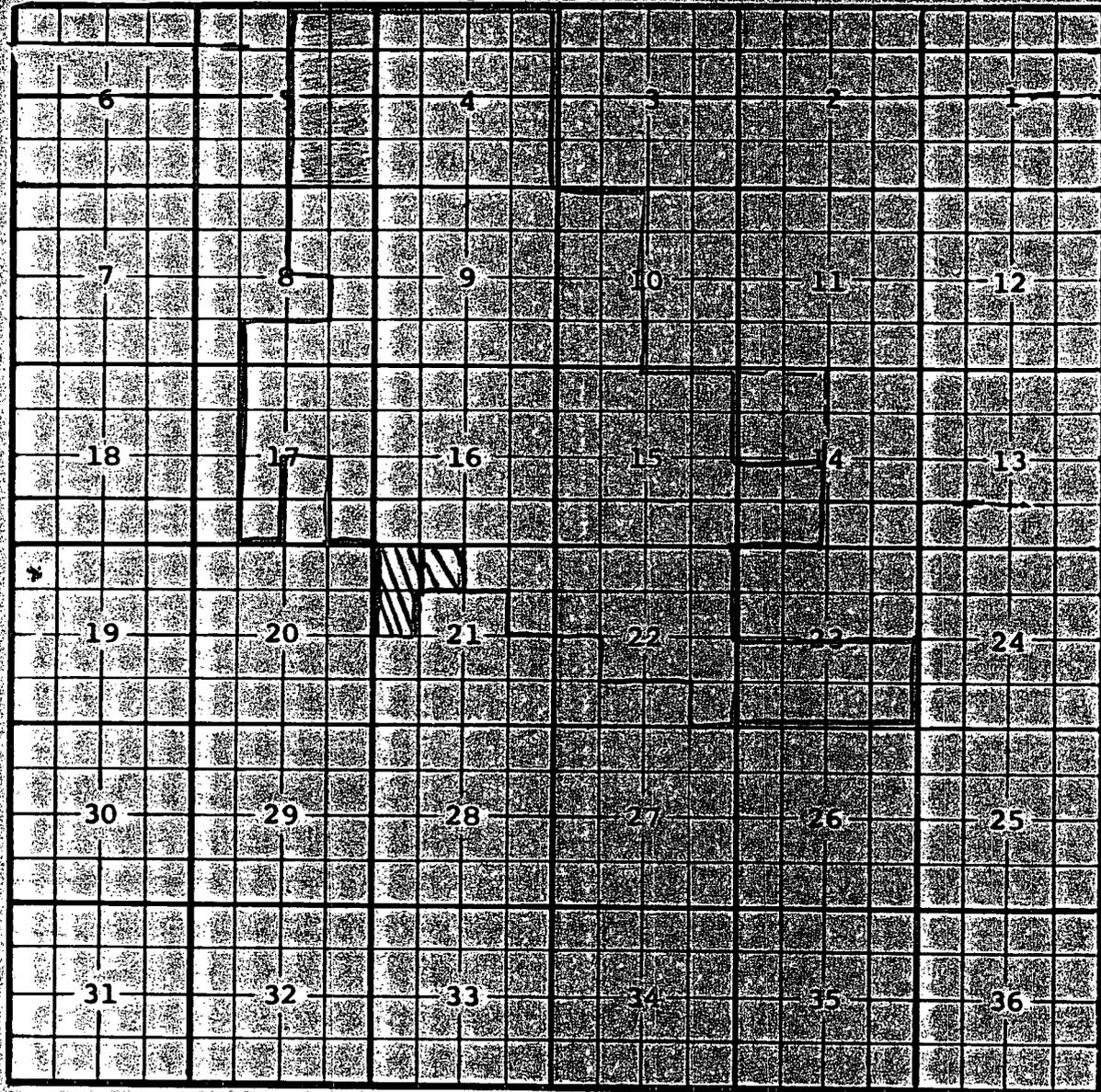
- (d) Creation of the Rhodes-Yates-Seven Rivers Gas Pool, Lea County, New Mexico:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Section 4: All
Section 5: E/2
Section 8: NE/4, E/2 SE/4, SW/4 SE/4, and
SE/4 SW/4
Section 9: All
Section 10: W/2
Section 14: SW/4
Section 15 and 16: All
Section 17: NE/4, E/2 W/2, and E/2 SE/4
Section 21: N/2 N/2, SE/4 NE/4, and SW/4 NW/4
Section 22: N/2, N/2 SE/4, SE/4 SE/4, and NE/4 SW/4
Section 23: S/2

County Lea Pool Rhodes Yates Seven Rivers Gas

TOWNSHIP 26 South Range 37 East NMPM



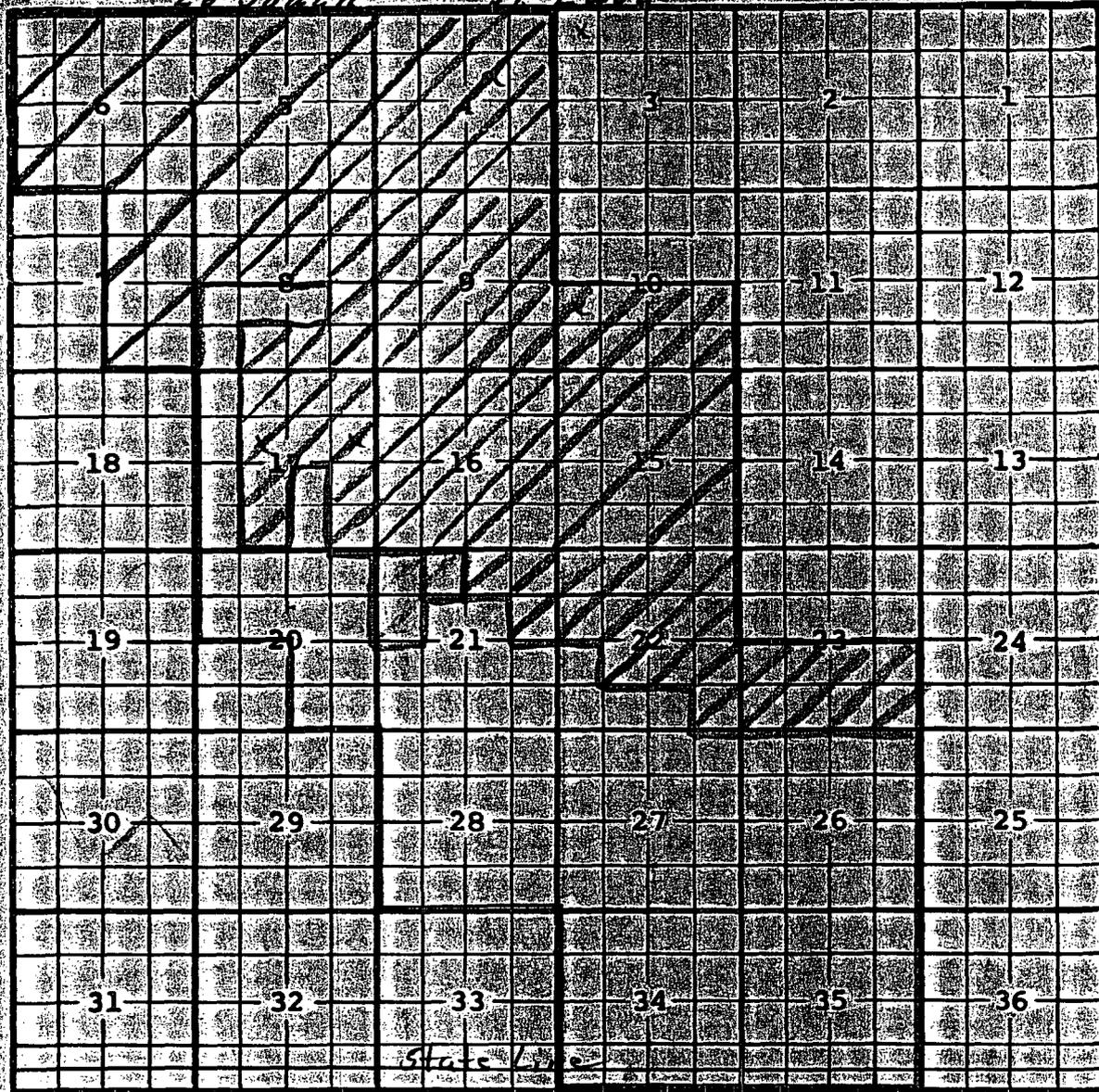
Desc: All sec 4, E/2 sec 5, NE/4, E/2 SE/4, SW/4 SE/4, & SE/4 SW/4 sec 8,
All sec 9, W/2 sec 10, SW/4 sec 14. All sec 15, 16, NE/4, E/2 W/2, &
E/2 SE/4 sec 17, W/2 W/2, SW/4 NE/4, & SW/4 NW/4 sec 21, W/2,
W/2 SE/4, SW/4 SE/4, & NE/4 SW/4 sec 22, 1/2 sec 23, (R-6891,
2-1-82)

Contract vertical limits from top of Yates formation to a point
in Seven Rivers formation which is no fact above the top of the
Queen formation in E/2 sec 5 (R-7372, 10-28-85)

Delete NE/4 NW/4 Sec. 21 (R-7554, 6-14-84) Delete W/2 NW/4 Sec. 21 (R-7858, 3-28-85)

COUNTY *Lea* FOOT *Rhodes* (2-5R)

TOWNSHIP *24 South* RANGE *37 East* NMPM



Description: All Secs 4, 5, 6; $\frac{1}{2}$ Sec 7; All Secs 8, 9;
 $\frac{1}{2}$ Sec 10; All Secs 15, 16, 17, $\frac{1}{2}$ $\frac{1}{4}$ $\frac{SE}{4}$ Sec 20; All Secs
21 & 22; $\frac{1}{2}$ Sec 23; All Secs 24, 27, 28, 34 & 35.

Order No 850 Contraction: All sec 4, 5, 6, $\frac{1}{2}$ sec 7, $\frac{1}{2}$, $\frac{1}{2}$ $\frac{SE}{4}$, $\frac{SW}{4}$ $\frac{SE}{4}$,
 $\frac{SE}{4}$ $\frac{SW}{4}$ sec 8, All sec 9, $\frac{1}{2}$ sec 10, All sec 15, 16, $\frac{NE}{4}$, $\frac{1}{2}$ $\frac{SE}{4}$, $\frac{1}{2}$ $\frac{W}{2}$
sec 17, $\frac{1}{2}$ $\frac{1}{2}$, $\frac{SW}{4}$ $\frac{NW}{4}$, $\frac{SE}{4}$ $\frac{NE}{4}$ sec 21, $\frac{1}{2}$, $\frac{1}{2}$ $\frac{SE}{4}$, $\frac{SE}{4}$ $\frac{SE}{4}$,
 $\frac{NE}{4}$ $\frac{SW}{4}$ sec 22, $\frac{1}{2}$ sec 23 (R-6891, 2-1-82)

Ext: $\frac{NE}{4}$ $\frac{NW}{4}$ Sec 21 (R-7554, 6-14-84) Ext: $\frac{1}{2}$ $\frac{NW}{4}$ Sec 21 (R-7858, 3-28-85)