

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. 14916
Order No. R-13642

THE APPLICATION OF THE OIL CONSERVATION
DIVISION FOR AN ORDER CONTRACTING
HORIZONTAL LIMITS, REDESIGNATING AND
EXTENDING VERTICAL LIMITS OF CERTAIN
POOLS IN LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 18, 2012, at Santa Fe, New Mexico, before Examiner David K. Brooks.

NOW, on this 23rd day of October, 2012, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.
- (2) There is need for the extension of the vertical limits of the Warren-Drinkard Pool (**pool code: 63080**) to include all of the Blinebry, Tubb and Drinkard formations and for the redesignation of the Warren-Drinkard Pool as the SEMU-Blinebry-Tubb-Drinkard Pool (**pool code: 63080**).
- (3) There is need for the contraction of the Blinebry Oil and Gas Pool, the North Hardy-Tubb-Drinkard Pool, the Monument-Tubb Pool, the West Nadine-Tubb Pool, the Skaggs-Drinkard Pool, the Warren-Tubb Oil and Gas Pool, the Weir-Blinebry Pool, the East Weir-Blinebry Pool and the Weir-Drinkard Pool, all in Lea County, New Mexico, in order to correct nomenclature. All of the deleted acreage will be placed in the SEMU-Blinebry-Tubb-Drinkard Pool in Lea County, New Mexico.

(4) There is need for the extension of the SEMU-Blinebry-Tubb-Drinkard Pool in Lea County, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) The vertical limits of the Warren-Drinkard Pool (**pool code: 63080**) are hereby extended to include all of the Blinebry, Tubb and Drinkard formations. The Warren-Drinkard Pool is hereby redesignated as the SEMU-Blinebry-Tubb-Drinkard Pool (**pool code: 63080**).

(b) The Blinebry Oil and Gas Pool (**pool code- Oil: 6660, Pro Gas: 72480**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 19: SE/4
Section 20: SW/4 NW/4 and SW/4
Section 29: NW/4
Section 30: NE/4 and N/2 SE/4

(c) The North Hardy-Tubb-Drinkard Pool (**pool code: 96356**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 24: W/2
Section 25: NW/4 and N/2 S/2

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 30: NE/4 and N/2 S/2

(d) The Monument-Tubb Pool (**pool code: 47090**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 13: SW/4 NE/4
Section 14: NW/4, W/2 NE/4, SE/4 NE/4 and W/2 SW/4
Section 15: E/2 E/2
Section 22: E/2 NE/4
Section 23: W/2

(e) The West Nadine-Tubb Pool (**pool code: 47530**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 18: SW/4 SE/4
Section 19: W/2 NE/4 and SE/4 NE/4

(f) The Skaggs-Drinkard Pool (**pool code: 57000**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPPM
Section 13: SW/4 NE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPPM
Section 18: NW/4 SW/4, S/2 SW/4 and SW/4 SE/4
Section 19: NW/4 NE/4, S/2 NE/4 and S/2
Section 20: SW/4 NW/4 and SW/4

(g) The Warren-Tubb Gas Pool (**pool code: Oil - 63280 Gas - 87080**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPPM
Section 24: SE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPPM
Section 18: SW/4
Section 19: NW/4 and S/2
Section 20: SW/4 NW/4 and SW/4
Section 29: NW/4

(h) The Weir-Blinebry Pool (**pool code: 63780**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPPM
Section 14: W/2 NW/4
Section 15: E/2 E/2
Section 22: E/2 NE/4

(i) The East Weir-Blinebry Pool (**pool code: 63800**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPPM
Section 13: SW/4 NE/4
Section 14: E/2 NW/4, W/2 NE/4 and SE/4 NE/4

(j) The Weir-Drinkard Pool (**pool code: 63840**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 14: W/2
Section 15: E/2 E/2
Section 22: E/2 NE/4
Section 23: All

(k) The SEMU-Blinebry-Tubb-Drinkard Pool (pool code: 63080) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 13: SW/4 NE/4, SE/4, W/2 SW/4 and SE/4 SW/4
Section 14: NW/4 NE/4, S/2 NE/4, NW/4 and S/2
Section 15: E/2 E/2
Section 22: E/2 E/2
Section 23: All
Section 24: All
Section 25: N/2 and N/2 S/2
Section 26: All
Section 27: E/2 E/2

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

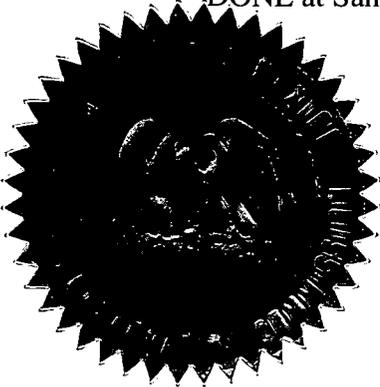
Section 18: NW/4 SW/4, S/2 SW/4 and SW/4 SE/4
Section 19: NW/4 NE/4, S/2 NE/4, NW/4 and S/2
Section 20: SW/4 NW/4 and SW/4
Section 30: N/2 and N/2 S/2

IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA, 1978, an operator of any well that, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have 60 days from the effective date of this order to file Form C-102 dedicating a standard unit for the pool to that 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 that 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all contractions of vertical limits, redesignations, and extensions included herein shall be November 1, 2012.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "Jami Bailey".

JAMI BAILEY
Director