

CAS: 7428: SOUTHEAST NOMENCLATURE FOR
NOVEMBER, 1981

CASE NO.

7428

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
19 November 1981

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico. CASE 7428

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

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I N D E X

ROY JOHNSON

Direct Examination by Mr. Pearce	3
Cross Examination by Mr. Stamets	5

E X H I B I T S

Division Exhibit One, Documents

1
2 MR. STAMETS: We will call next Case
3 7428, which is in the matter of the hearing called by the
4 Oil Conservation Division on its own motion for an order
5 creating and extending certain pools in Chaves, Eddy, Lea,
6 and Roosevelt Counties, New Mexico.

7 Call for appearances in this case.

8 MR. PEARCE: Mr. Examiner, my name is
9 W. Perry Pearce, appearing on behalf of the New Mexico Oil
10 Conservation Division.

11 I have one witness who needs to be
12 sworn.

13
14 (Witness sworn.)

15
16 ROY JOHNSON

17 being called as a witness and being duly sworn upon his oath,
18 testified as follows, to-wit:

19
20 DIRECT EXAMINATION

21 BY MR. PEARCE:

22 Q Would you please state your name, by
23 whom you're employed, and in what position?

24 A My name is Roy Johnson, petroleum geol-
25 ogist for the State of New Mexico Oil Conservation Division.

1
2 Q Mr. Johnson, are you prepared to make
3 recommendations to the Commission concerning the nomenclature
4 of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties,
5 New Mexico?

6 A I am.

7 Q Have you caused those recommendations
8 to be prepared in the form of an exhibit?

9 A I have.

10 Q Mr. Johnson, I would ask that you refer
11 to the exhibit and to the docket that has been prepared and
12 distributed at this hearing and point out any substantial
13 differences between the two.

14 A I have one exhibit and there are three
15 additions to the docket.

16 The first of which is the creation of
17 a new pool in Lea County, to be designated as the West Nadine
18 Drinkard Pool, Drinkard production, Township 20 South, Range
19 38 East, Section 4, the southwest quarter; Section 5, the
20 south half; Section 6, the southeast quarter; Section 8, the
21 east half, and the north half of the northwest quarter;
22 Section 9, the northwest quarter.

23 We also have two other additions, the
24 first of which is the abolishment of the North Skaggs Drinkard
25 Pool in Lea County, and the description of the pool is as

1
2 follows: Township 20 South, Range 38 East, Section 5, the
3 southwest quarter; Section 6, the southeast quarter; Section
4 8, the north half northwest quarter, and a contraction of the
5 Skaggs Drinkard Pool in Lea County, Township 20 South, Range
6 38 East, Section 9, the west half; Section 16, the northwest
7 quarter; Section 17, the north half.

8 Q Thank you. Do you have anything further
9 to add to your testimony at this time?

10 A. No, I do not.

11 MR. PEARCE: Mr. Examiner, we have
12 nothing further at this time. We move the admission of Ex-
13 hibit One.

14 MR. STAMETS: Exhibit One will be ad-
15 mitted.

16
17 CROSS EXAMINATION

18 BY MR. STAMETS:

19 Q Mr. Johnson, I understand that these
20 additions that you gave us today were advertised. They were
21 just erroneously left off the docket.

22 A. Correct.

23 Q Okay. And if I'm -- I believe I am
24 correct in saying that the paragraph numbers -- well, let
25 me ask you, do the paragraph numbers in your exhibit match

1
2 exactly those shown on the docket or are they different be-
3 cause of these three cases which were erroneously left off?

4 A. I believe that they are --

5 Q. For example, what do you show as para-
6 graph (g)?

7 A. The creation of a new pool in Eddy
8 County. It's different. The one I have, our correction is
9 different than the docket.

10 Q. All right, but all we have done is add
11 these three pools in their appropriate slots. It really
12 hasn't made any difference, is that correct?

13 A. That's correct.

14 MR. STAMETS: All right. Any questions
15 of the witness? He may be excused.

16 Anything further in this case?

17 The case will be taken under advise-
18 ment.

19
20 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

11-19-77 7428, 81.
Richard L. Stamm, Examiner
Oil Conservation Division

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. 7428
Order No. R-6838

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ABOLISHING, CONTRACTING,
AND EXTENDING CERTAIN POOLS IN CHAVES,
EDDY, LEA, AND ROOSEVELT COUNTIES, 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 8th day of November, 1981, 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 there is need for the creation of a new pool in
Lea County, New Mexico, for the production of gas from the Wolf-
camp formation, said pool to bear the designation of North
Antelope Ridge-Wolfcamp Gas Pool. Said North Antelope Ridge-
Wolfcamp Gas Pool was discovered by the J. C. Williamson Triple
A Federal Well No. 1 located in Unit F of Section 10, Township
23 South, Range 34 East, NMPM. It was completed in the Wolfcamp
formation on May 30, 1981. The top of the perforations is at
11,778 feet.

(3) That there is need for the creation of a new pool in
Lea County, New Mexico, for the production of oil from the Wolf-
camp formation, said pool to bear the designation of Diamondtail-
Wolfcamp Pool. Said Diamondtail-Wolfcamp Pool was discovered by

The Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. It was completed in the Wolfcamp formation on August 25, 1981. The top of the perforations is at 12,181 feet.

(4) That 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 North Grama Ridge-Bone Spring Pool. Said North Grama Ridge-Bone Spring Pool was discovered by the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. It was completed in the Bone Spring formation on September 2, 1981. The top of the perforations is at 9,556 feet.

(5) That 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 Grassland-Wolfcamp Pool. Said Grassland-Wolfcamp Pool was discovered by the C. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on May 28, 1981. The top of the perforations is at 10,320 feet.

(6) That 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 North Lusk-Bone Spring Pool. Said North Lusk-Bone Spring Pool was discovered by the Petroleum Development Corporation Shelly Federal Com Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. It was completed in the Bone Spring formation on March 30, 1981. The top of the perforations is at 8,528 feet.

(7) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of McMillan-Atoka Gas Pool. Said McMillan-Atoka Gas Pool was discovered by the Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. It was completed in the Atoka formation on February 17, 1981. The top of the perforations is at 9,910 feet.

(8) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Drinkard formation, said pool to bear the designation of West Nadine-Drinkard Pool. Said West Nadine-Drinkard Pool was discovered by the Morris R. Antwell Egghert Well No. 1 located in Unit H of Section 8, Township 20 South, Range 38 East, NMPM. It was com-

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pleted in the Drinkard formation on April 22, 1981. The top of the perforations is at 6,914 feet.

(9) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Springs-Morrow Gas Pool. Said Springs-Morrow Gas Pool was discovered by the Jake L. Hamon State 33 Com Well No. 1 located in Section 33, Township 20 South, Range 26 East, NMPM. It was completed in the Morrow formation on February 5, 1981. The top of the perforations is at 10,021 feet.

(10) That there is need for the abolishment of the North Skaggs-Drinkard Gas Pool in Lea County, New Mexico, with productive acreage placed in the West Nadine-Drinkard Pool and wells reclassified to oil wells.

(11) That there is need for the contraction of the Skaggs-Drinkard Pool in Lea County, New Mexico, since a geological study established the Drinkard production from this area was a separate reservoir from the Skaggs-Drinkard Pool and should not have been included therein. Productive acreage will be placed in the West Nadine-Drinkard Pool.

(12) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool, the East Siete-San Andres Pool, and the Tom-Tom-San Andres Pool, all in Chaves County, New Mexico, and the Baldrige Canyon-Morrow Gas Pool, the Bear Draw Queen-Grayburg-San Andres Pool, the Bunker Hill-Penrose Pool, the Burton Flat-Morrow Gas Pool, the Eagle Creek-Strawn Gas Pool, the Golden Lane-Morrow Gas Pool, the Kennedy Farms-Upper Pennsylvanian Gas Pool, the West Parkway-Morrow Gas Pool, the POW-Morrow Gas Pool, and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the Antelope Ridge-Morrow Gas Pool, the North Mason-Delaware Pool, the West Osudo-Morrow Gas Pool, the Saunders-Permo Upper Pennsylvanian Pool, the Scharb-Bone Spring Pool, the Teague-Abo Gas Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico, and the Bluit-Wolfcamp Gas Pool and the Peterson-Mississippian Pool, both in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production is hereby created and designated as the North Antelope Ridge-Wolfcamp Gas Pool,

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consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 10: N/2 and N/2 SW/4

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

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4

(c) That a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the North Grama Ridge-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 4: SW/4

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

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 5: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

(g) That a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production is hereby created and

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designated as the West Nadine-Drinkard Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 4: SW/4
Section 5: S/2
Section 6: SE/4
Section 8: E/2 and N/2 NW/4
Section 9: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 32: E/2
Section 33: All

(i) That the North Skaggs-Drinkard Gas Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 5: SW/4
Section 6: SE/4
Section 8: N/2 NW/4

is hereby abolished.

(j) That the Skaggs-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: W/2
Section 16: NW/4
Section 17: N/2

(k) That the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 11: All
Section 15: N/2

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(l) That the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 14: N/2

(m) That the Bear Draw Queen-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 28: N/2 SE/4

(n) That the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 10: SE/4

(o) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 4: All

(p) That the Bunker Hill-Penrose Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 13: SE/4 SW/4

(q) That the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 35: W/2

(r) That the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All

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(s) That the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 8: S/2

(t) That the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 34: N/2
Section 35: N/2

(u) That the North Mason-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: S/2 S/2

(v) That the West Oaudo-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 35: N/2

(w) That the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 29: W/2

(x) That the Peterson-Mississippian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: NE/4

(y) That the POW-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: S/2

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: NE/4

(aa) That the Scharb-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 8: NE/4

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 10: NE/4

(cc) That the Teague-Abo Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 27: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 28: SE/4

(ee) That the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 21: All

(ff) That 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 9: NE/4

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Case No. 7428

Order No. R-6838

IT IS FURTHER ORDERED:

(1) That 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 apacing 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.

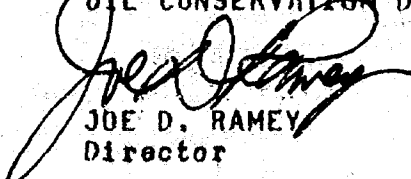
(2) That the effective date of this order and all creations, abolishments, contractions, and extensions included herein shall be December 1, 1981.

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

fd/

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. 7428

ORDER NO. R-6838

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9:00 a.m. November 19, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of November, 1981, 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 there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of North Antelope Ridge-Wolfcamp Gas Pool. Said North Antelope Ridge-Wolfcamp Gas Pool was discovered by J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. It was completed May 30, 1981, in the Wolfcamp formation. The top of the perforations is at 11,778 feet. *ok*

(3) That 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 Diamondtail-Wolfcamp Pool. Said Diamondtail-Wolfcamp Pool was discovered by The Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. It was completed August 25, 1981, in the Wolfcamp formation. The top of the perforations is at 12,181 feet.

(4) That 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 North Grama Ridge-Bone Spring Pool. Said North Grama Ridge-Bone Spring Pool was discovered by Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. It was completed September 2, 1981, in the Bone Spring formation. The top of the perforations is at 9,556 feet.

(5) That 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 Grassland-Wolfcamp Pool. Said Grassland-Wolfcamp Pool was discovered by C.F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. It was completed May 28, 1981, in the Wolfcamp formation. The top of the perforations is at 10,320 feet.

(6) That 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 North Lusk-Bone Spring Pool. Said North Lusk-Bone Spring Pool was discovered by Petroleum Development Corporation Shelly Federal Com Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. It was completed March 30, 1981, in the Bone Spring formation. The top of the perforations is at 8,528 feet.

(7) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of McMillan-Atoka Gas Pool. Said McMillan-Atoka Gas Pool was discovered by Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. It was completed February 17, 1981, in the Atoka formation. The top of the perforations is at 9910 feet.

(8) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Drinkard formation, said pool to bear the designation of West Nadine-Drinkard Pool. Said West Nadine-Drinkard Pool was discovered by Morris R. Antweil Eggbert Well No. 1 located in Unit H of Section 8, Township 20 South, Range 38 East, NMPM. It was completed April 22, 1981, in the Drinkard formation. The top of the perforations is at 6914 feet.

(9) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Springs-Morrow Gas Pool. Said Springs-Morrow Gas Pool was discovered by Jake L. Hamon State 33 Com Well No. 1 located in Section 33, Township 20 South, Range 26 East, NMPM. It was completed February 5, 1981, in the Morrow formation. The top of the perforations is at 10021 feet.

(10) That there is need for the abolishment of the North Skaggs-Drinkard Gas Pool in Lea County, New Mexico, with productive acreage placed in the West Nadine-Drinkard Pool and wells reclassified to oil wells.

(11) That there is need for the contraction of the Skaggs-Drinkard Pool in Lea County, New Mexico, since a geological study established the Drinkard production from this area was a separate reservoir from the Skaggs-Drinkard Pool, and should not have been included therein. Productive acreage will be placed in the West Nadine-Drinkard Pool.

(12) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool, the East Siete-San Andres Pool, and the Tom-Tom-San Andres Pool, all in Chaves County, New Mexico, and the Baldrige Canyon-Morrow Gas Pool, the Bear Draw-Queen-Grayburg-San Andres Pool, the Bunker Hill-Penrose Pool, the Burton Flat-Morrow Gas Pool, the Eagle Creek-Strawn Gas Pool, the Golden Lane-Morrow Gas Pool, the Kennedy Farms-Upper Pennsylvanian Gas Pool, the West Parkway Morrow Gas Pool, the POW-Morrow Gas Pool, and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the Antelope Ridge-Morrow Gas Pool, the North Mason-Delaware Pool, the West Osudo-Morrow Gas Pool, the Saunders-Permo Upper Pennsylvanian Pool, the Scharb-Bone Spring Pool, the Teague-Abo Gas Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico, and the Bluitt-Wolfcamp Gas Pool, and the Peterson-Mississippian Pool, both in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production is hereby created and designated as the North Antelope Ridge-Wolfcamp Gas Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 10: N/2 and N/2 SW/4

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

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4

(c) That a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the North Grama Ridge-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 4: SW/4

CASE NO. 7428
ORDER NO. _____

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

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 5: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

(g) That a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production is hereby created and designated as the West Nadine-Drinkard Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 4: SW/4
Section 5: S/2
Section 6: SE/4
Section 8: E/2 and N/2 NW/4
Section 9: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 32: E/2
Section 33: All

(i) That the North Skaggs-Drinkard Gas Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 5: SW/4
Section 6: SE/4
Section 8: N/2 NW/4

is hereby abolished.

(j) That the Skaggs-Drinkard Pool in Lea County, New Mexico, as heretofore classified, described, and defined, is hereby contracted by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: W/2
Section 16: NW/4
Section 17: N/2

(k) That the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 11: All
Section 15: N/2

(l) That the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 14: N/2

(m) That the Bear Draw-Queen-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 28: N/2 SE/4

(n) That the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 10: SE/4

(o) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 4: All

(p) That the Bunker Hill-Penrose Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 13: SE/4 SW/4

(q) That the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 35: W/2

(r) That the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All

(s) That the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 8: S/2

(t) That the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 34: N/2
Section 35: N/2

(u) That the North Mason-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: S/2 S/2

(v) That the West Osudo-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 35: N/2

(w) That the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 29: W/2

(x) That the Peterson-Mississippian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: NE/4

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(y) That the POW-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: S/2

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: NE/4

(aa) That the Scharb-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 8: NE/4

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 10: NE/4

(cc) That the Teague-Abo Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 27: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 28: SE/4

(ee) That the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 21: All

(ff) That the North Young-Rone 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 9: NE/4

IT IS FURTHER ORDERED:

(1) That 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) That the effective date of this order and all creations, abolishments, contractions, and extensions included herein shall be December 1, 1981.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Director

CASE 7428: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating; and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 10: N/2 and N/2 SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is the Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grana Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 4: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C. F. Qualla State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bone Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com. Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

Addition -----

(g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production and designated as the West Nadine-Drinkard pool. The discovery well is Morris R. Antweil Eggbert Well No. 1 located in Unit H of Section 8, Township 20 South, Range 38 East, NMPM. Said Pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 4: SW/4
Section 5: S/2
Section 6: SE/4
Section 8: E/2 and N/2 NW/4
Section 9: NW/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hazon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 32: E/2
Section 33: All

Addition -----

(i) ABOLISH the North Skaggs-Drinkard Gas Pool in Lea County, New Mexico, described as:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 5: SW/4
Section 6: SE/4
Section 8: N/2 NW/4

Addition -----

(j) CONTRACT the Skaggs-Drinkard Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: W/2
Section 16: NW/4
Section 20: N/2

R ~~HT~~ EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPH

Section 11: All

Section 15: N/2

L ~~HT~~ EXTEND the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPH

Section 14: N/2

m ~~HT~~ EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPH

Section 28: N/2 SE/4

N ~~HT~~ EXTEND the Bluiett-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPH

Section 10: SE/4

O ~~HT~~ EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPH

Section 4: All

p ~~HT~~ EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPH

Section 13: SE/4 SW/4

g ~~HT~~ EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPH

Section 35: W/2

W ~~HT~~ EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPH

Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPH

Section 1: All

A ~~HT~~ EXTEND the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPH

Section 8: S/2

T ~~HT~~ EXTEND the Kennedy Farm-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPH

Section 34: N/2

Section 35: N/2

U ~~HT~~ EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPH

V ~~467~~ EXTEND the West Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 35: NW/2

W ~~467~~ EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 29: W/2

X ~~467~~ EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: NE/4

Y ~~467~~ EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: S/2

Z ~~467~~ EXTEND the Saunders-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: NE/4

aa ~~467~~ EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 8: NE/4

bb ~~467~~ EXTEND the East Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 10: NE/4

addition --- cc ~~467~~ EXTEND the Teague-Abo ^{Gas} Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 27: NW/4

dd ~~467~~ EXTEND the Tom-Ton-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 28: SE/4

ee ~~467~~ EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 21: All

ff ~~467~~ EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 9: NE/4

NEW POOLS

It is recommended that a new GAS pool be created and designated as the NORTH ANTELOPE RIDGE-WOLFCAMP GAS Pool.

Vertical limits to be the WOLFCAMP formation and the horizontal limits should be as follows: As shown in Paragraph (a) Exhibit I

Discovery well was J. C. Williamson Triple A Federal Well #1 located in Unit F Section 10 Township 23 Range 34 and was completed on May 30, 1981. Top of perforations is at 11778 feet.

It is recommended that a new OIL pool be created and designated as the DIAMONDTAIL-WOLFCAMP Pool.

Vertical limits to be the WOLFCAMP formation and the horizontal limits should be as follows: As shown in Paragraph (b) Exhibit I

Discovery well was The Superior Oil Company Triste Draw Federal Well #1 located in Unit J Section 14 Township 23 Range 32 and was completed on Aug. 25, 1981. Top of perforations is at 12,181 feet.

It is recommended that a new OIL pool be created and designated as the NORTH GRAMA RIDGE-BONE SPRING Pool.

Vertical limits to be the BONE SPRING formation and the horizontal limits should be as follows: As shown in Paragraph (c) Exhibit I

Discovery well was HUNT OIL COMPANY STATE 4 WELL #1 located in Unit T Section 4 Township 21 Range 34 and was completed on Sept. 2, 1981. Top of perforations is at 9,556 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the GRASSLAND-WOLFCAMP Pool.

Vertical limits to be the WOLFCAMP formation and the horizontal limits should be as follows: As shown in Paragraph (d) Exhibit I

Discovery well was C. F. QUALIA STATE 23 WELL #1 located in Unit K Section 23 Township 15 Range 34 and was completed on May 28, 1981. Top of perforations is at 10,320 feet.

It is recommended that a new OIL pool be created and designated as the NORTH LUSK-BONE SPRING Pool.

Vertical limits to be the BONE SPRING formation and the horizontal limits should be as follows: As shown in Paragraph (e) Exhibit I

Discovery well was Petroleum Development Corp. Shelly Federal Com #1 located in Unit H Section 5 Township 19 Range 32 and was completed on March 30, 1981. Top of perforations is at 8,528 feet.

It is recommended that a new GAS pool be created and designated as the McMILLAN-ATOKA GAS Pool.

Vertical limits to be the ATOKA formation and the horizontal limits should be as follows: As shown in Paragraph (f) Exhibit I

Discovery well was Southland Royalty Company Pecos River 21 Fed Com #1 located in Unit K Section 21 Township 19 Range 27 and was completed on February 17, 1981. Top of perforations is at 9910 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the WEST NADINE-DRINKARD Pool.

Vertical limits to be the DRINKARD formation and the horizontal limits should be as follows: As shown in Paragraph (g) Exhibit I

Discovery well was Morris R. Antweil Eggbert Well #1 located in Unit H Section 8 Township 20 Range 38 and was completed on April 22, 1981. Top of perforations is at 6914 feet.

It is recommended that a new GAS pool be created and designated as the SPRINGS-MORROW GAS Pool.

Vertical limits to be the Morrow formation and the horizontal limits should be as follows: As shown in Paragraph (h) Exhibit I

Discovery well was Jake L. Hamon State 33 Com Well #1 located in Unit I Section 33 Township 20 Range 26 and was completed on February 5, 1981. Top of perforations is at 10,021 feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____ Top of perforations is at _____ feet.

CASE NO 7428 (a) CREATION OF A NEW GAS POOL

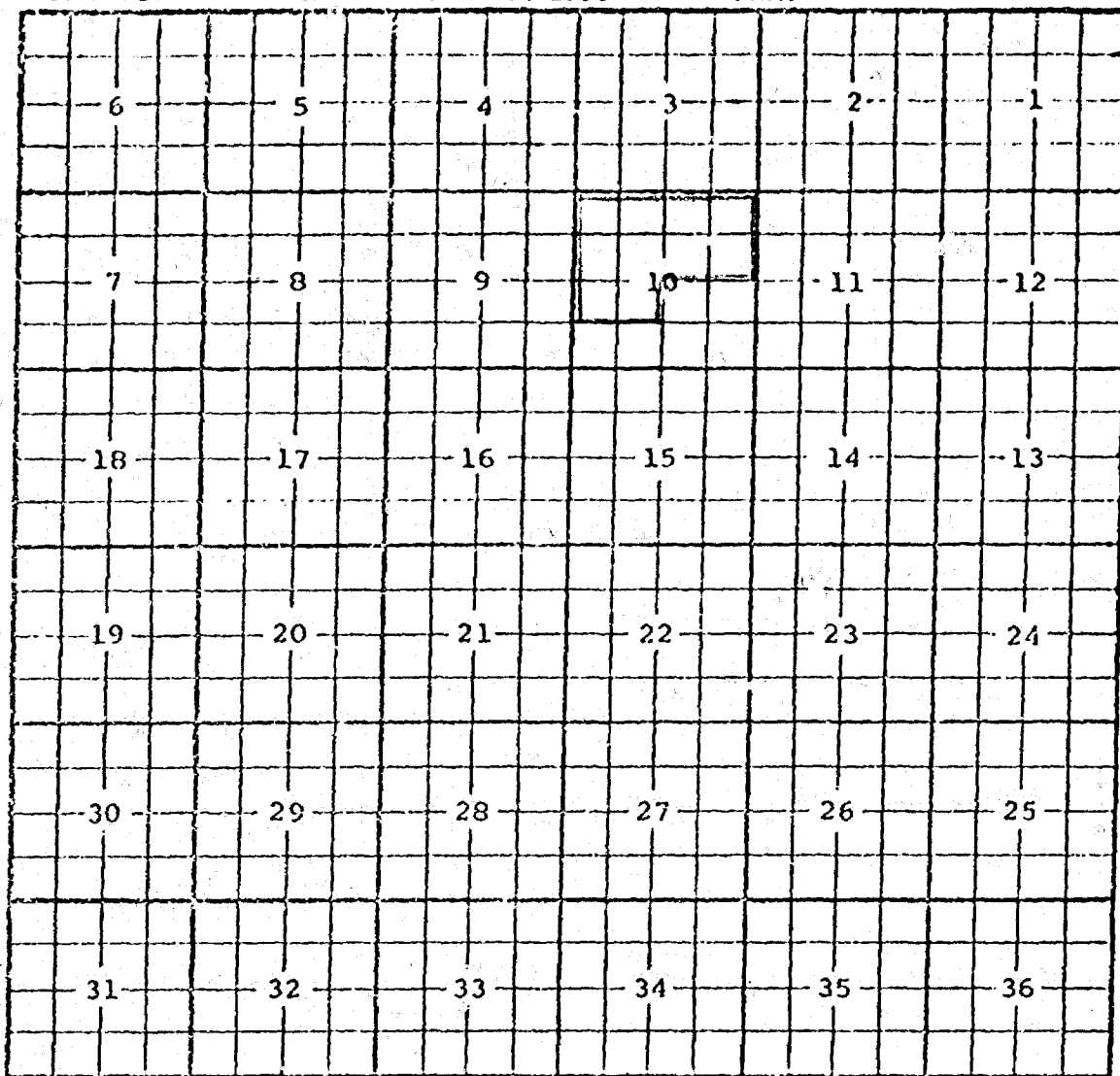
COUNTY LEA

POOL NORTH ANTELOPE RIDGE-WOLFCAMP GAS

TOWNSHIP 23 South

RANGE 34 East

181111



PURPOSE: One completed gas well capable of producing.

Discovery well: J C. Williamson Triple A Federal #1-F in 10-23-34, completed May 30, 1931. Top perf 11,778 ft.. Completed in the Wolfcamp formation.

Proposed pool boundary outlined in red. SECTION 10: N/2 and N/2 SW/4

CASE NO. 7428 (b) CREATION OF A NEW OIL POOL

COUNTY LEA

POOL DIAMONDTAIL-WOLFCAMP

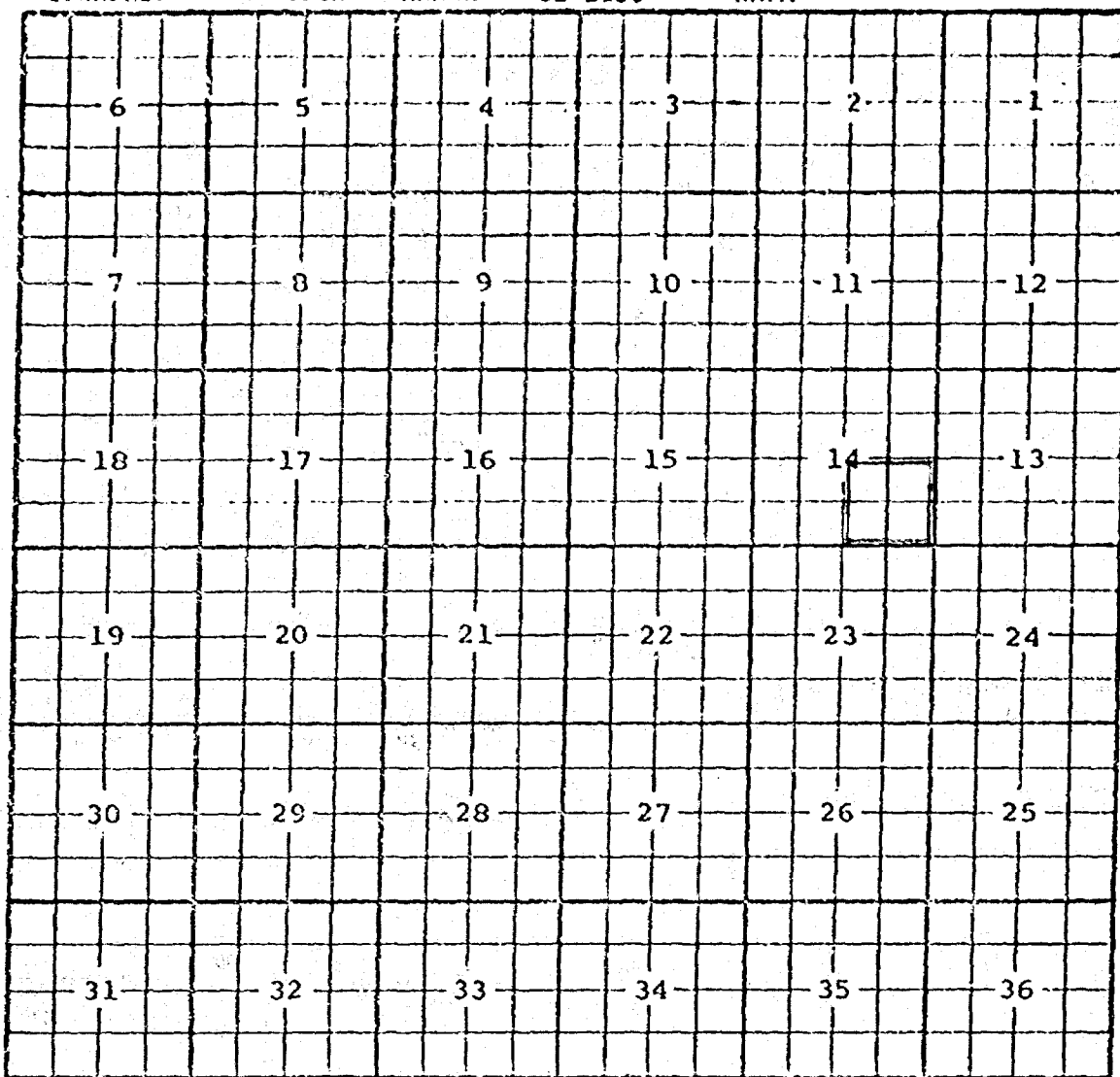
TOWNSHIP

23 South

RANGE

32 East

NNMM



PURPOSE: One completed oil well capable of producing.

Discovery well: The Superior Oil Company Triste Draw Federal Well #1-J in Sec. 14, T23S, R32E, completed Aug. 25, 1981. Top perf 12,181 feet.

Completed in the Wolfcamp formation.

Proposed pool boundary outlined in red. SECTION 14: SE/4

CASE NO. 7428 (c) CREATION OF A NEW OIL POOL

COUNTY LEA

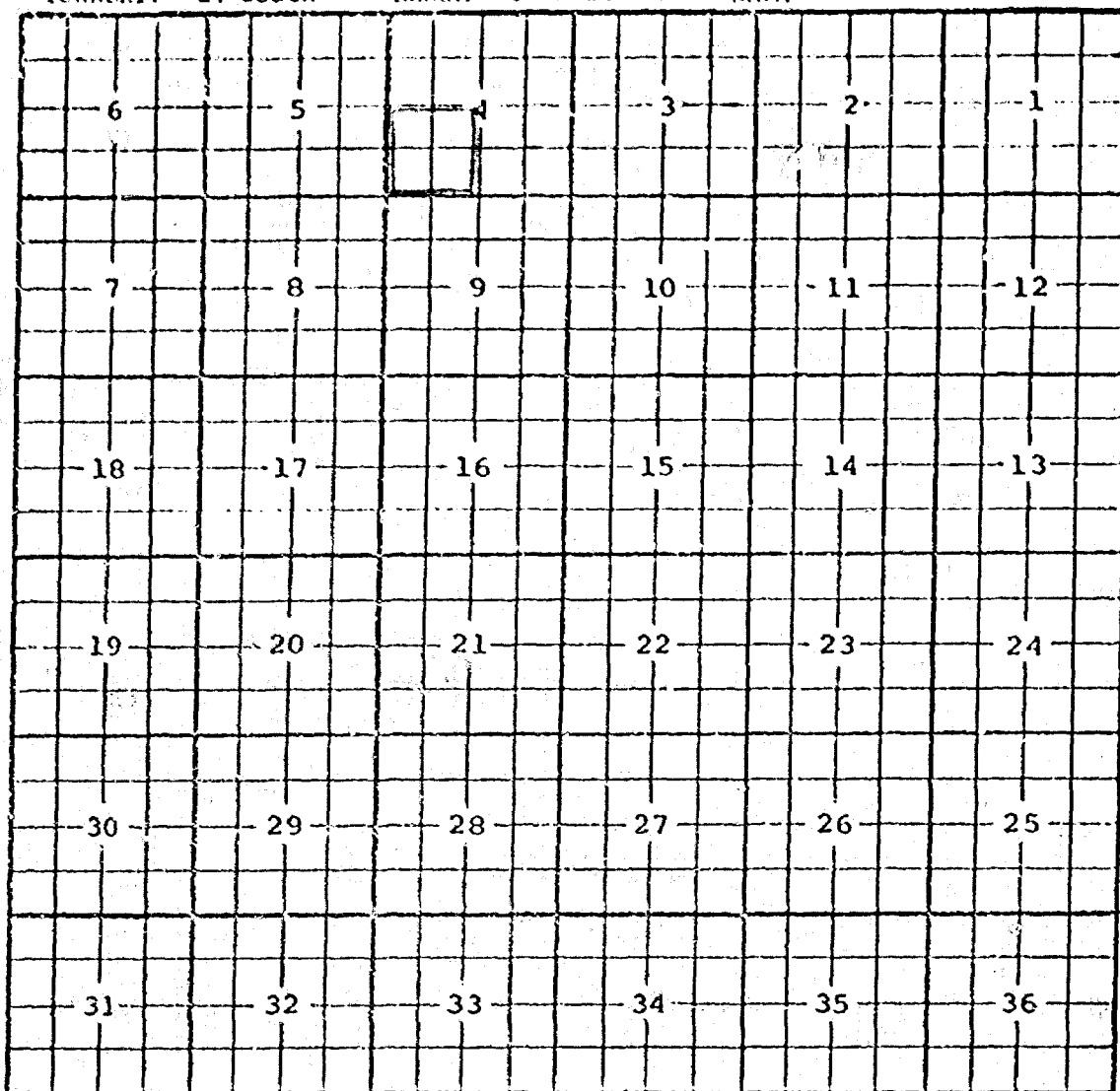
POOL

NORTH GRAMA RIDGE-BONE SPRING

TOWNSHIP 21 South

RANGE 34 East

MMIM



Purpose: One completed oil well capable of producing

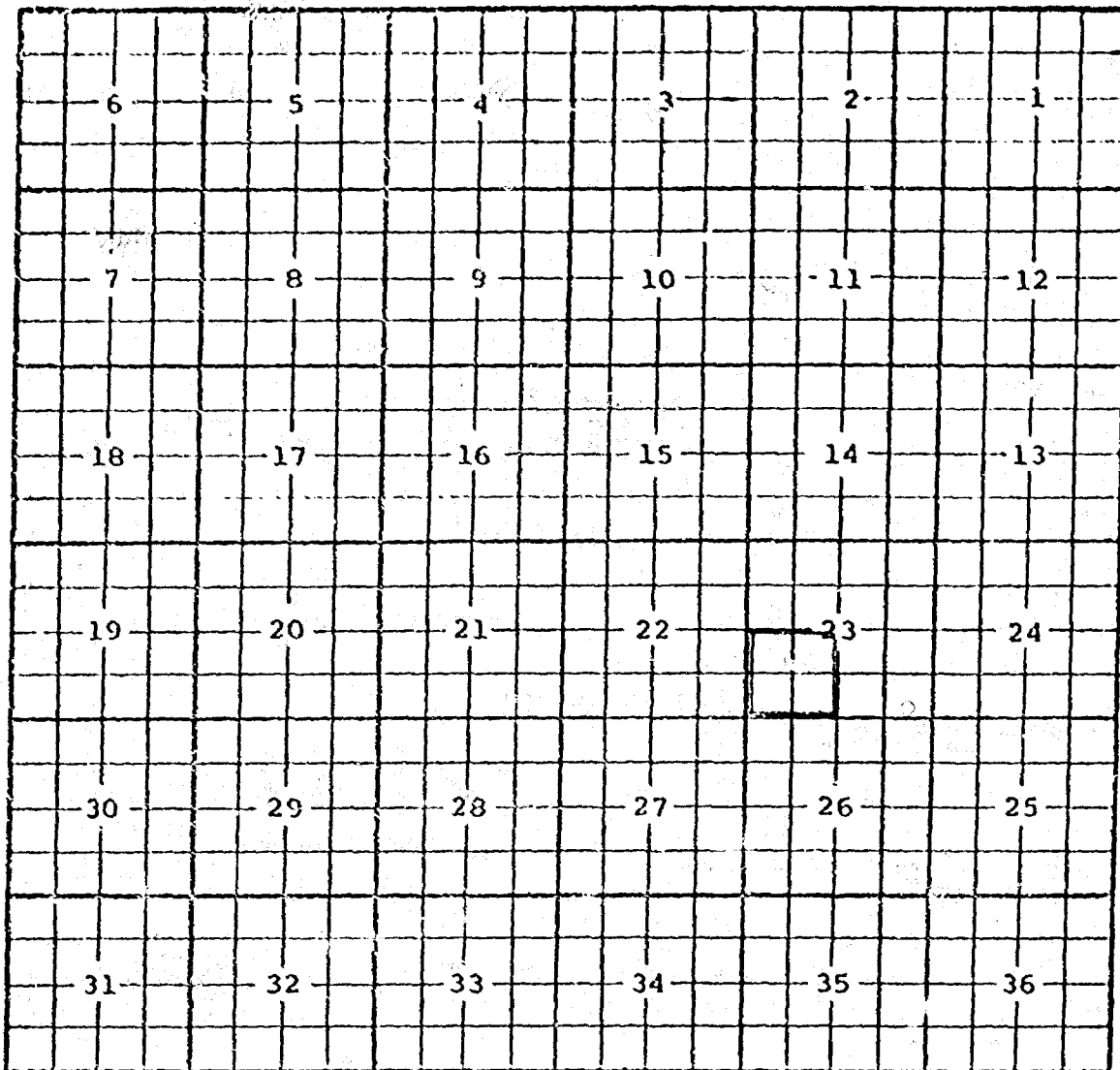
Discovery well: Hunt Oil Company State 4 Well #1 located in Unit I of
Section 4, T21S, R34E, Completed Sept. 2, 1981, in the Bone Spring formation.
Top perf 9,506 feet.

Proposed pool boundary outlined in red. SECTION 4: SW/4

CASE NO. 7428 (d) CREATION OF A NEW OIL POOL

COUNTY LEA POOL GRASSLAND-WOLFCAMP

TOWNSHIP 15 South RANGE 34 East NMPM



PURPOSE: One completed oil well capable of producing.

Discovery well: C.F. Qualia State 23 Well #1-K in Sec. 23, T15S, R34E, completed May 28, 1981, in the Wolfcamp formation. Top perf 10,320 feet.

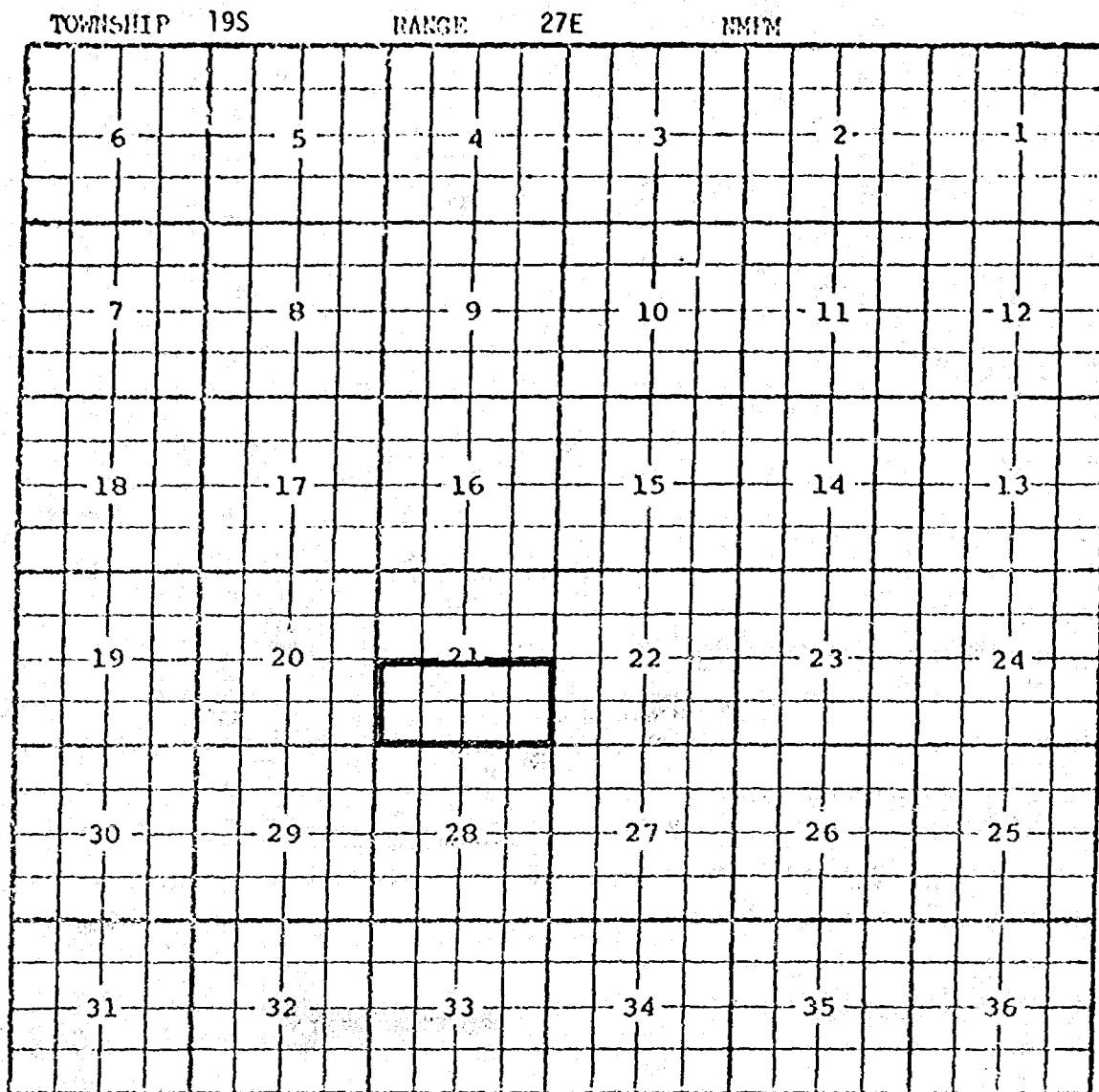
Proposed pool boundary outlined in red. SECTION 23: SW/4

CASE NO. 7428 (e) CREATION OF A NEW OIL POOL

COUNTY		LEA		POOL		NORTH LUSK BONE SPRING	
TOWNSHIP		19 South		RANGE		32 East	
				NM1M			
6	5	4	3	2	1		
7	8	9	10	11	12		
18	17	16	15	14	13		
19	20	21	22	23	24		
30	29	28	27	26	25		
31	32	33	34	35	36		

PURPOSE: One completed oil well capable of producing. Discovery well is: Petroleum Development Corp. Shelly Federal Com Well #1-H in Sec. 5, T19S, R32E, completed March 30, 1981, in the Bone Spring formation. Top perf 8528'.

Proposed pool boundary outlined in red. SECTION 5: NE/4



Purpose: One completed gas well capable of producing.

Disc. well: Southland Royalty Co. Pecos River 21 Fed. Com #1-K, 21-19-27
Comp. 2-17-81 thru Atoka Perfs 9910-20'

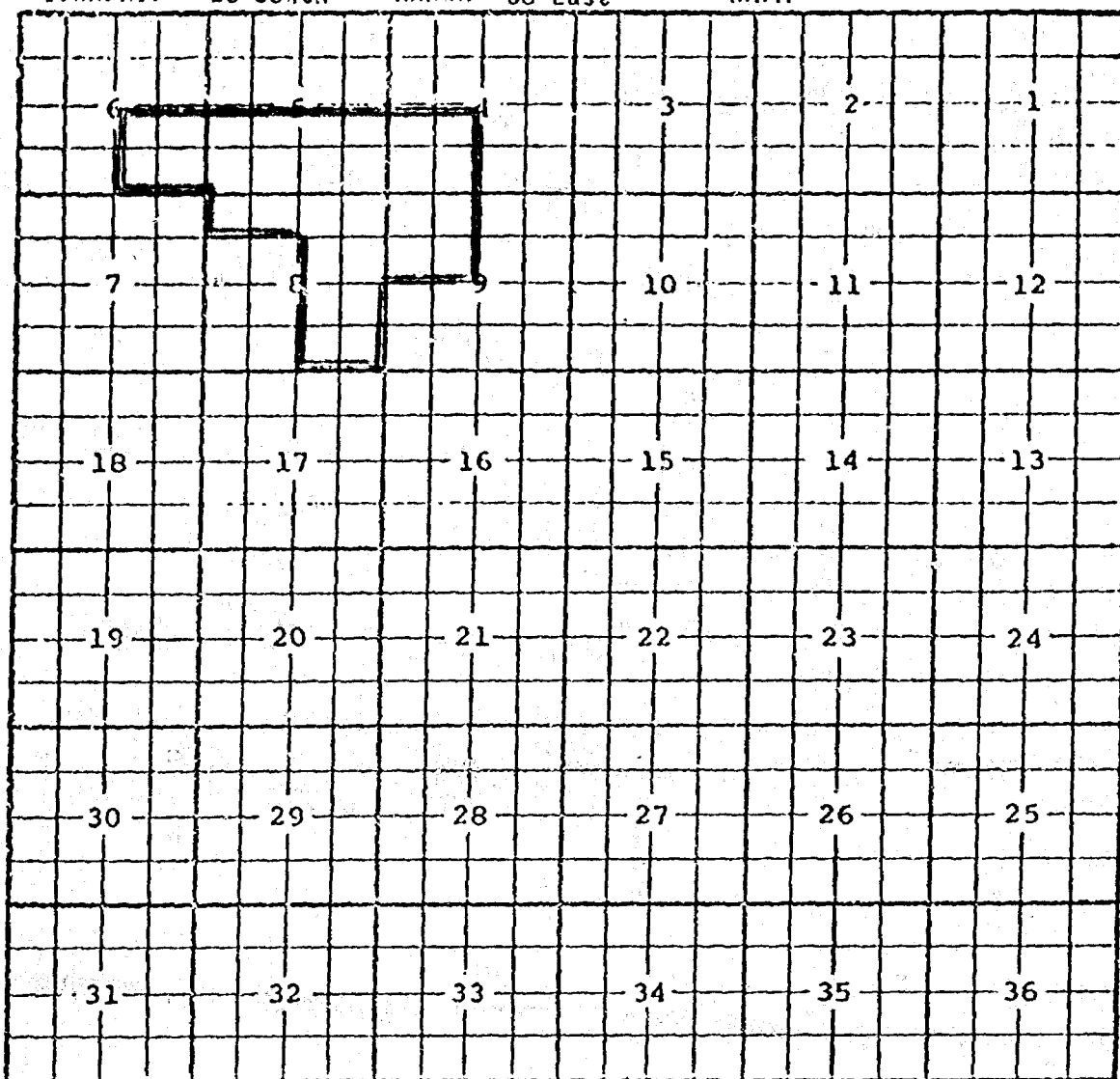
Proposed Pool boundary outlined in blue.

Section 21: S/2

CASE NO. 7428 (g) CREATION OF A NEW OIL POOL

COUNTY LEA POOL WEST NADINE-DRINKARD

TOWNSHIP 20 South RANGE 38 East NMM



DISCOVERY WELL: Morris R. Antweil Egghert Well #1-H in Sec 8, T20S, R38E, completed April 22, 1981, in the Drinkard formation. Top perf 6914'

Proposed pool boundary outlined in red. SECTION 4: SW/4

SECTION 5: S/2

SECTION 6: SE/4

SECTION 8: E/2 and N/2 NW/4

SECTION 9: NW/4

CASE NO. 7428 (h) CREATION OF A NEW GAS POOL

COUNTY Eddy POOL Springs-Morrow Gas

TOWNSHIP 20S			RANGE 26E			MM14		
6	5	4	3	2	1			
7	8	9	10	11	12			
18	17	16	15	14	13			
19	20	21	22	23	24			
30	29	28	27	26	25			
31	32	33	34	35	36			

Purpose: Two completed gas wells capable of producing.

Disc. Well: Jake L. Hamon, St. 33 Com #1-I, 33-20-26

Comp. 2-5-81, thru Morrow perfs 10021-383'

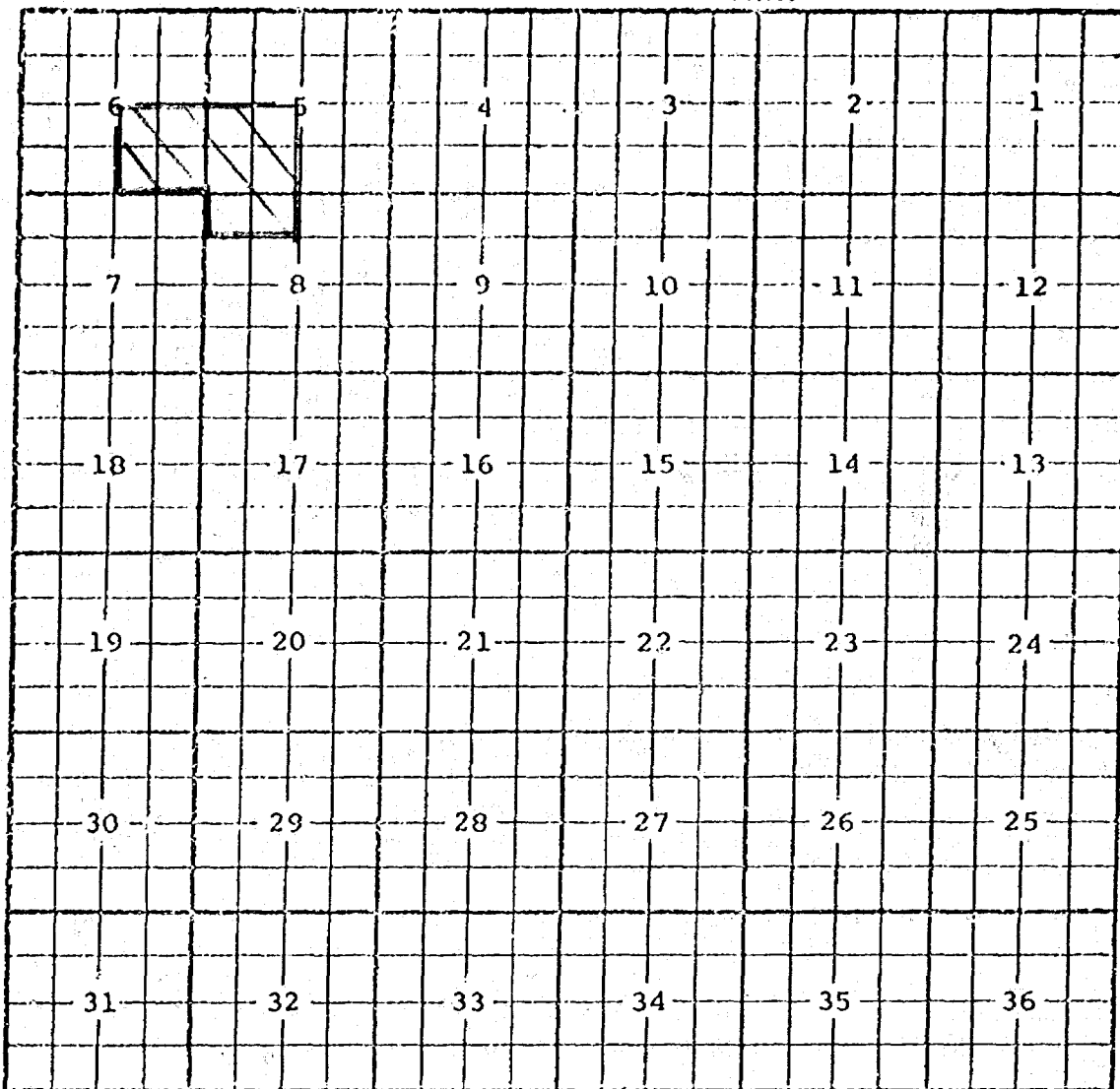
Proposed pool boundary outlined in blue.

Section 32: E/2

Section 33: ALL

CASE NO. 7428 (1) ABOLISH an existing gas POOL
COUNTY LEA POOL NORTH SKAGGS-DRINKARD GAS

TOWNSHIP 20 South RANGE 38 East NMM



PURPOSE: Abolish North Skaggs Drinkard Gas Pool acreage will be placed in West Nadine-Drinkard Pool -- wells will be reclassified to oil.

Abolished pool described as: Section 5: SW/4

Section 6: SE/4

Section 8: N/2 NW/4

CASE NO. 7428 (j) CONTRACT AN EXISTING OIL POOL

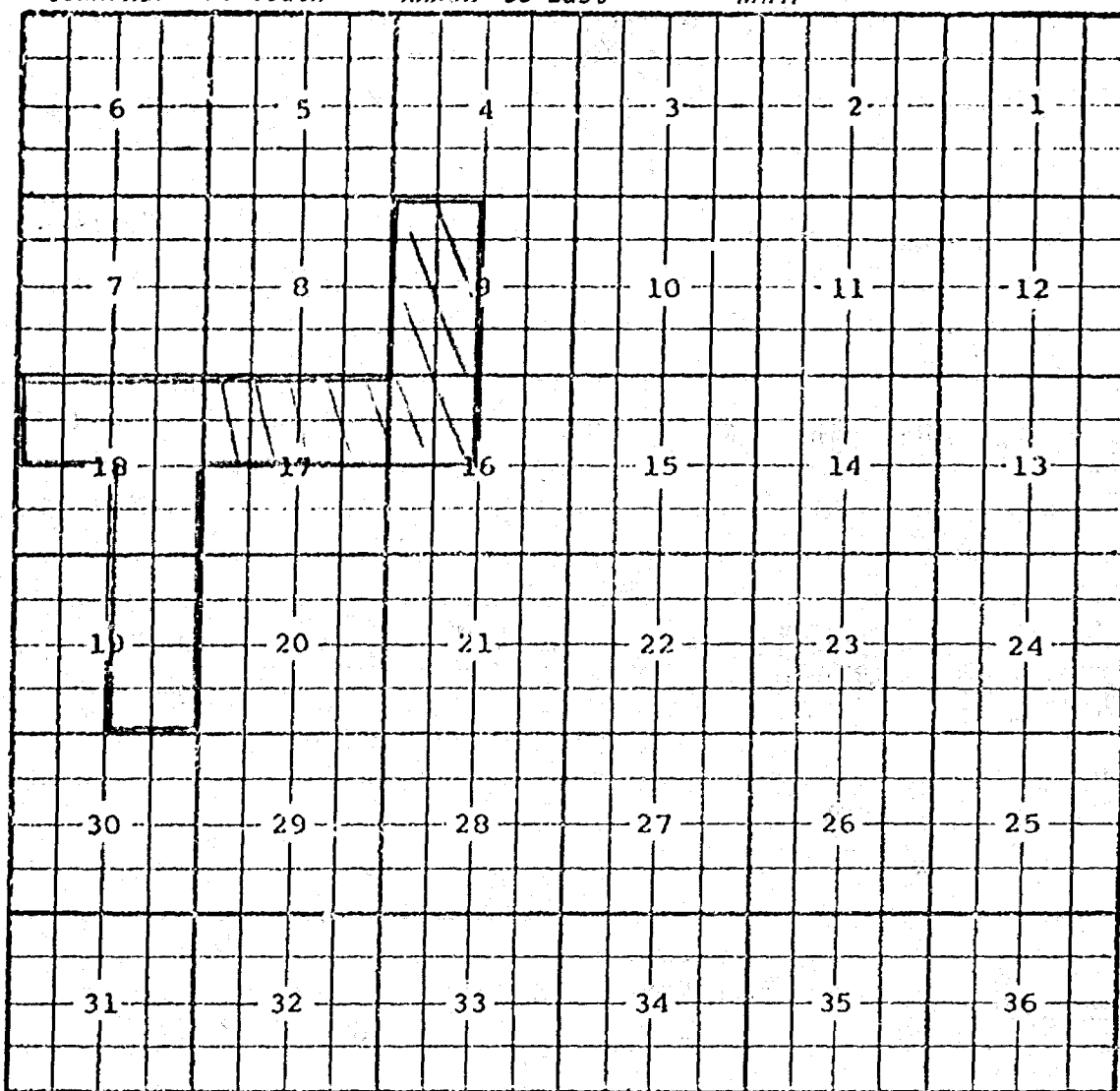
COUNTY LEA

POOL SKAGGS-DRINKARD

TOWNSHIP 20 South

RANGE 38 East

NMIM



PURPOSE: After geological study this acreage was determined to be another structure and should not have been placed in Skaggs Drinkard Pool.

Productive acreage will be placed in West Nadine Blinebry Pool.

Pool boundary outlined in red.

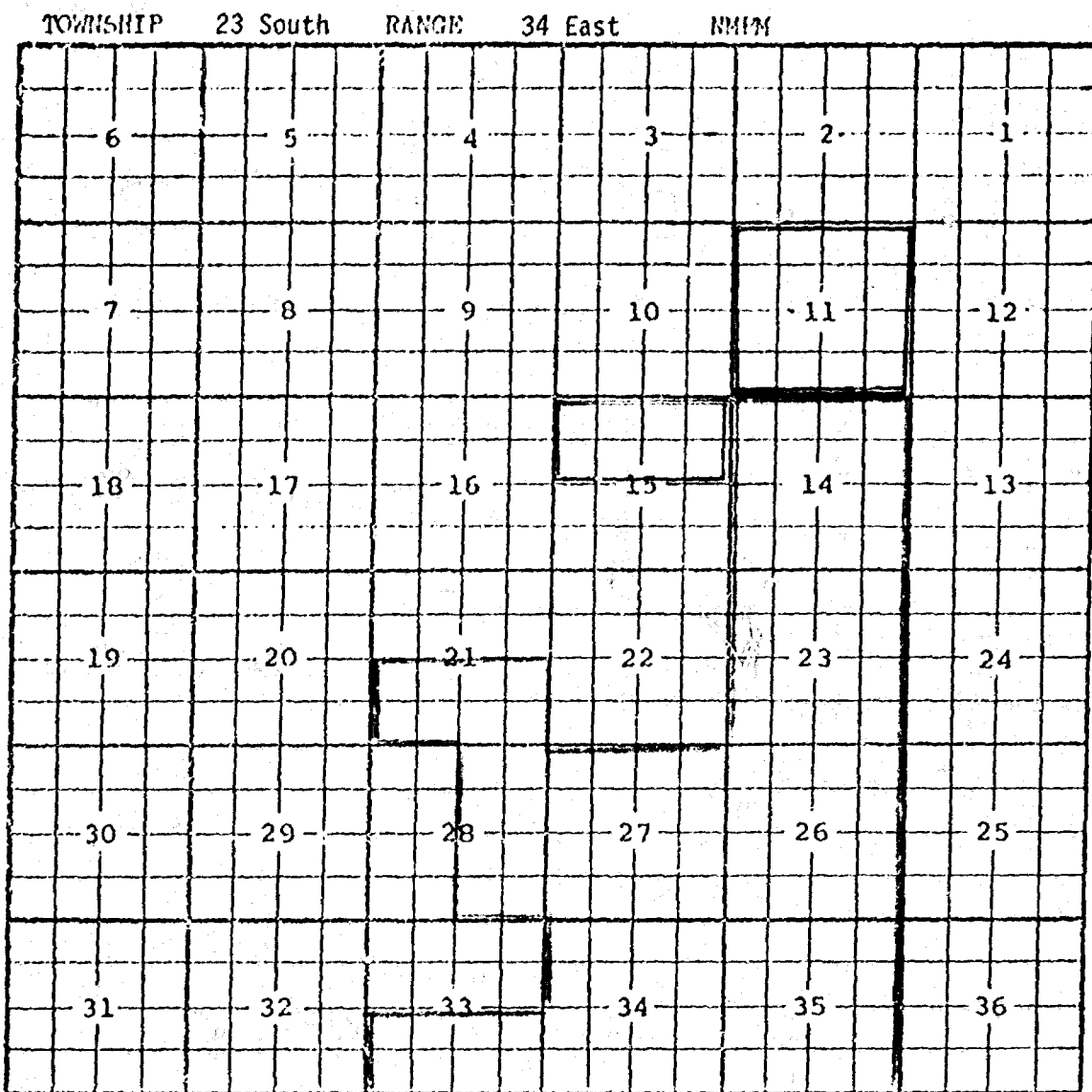
Proposed deletion hachured in blue. SECTION 9: W/2

SECTION 16: NW/4

SECTION 17: N/2

CASE NO. 7428 (k) EXTENSION OF AN EXISTING GAS POOL

COUNTY LEA TOWN ANTELOPE RIDGE-MORROW GAS



PURPOSE: Two completed gas wells capable of producing.

BTA Oil Producers Hudson St. 8006 JV-P #1Y-C in 11-23-34, completed Aug. 19, 1981, in the Morrow formation. Top perf 13,240 ft.

Estoril Prod. Corp. Adobe Fed #1-G in 15-23-34, completed Aug. 2, 1981, in the Morrow formation. Top perf 13,225 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 11: All
SECTION 15: N/2

CASE NO. 7428 (1) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL Baldrige Canyon-Morrow Gas

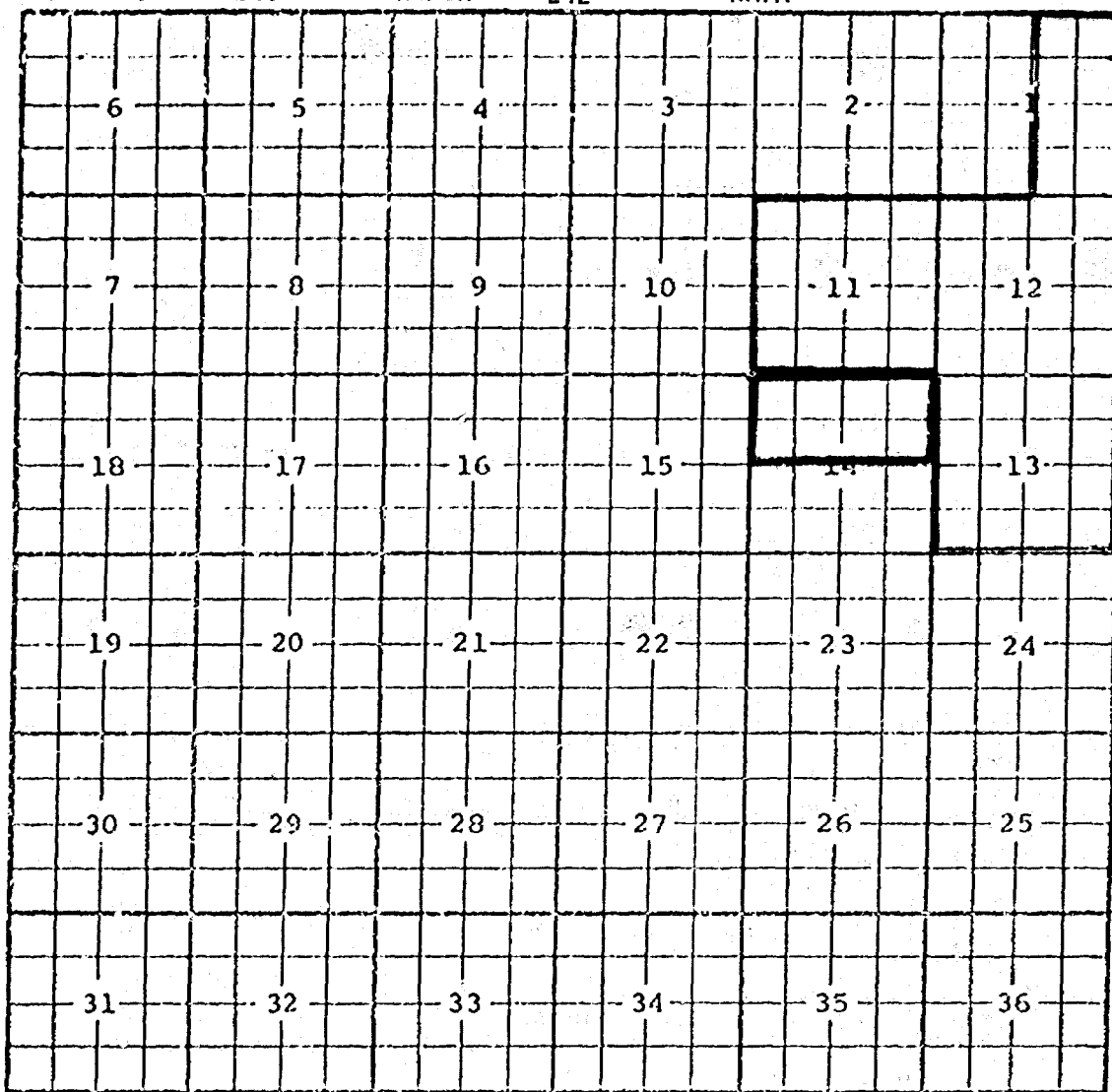
TOWNSHIP

24S

RANGE

24E

MM



Purpose: One completed gas well capable of producing.

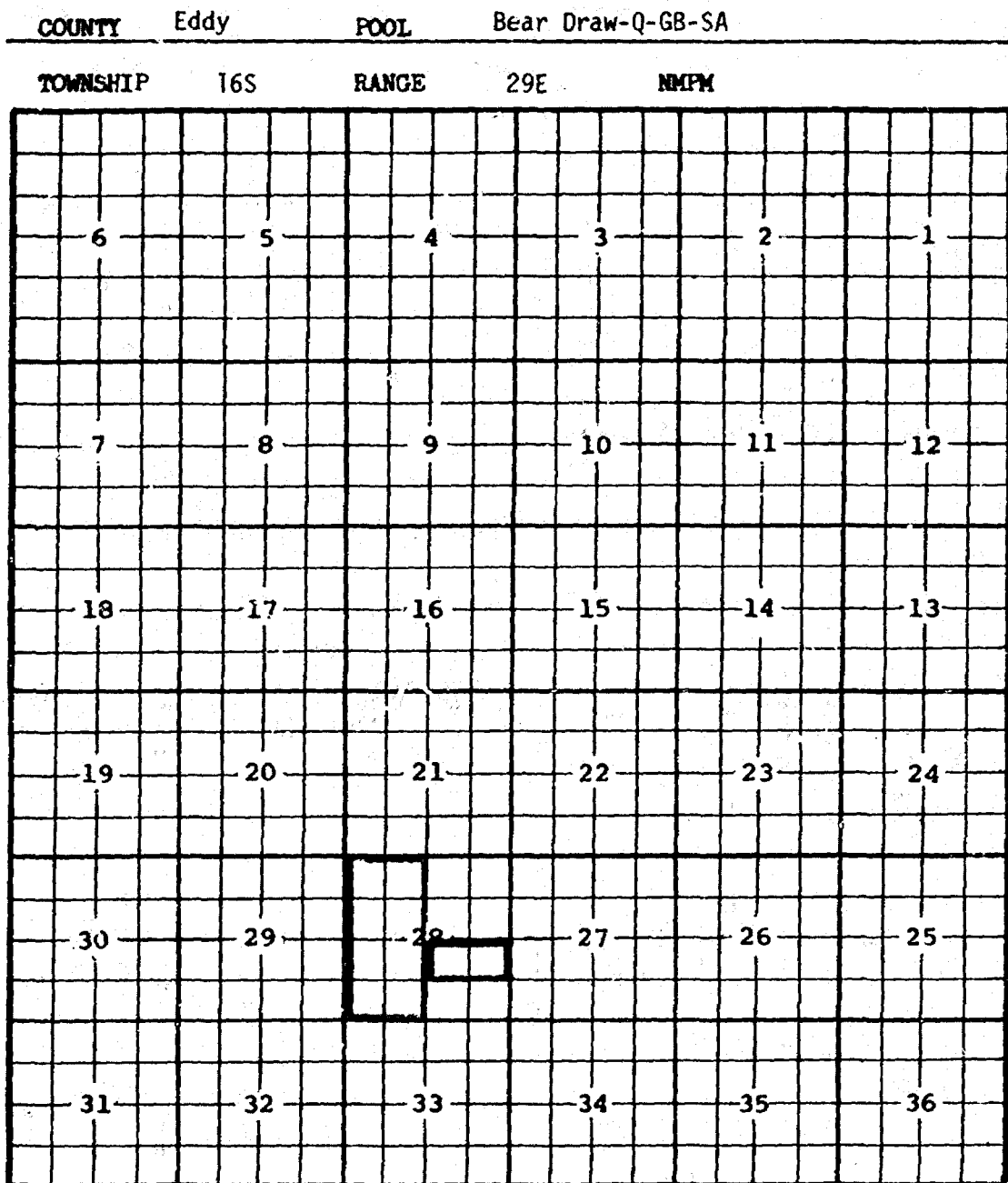
Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
W.A. Moncrief, Jr.	Baldrige Fed.	2-B	14-24-24	9-1-81	Morrow	10403'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 14: N/2

CASE NO. 7428 (m) EXTENSION OF AN EXISTING OIL POOL



Purpose: One completed oil well capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
Forister-Sweatt	Bear Draw	1-I	28-16-29	8-19-81	Q-GB	1975'

Pool boundary outlined in red.

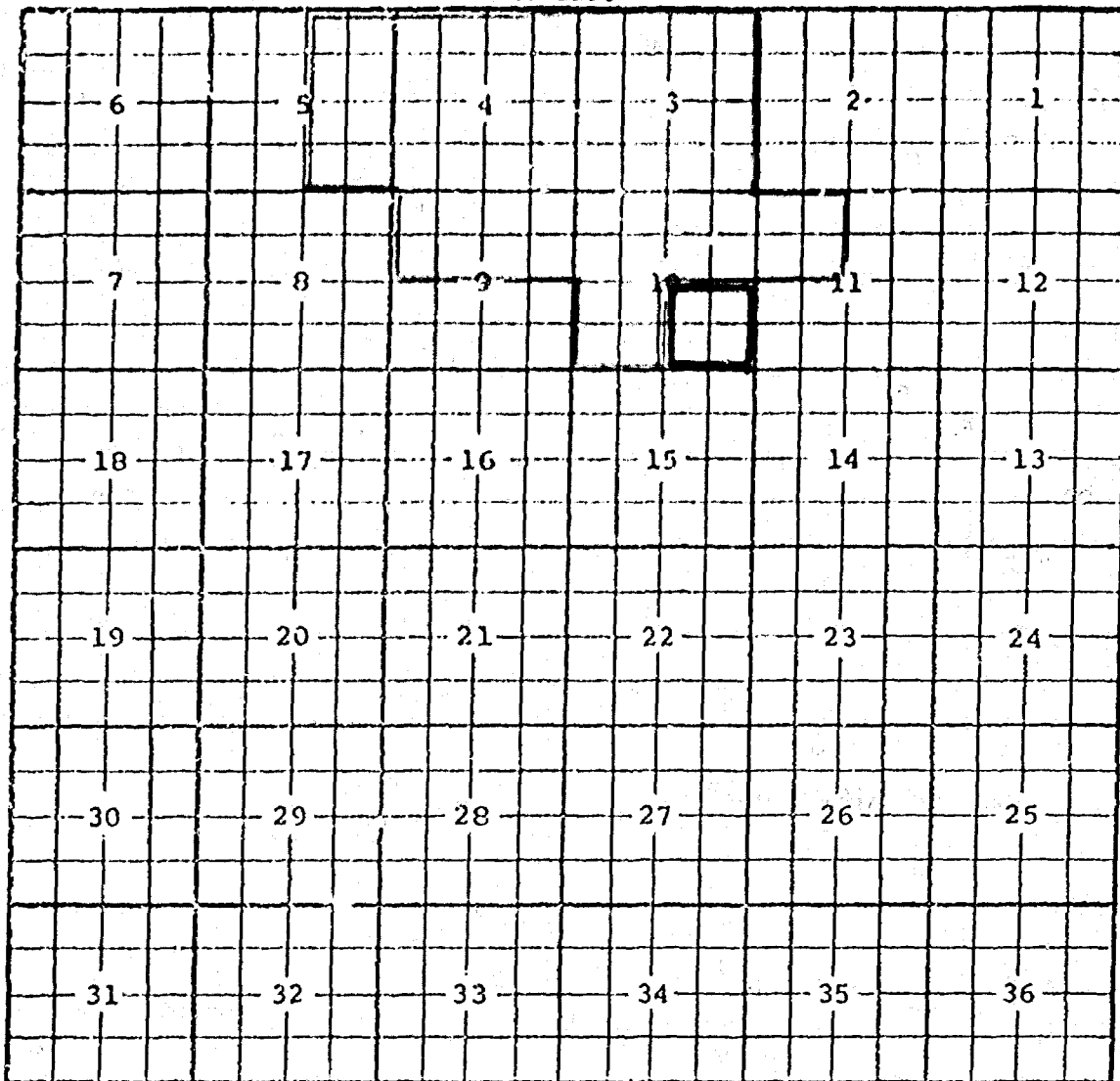
Proposed extension outlined in blue.

Section 28: N/2 SE/4

CASE NO. 7428 (n) EXTENSION OF AN EXISTING GAS POOL

COUNTY ROOSEVELT POOL BLUETT WOLF CAMP GAS

TOWNSHIP 8 South RANGE 37 East 1041M



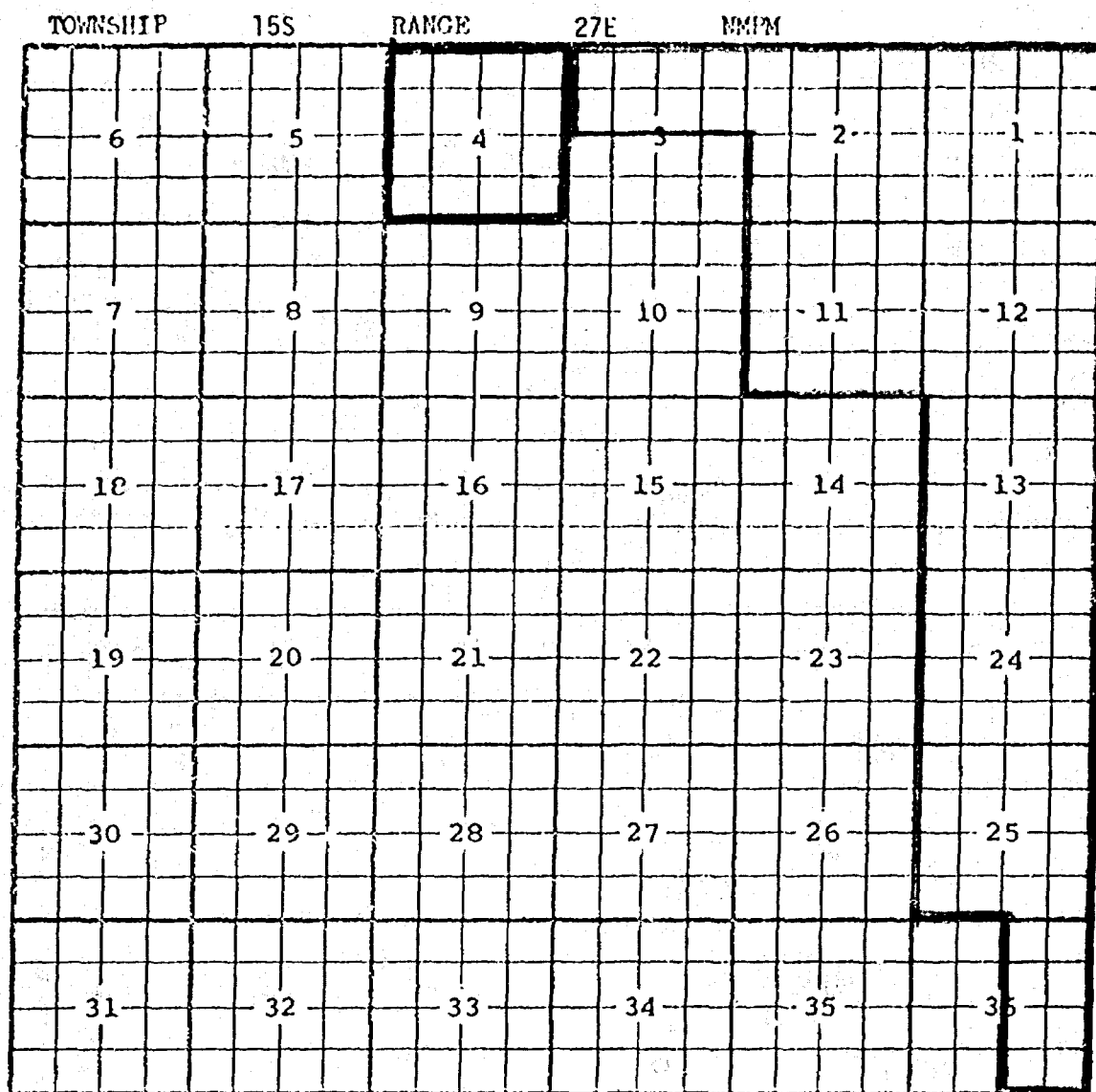
PURPOSE: Take in a portion of acreage dedicated to the H.L. Brown, Jr. Fed J Well #1-G in 10-18-37.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 10: SE/4

CASE NO. 7428 (o) EXTENSION OF AN EXISTING GAS POOL

COUNTY Chaves POOL Buffalo Valley-Penn. Gas



Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
Read & Stevens, Inc.	Harris Fed.	4-P	26-15-27	9-11-81	Atoka	8728'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 4: ALL

CASE NO. 7428 (p) EXTENSION OF AN EXISTING OIL POOL

COUNTY Eddy

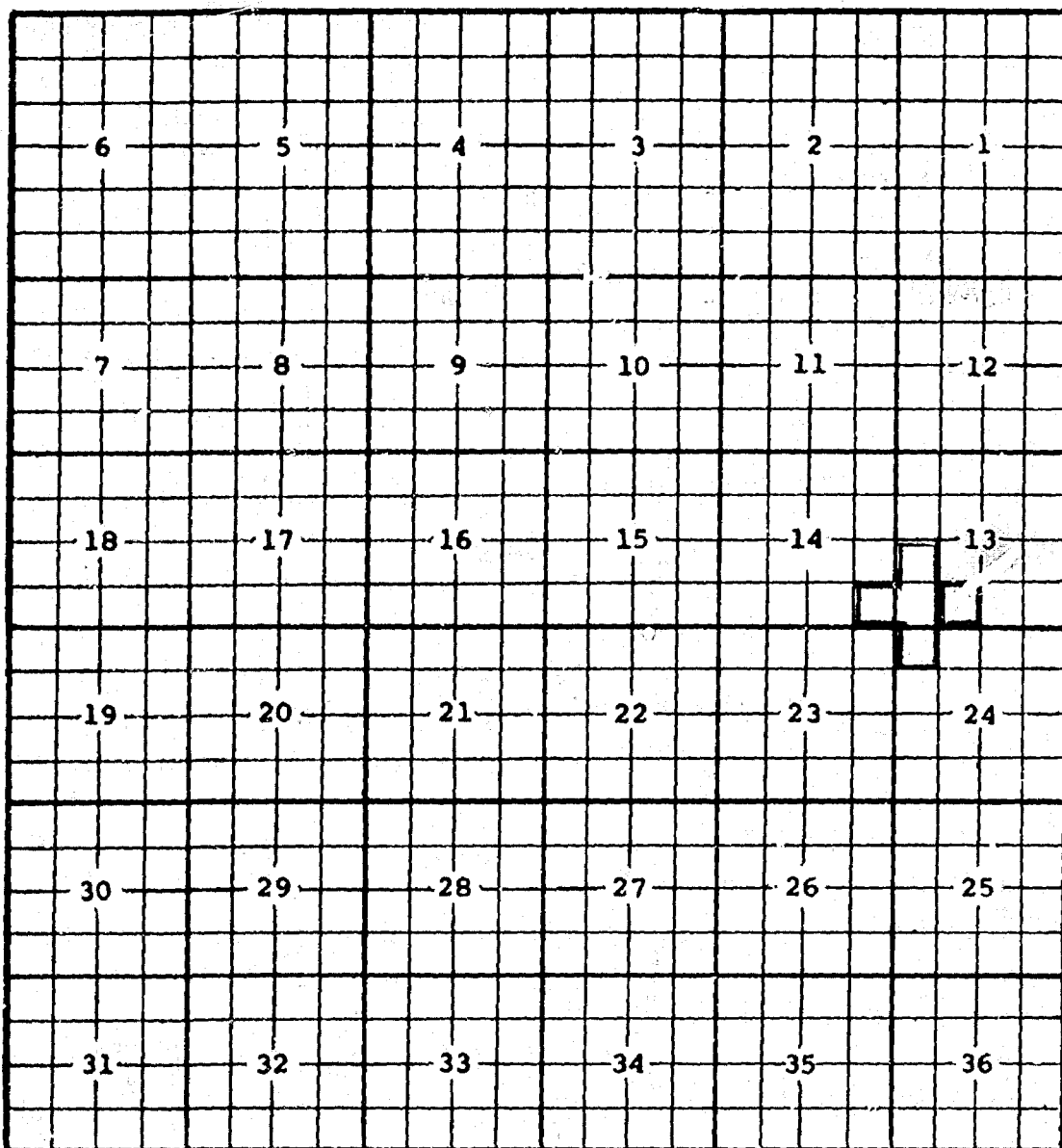
POOL Bunker Hill-Penrose

TOWNSHIP 16S

RANGE

31E

NMPM



Purpose: One completed oil well capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
Read & Stevens, Inc.	Gulf W.Mesa	3-N	13-16-31	8-8-81	Penrose	3623

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 13: SE/4 SW/4

CASE NO. 7428 (q) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL Burton Flat-Morrow Gas

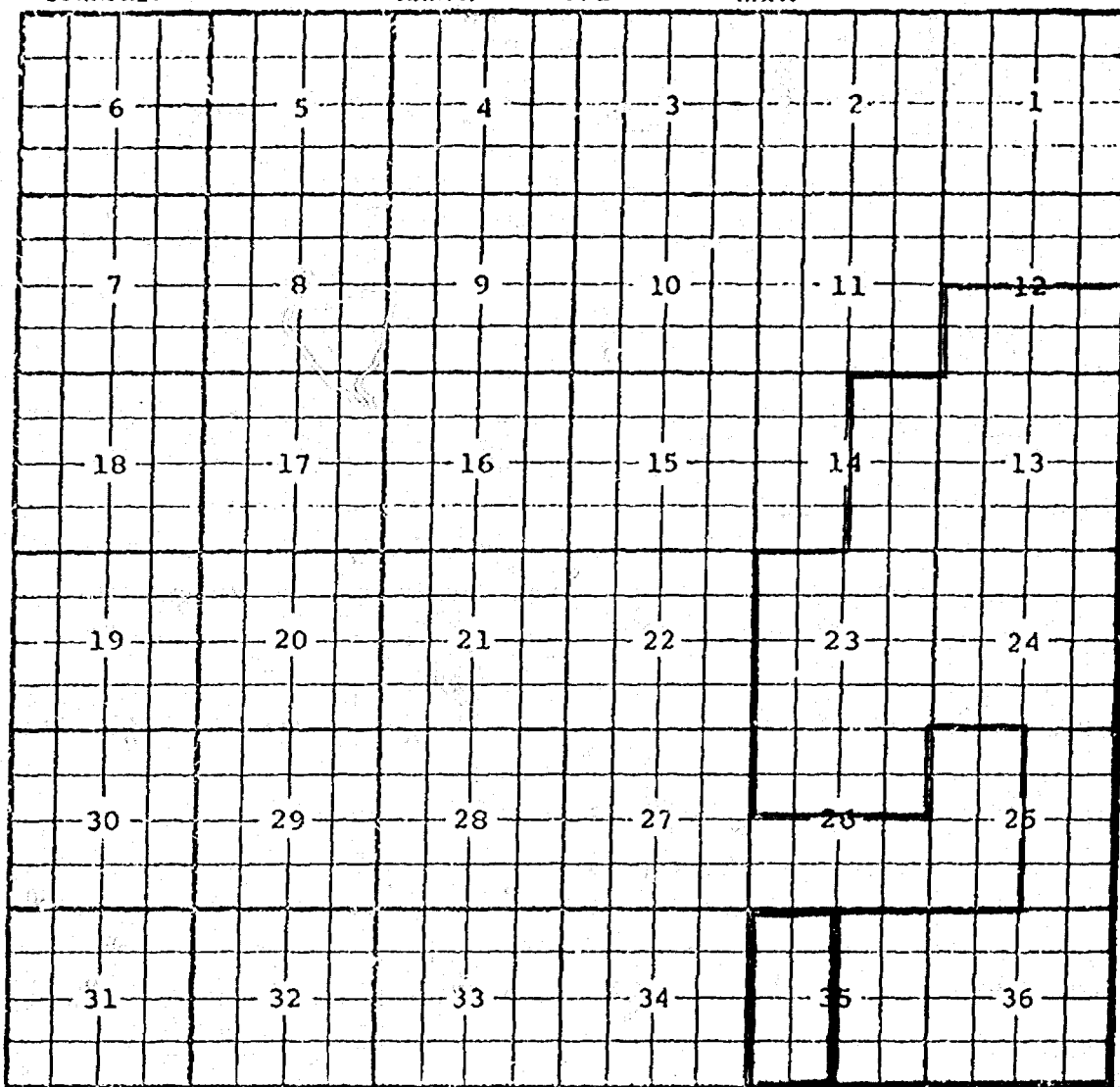
TOWNSHIP

20S

RANGE

27E

NMIM



Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
David Fasken	Maralo Fed.	2-K	35-20-27	7-23-81	Morrow	10806'

Pool boundary outlined in red.

Proposed extension outlined in blue.

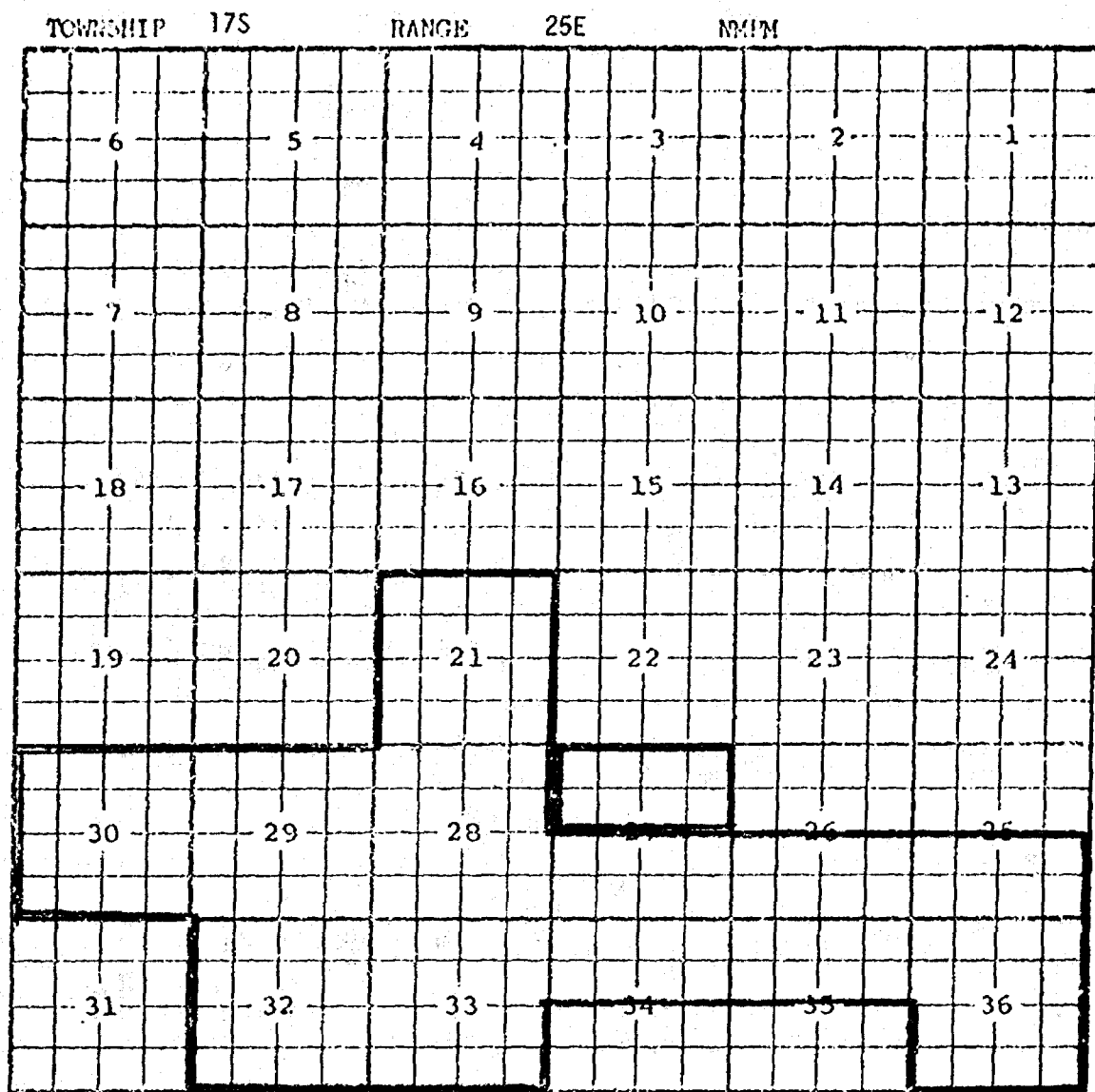
Section 35: W/2

CASE NO. 7428 (r) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL Eagle Creek-Strawn Gas

Exhibit I



Purpose: Two completed gas wells capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
Yates Pet. Corp.	Fed. BQ Com	7-D	27-17-25	8-7-81	Strawn	7720'
" " "	Superior Fed.	2-K	1-18-25	8-13-81	Strawn	3011'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 27: N/2

Purpose: See exhibit I

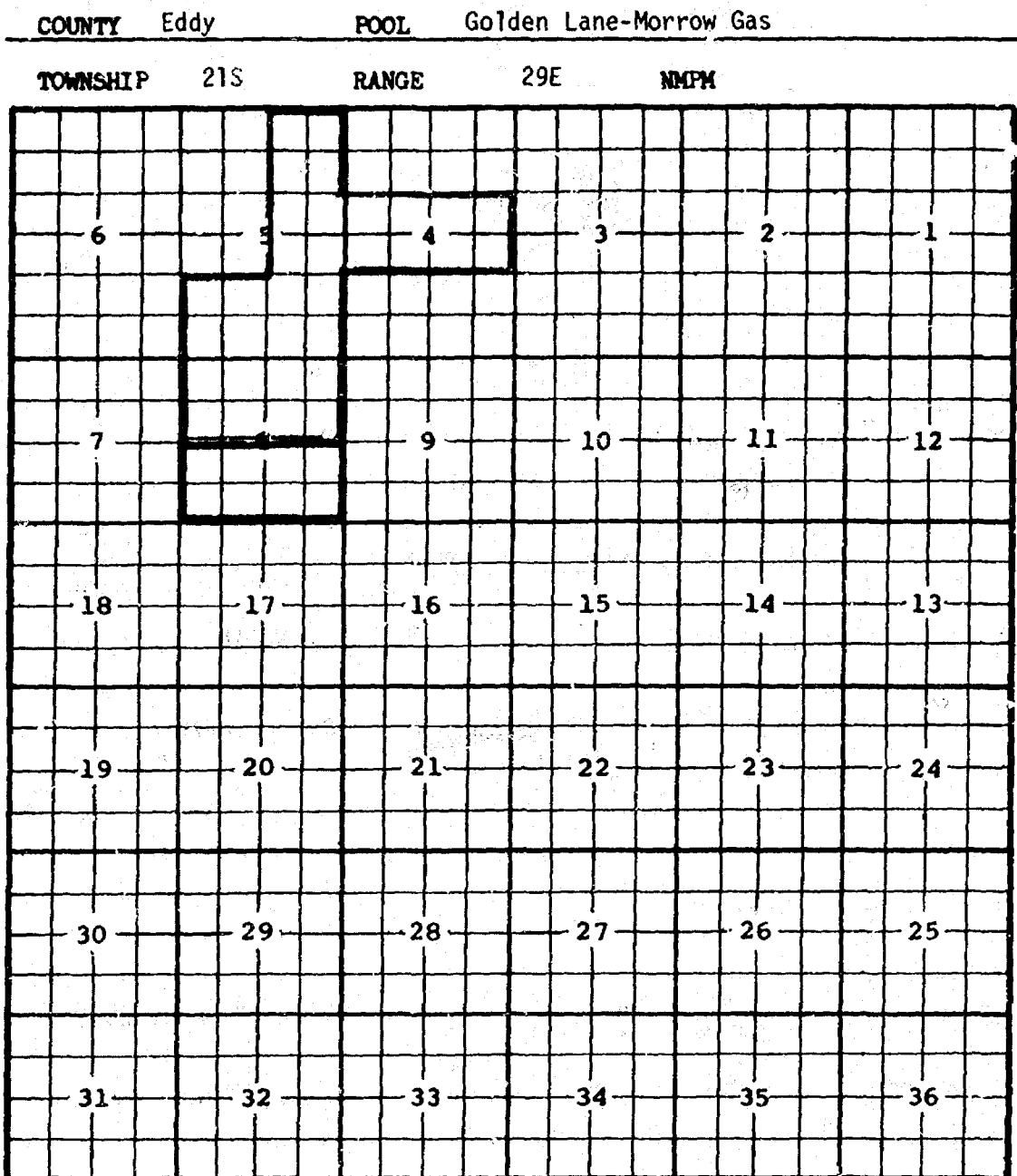
Operator	Lease	#&Ut.	S,T,R.	Comp.	Form.	TOP
See exhibit I						

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 1: ALL

CASE NO. 7428 (s) EXTENSION OF AN EXISTING GAS POOL



Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
Perry R. Bass	Big Eddy Ut.	85-N	8-21-29	8-18-81	Morrow	12465'

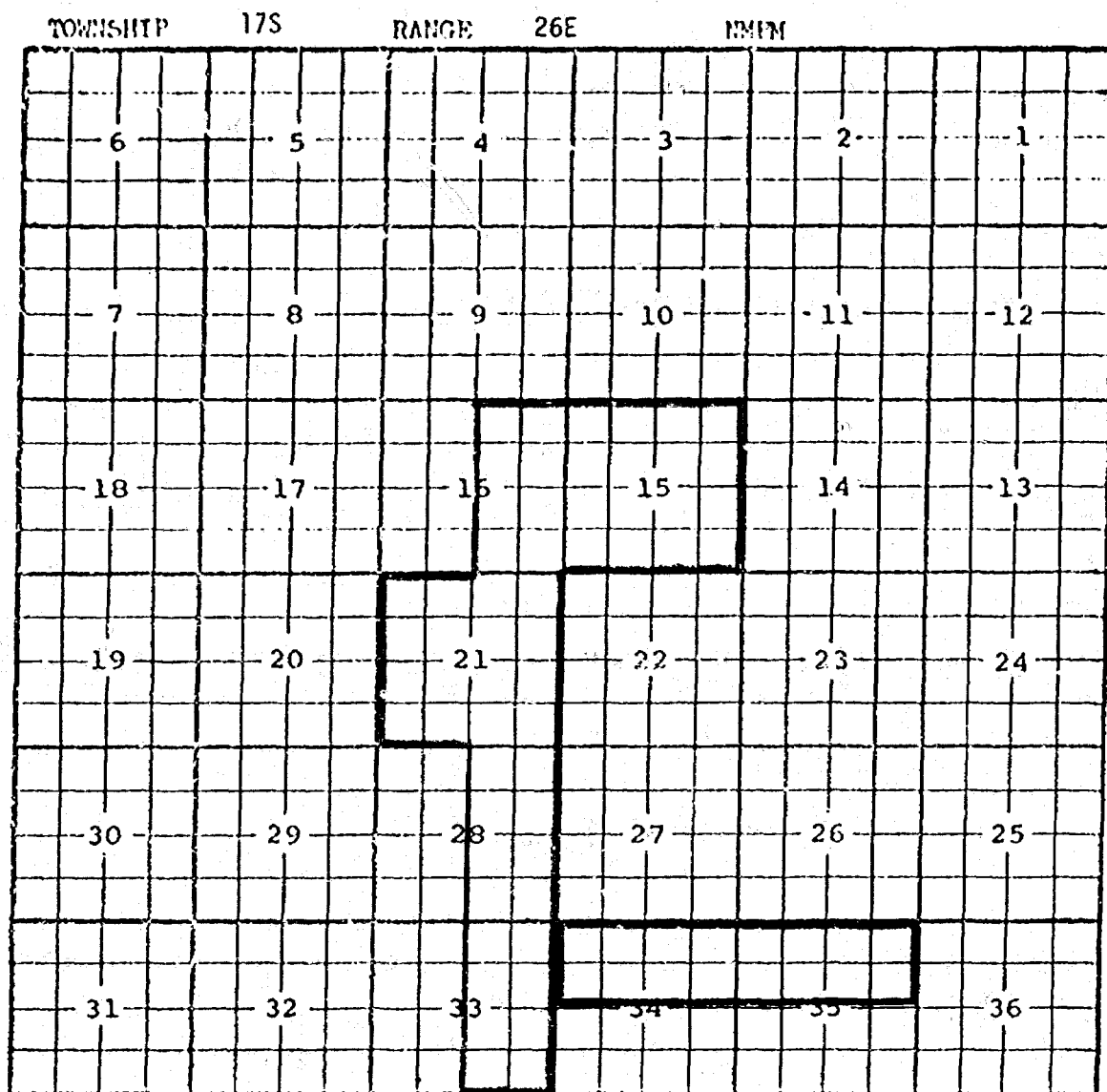
Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 8: S/2

CASE NO. 7428 (t) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL Kennedy Farms-Upper Penn. Gas



Purpose: One completed gas well capable of producing.

Operator	Lease	# <	S.T.R.	Comp.	Form	TDP
Yates Pet. Corp.	Blevins IK Com	1-D	35-17-26	8-23-81	Upper Penn	7269'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 34: N/2

Section 35: N/2

CASE NO. 7428 (u) EXTENSION OF AN EXISTING OIL POOL

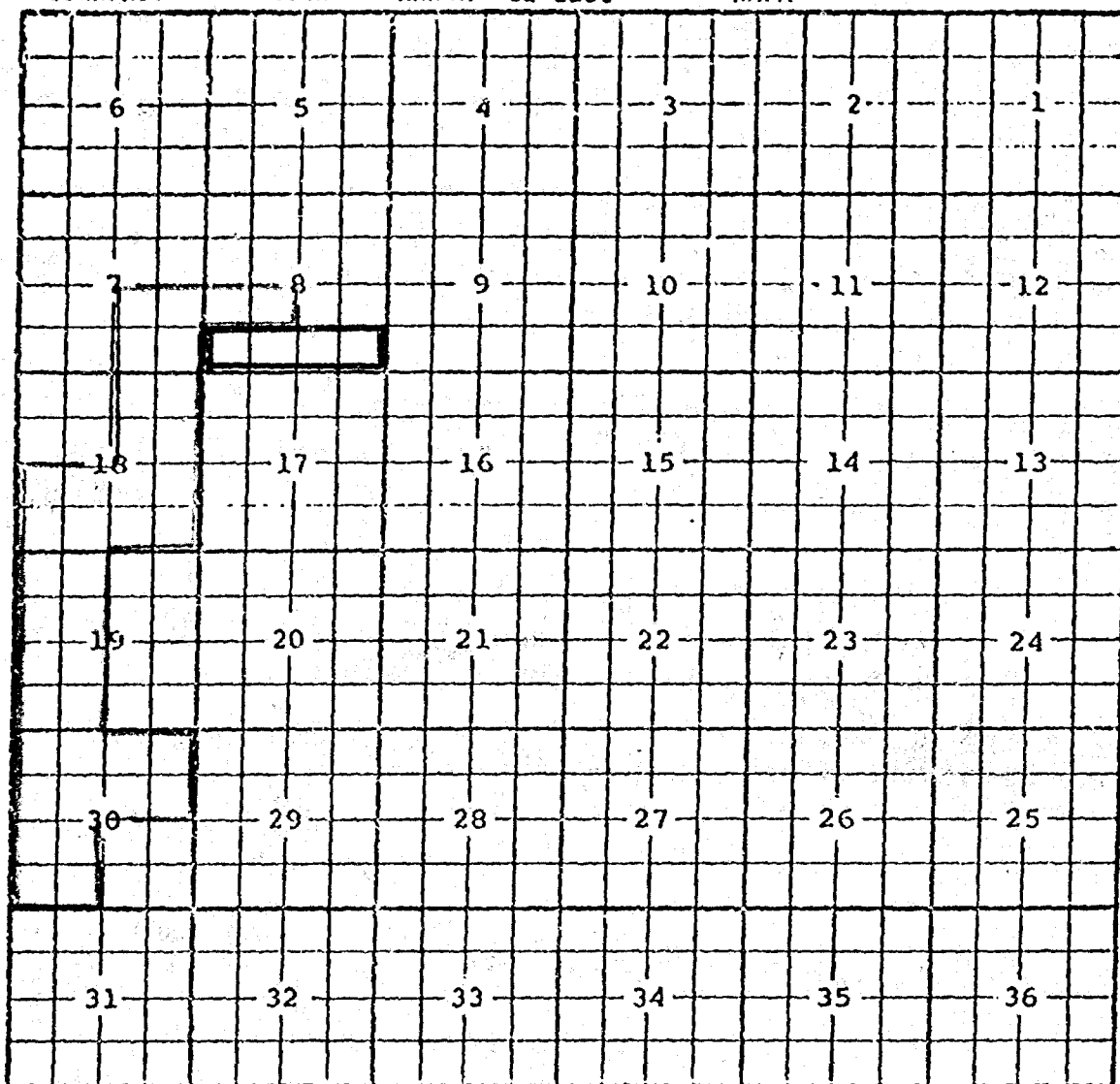
COUNTY LEA

TOWNSHIP NORTH MASON DELAWARE

RANGE 26 South

RANGE 32 East

SECTION 8



PURPOSE: One Completed oil well capable of producing
 Equitable Pet. Corp. Exxon Federal #1-P in Sec 8, T26S, R32E, completed
 Aug. 28, 1981, in the Delaware formation. Top perf 4399 ft.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 8: S/2 S/2

CASE NO. 7428 (v) EXTENSION OF AN EXISTING GAS POOL

COUNTY

LEA

POOL

WEST OSUDO-MORROW GAS

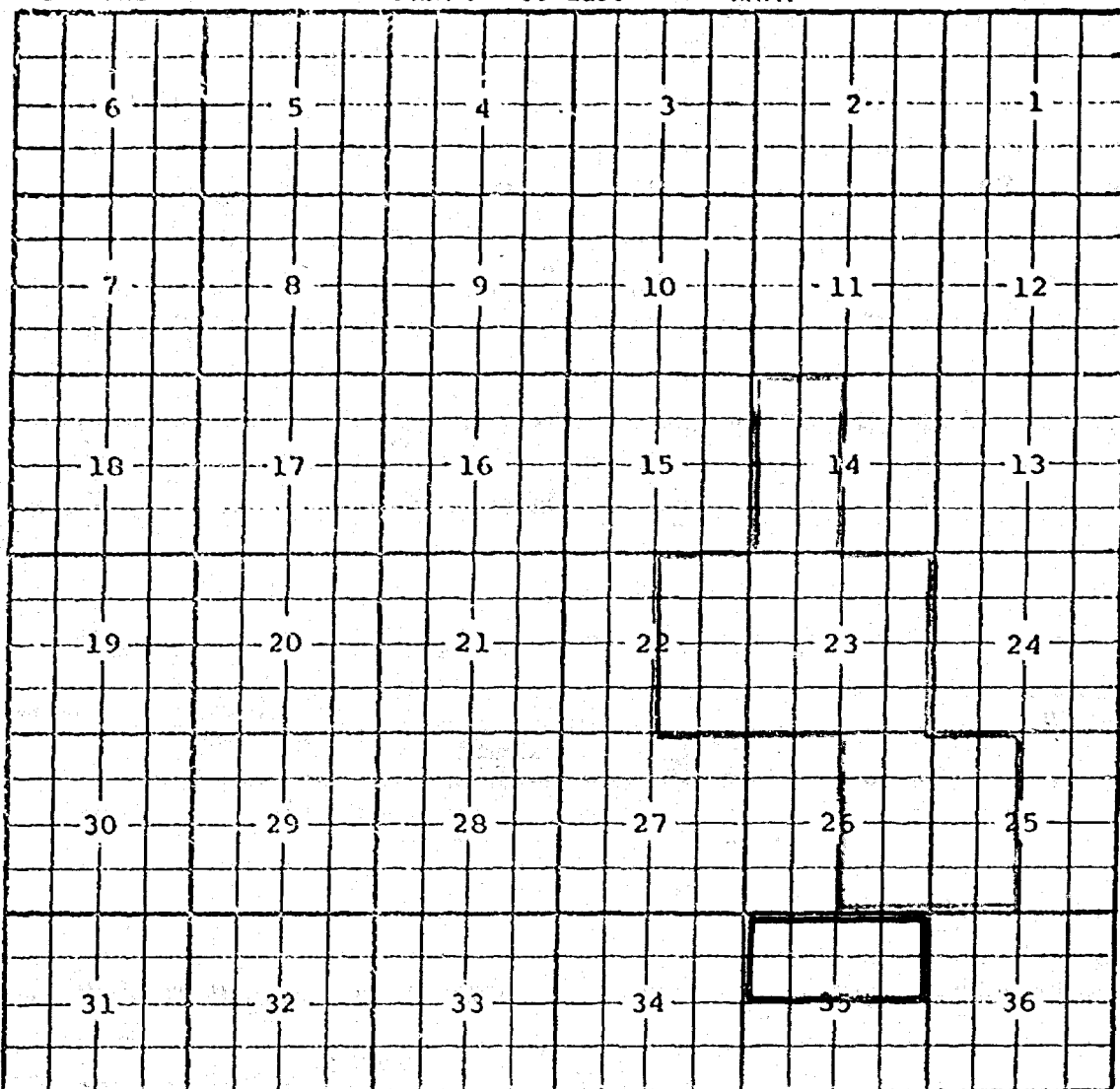
TOWNSHIP

20 South

RANGE

35 East

NMIM



PURPOSE: One completed gas well capable of producing.

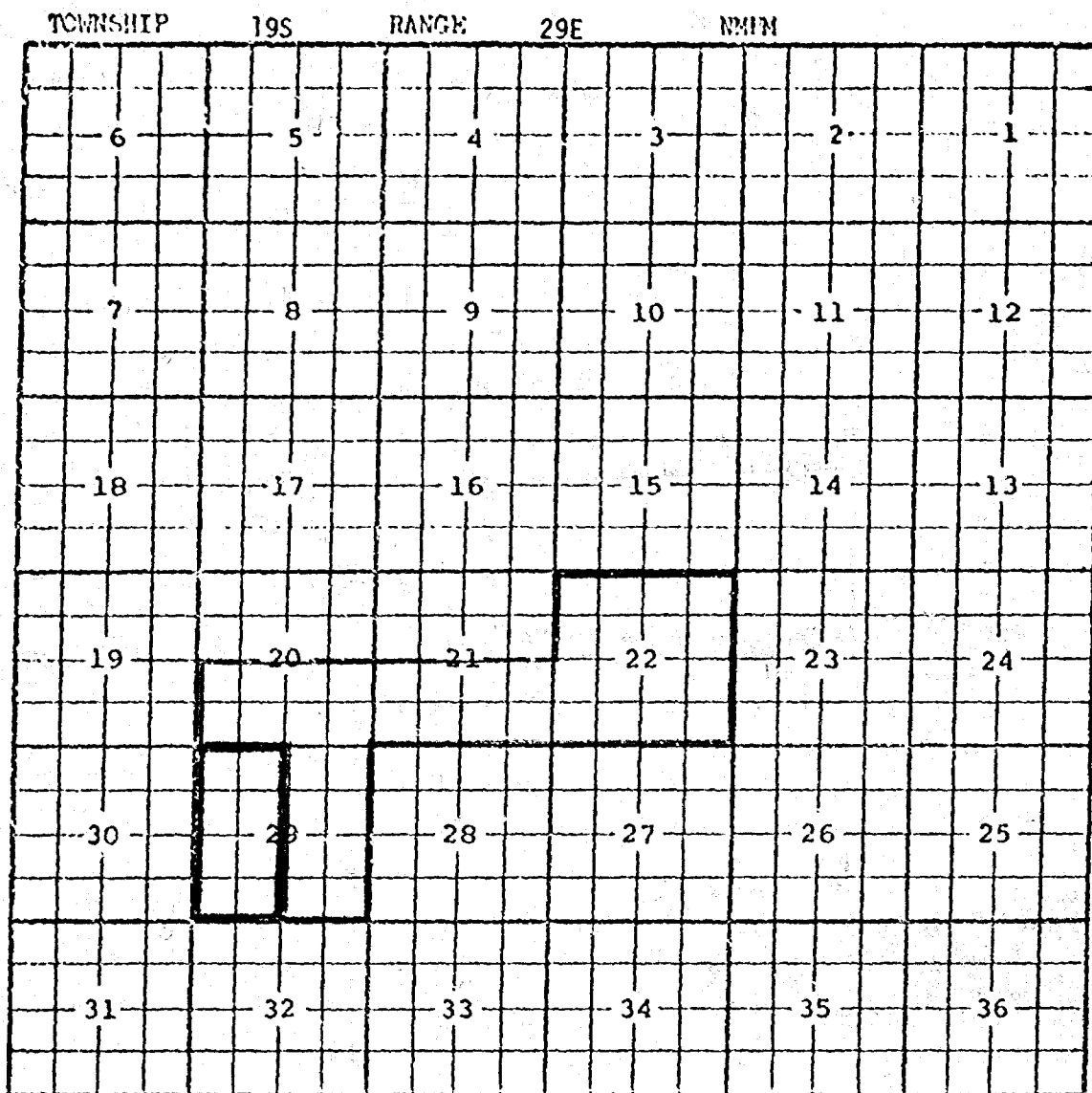
HNG Oil Company Sims 35 State #1-B in Sec 35, T20S, R35E, completed 8-30-81, in the Morrow formation. Top perf 12,963 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 35: N/2

CASE NO. 7428 (w) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL West Parkway-Morrow Gas



Purpose: To include a portion of acreage that was not dedicated to said pool.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
The Pet. Corp.	Parkway West Ut.	2-G	29-19-29	11-25-74	Morrow	11110'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 29: W/2

CASE NO. 7428 (x) EXTENSION OF AN EXISTING OIL POOL

COUNTY ROOSEVELT

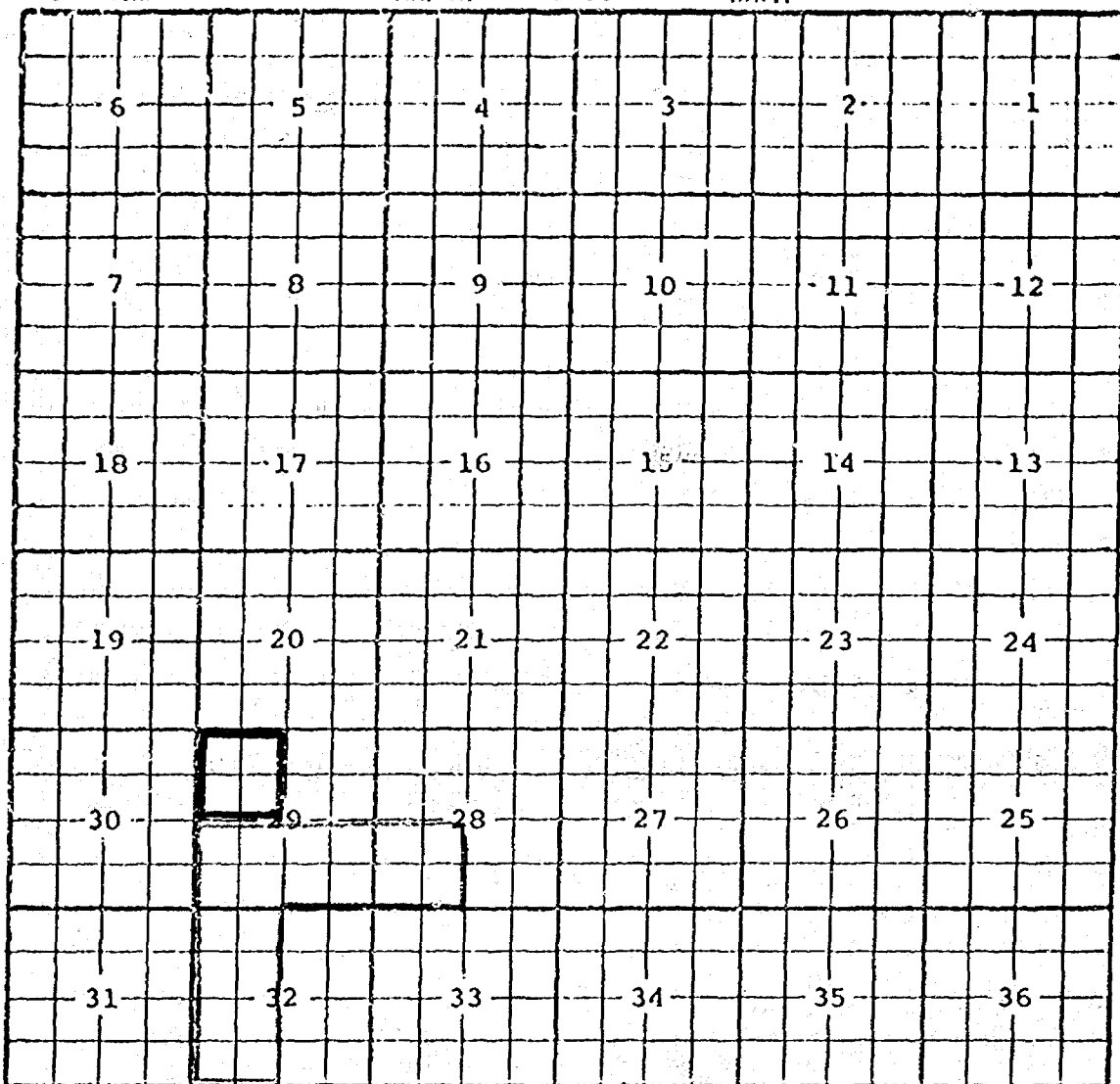
POOL

PETERSON-MISSISSIPPIAN

TOWNSHIP 4 South

RANGE 33 East

NMIM



PURPOSE: One completed oil well capable of producing.

Enserch Exploration, Inc. LaGrone #1-H in Sec. 29, T4S, R33E, completed 9-1-81, in the Mississippian formation. Top perf 8010 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 29: NE/4

CASE NO. 7428 (y) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL

POW-Morrow Gas

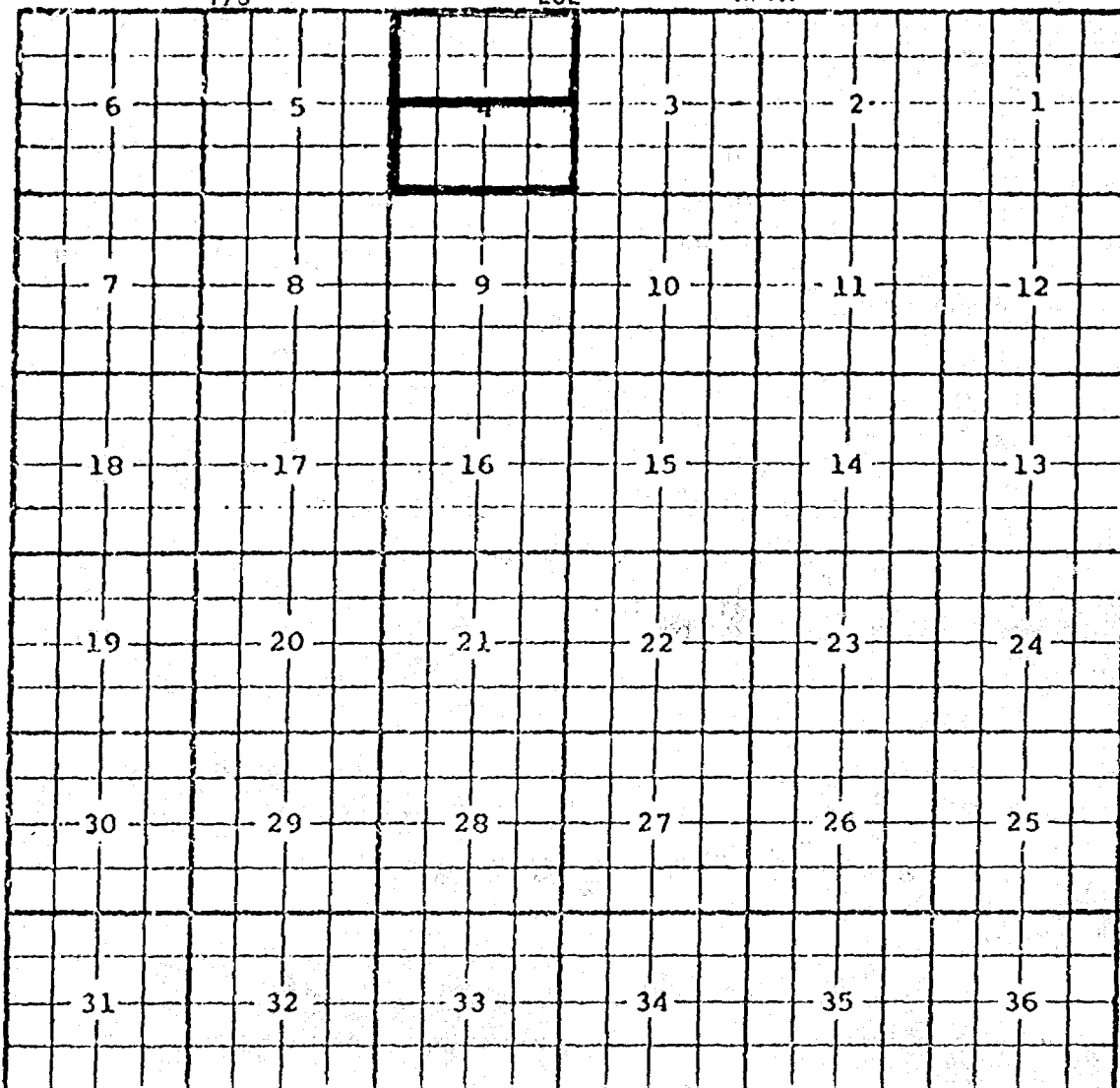
TOWNSHIP

17S

RANGE

26E

MM



Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut.	S.T.R.	Comp.	Form.	TOP
Yates Pet. Corp.	Sharp QS Com	1-P	4-17-26	8-13-81	Morrow	8027'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 4: S/2

CASE NO. 7428 (z) EXTENSION OF AN EXISTING OIL POOL

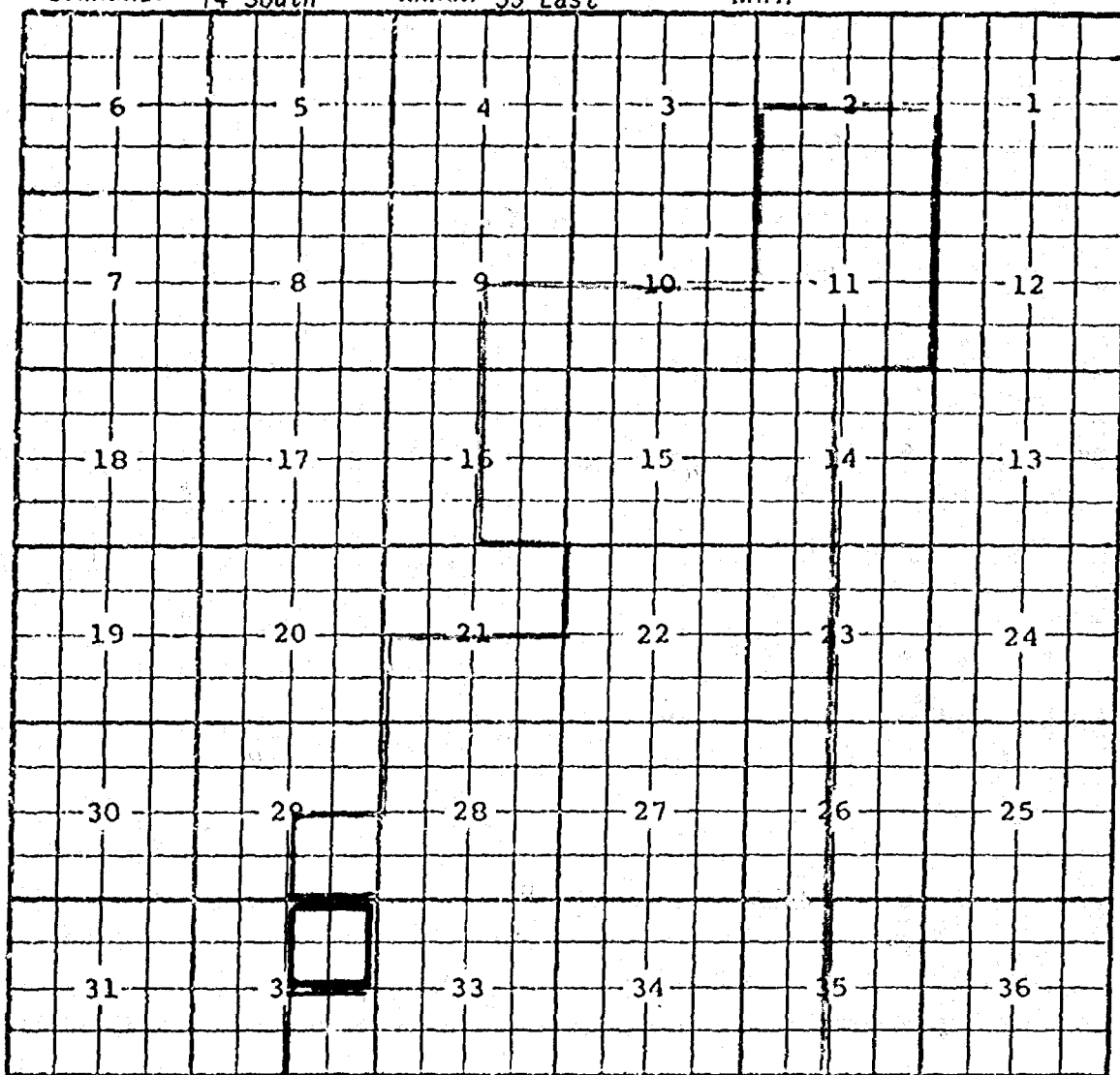
COUNTY LEA

POOL SAUNDERS PERMO UPPER PENNSYLVANIAN

TOWNSHIP 14 South

RANGE 33 East

NMIM



PURPOSE: One completed oil well capable of producing.

Pogo Prod. Co. SAN State #1-A in Sec. 32, T14S, R33E, completed 4-15-81,
in the Wolfcamp and Penn formations. Top perf 9496 feet.

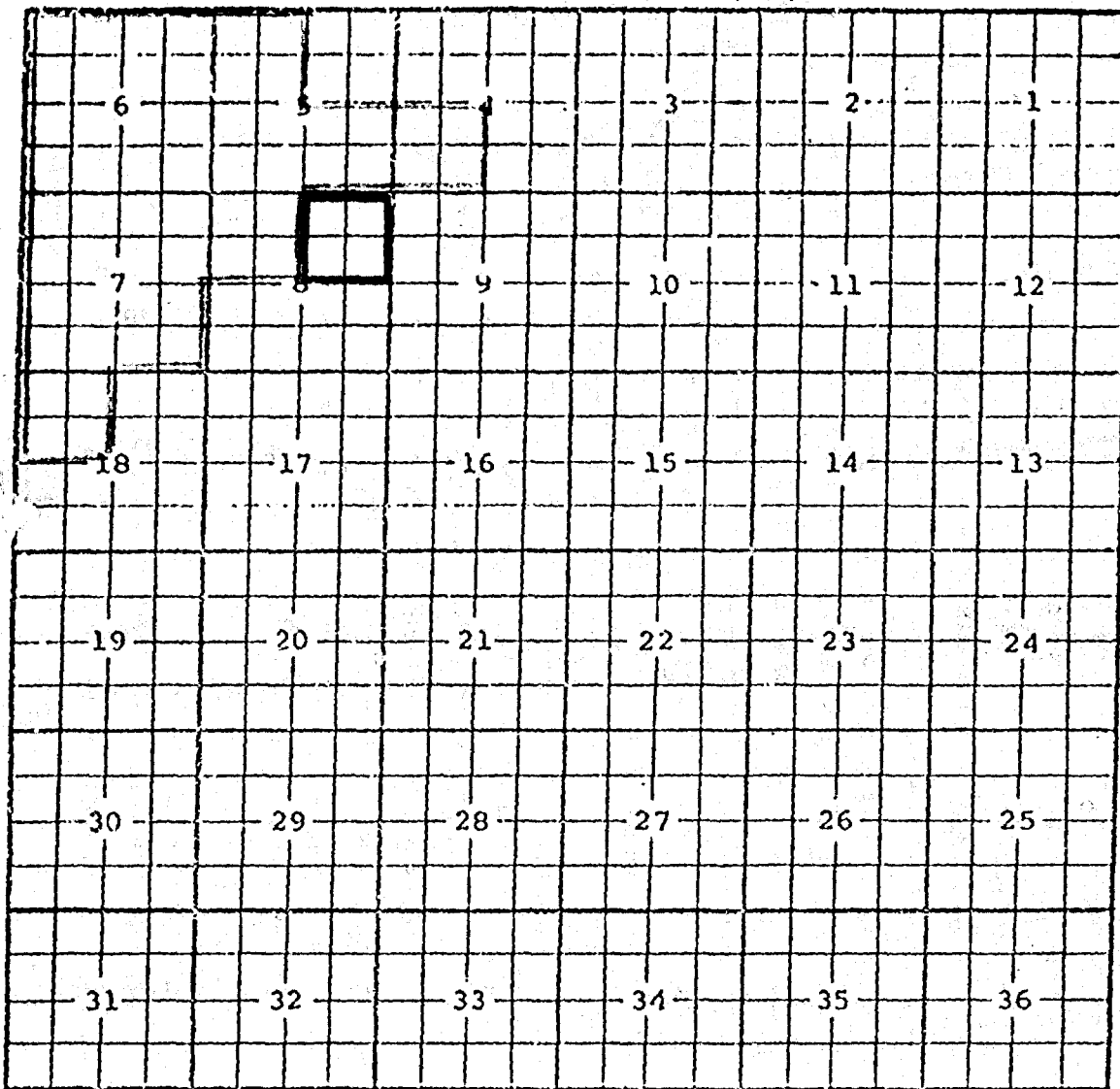
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 32: NE/4

CASE NO. 7428 (aa) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL SCHARB-BONE SPRING

TOWNSHIP 19 South RANGE 35 East NN1M



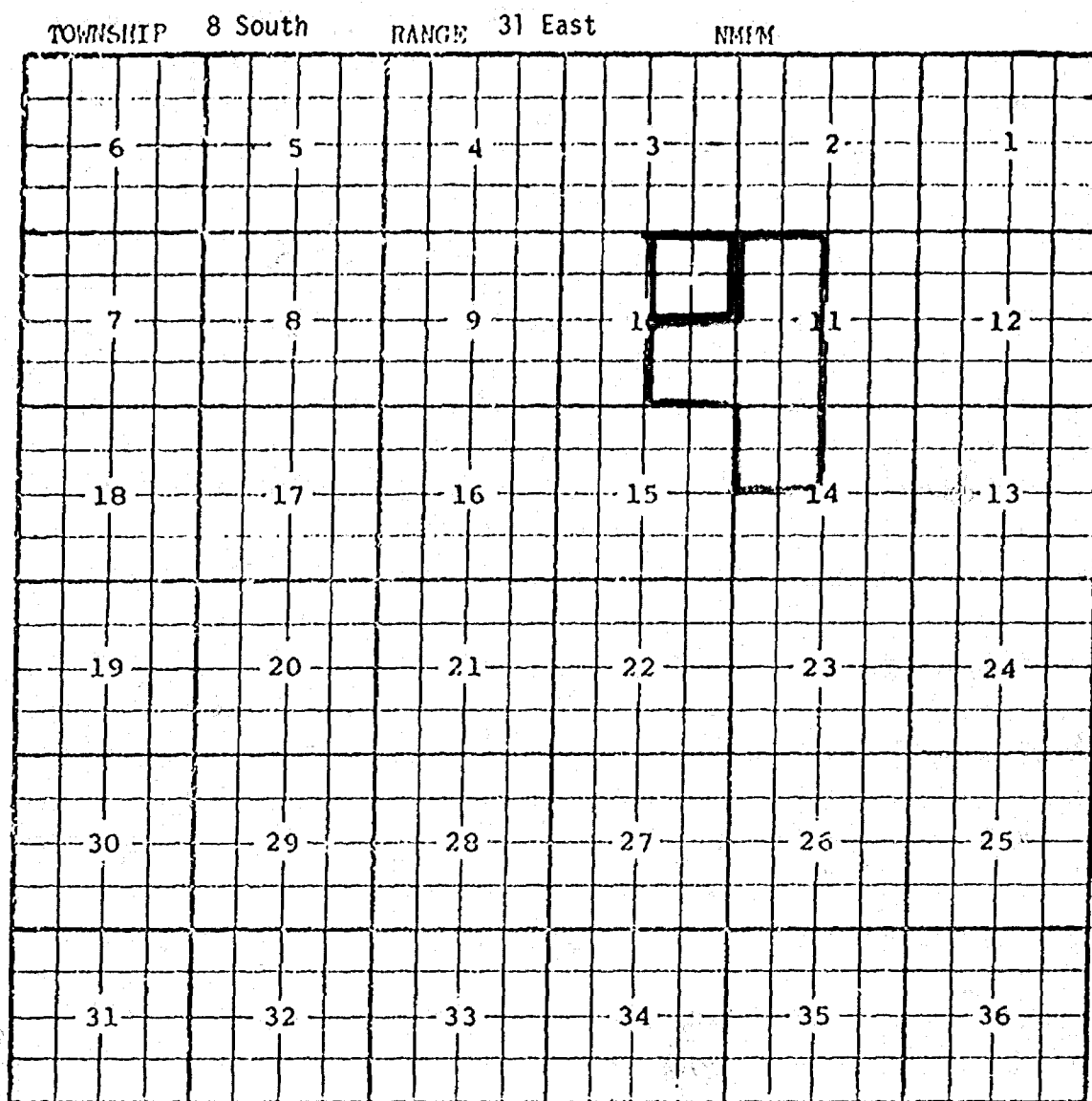
PURPOSE: One completed oil well capable of producing.

Southland Royalty Company Scharb 8 Well #1-A in Section 8, T19S, R35E, completed July 17, 1981, in the Bone Spring formation. Top perf 10,057 ft.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 8: NE/4

CASE NO 7428 (bb) EXTENSION OF AN EXISTING OIL POOL
COUNTY CHAVES POOL EAST SIETE-SAN ANDRES



PURPOSE: One completed oil well capable of producing.

Western Reserves Oil Co. Champlin Federal Well #1-H in Sec. 10, T8S, R31E, completed Sept. 1, 1981, in the San Andres formation. Top perf 3906 ft.

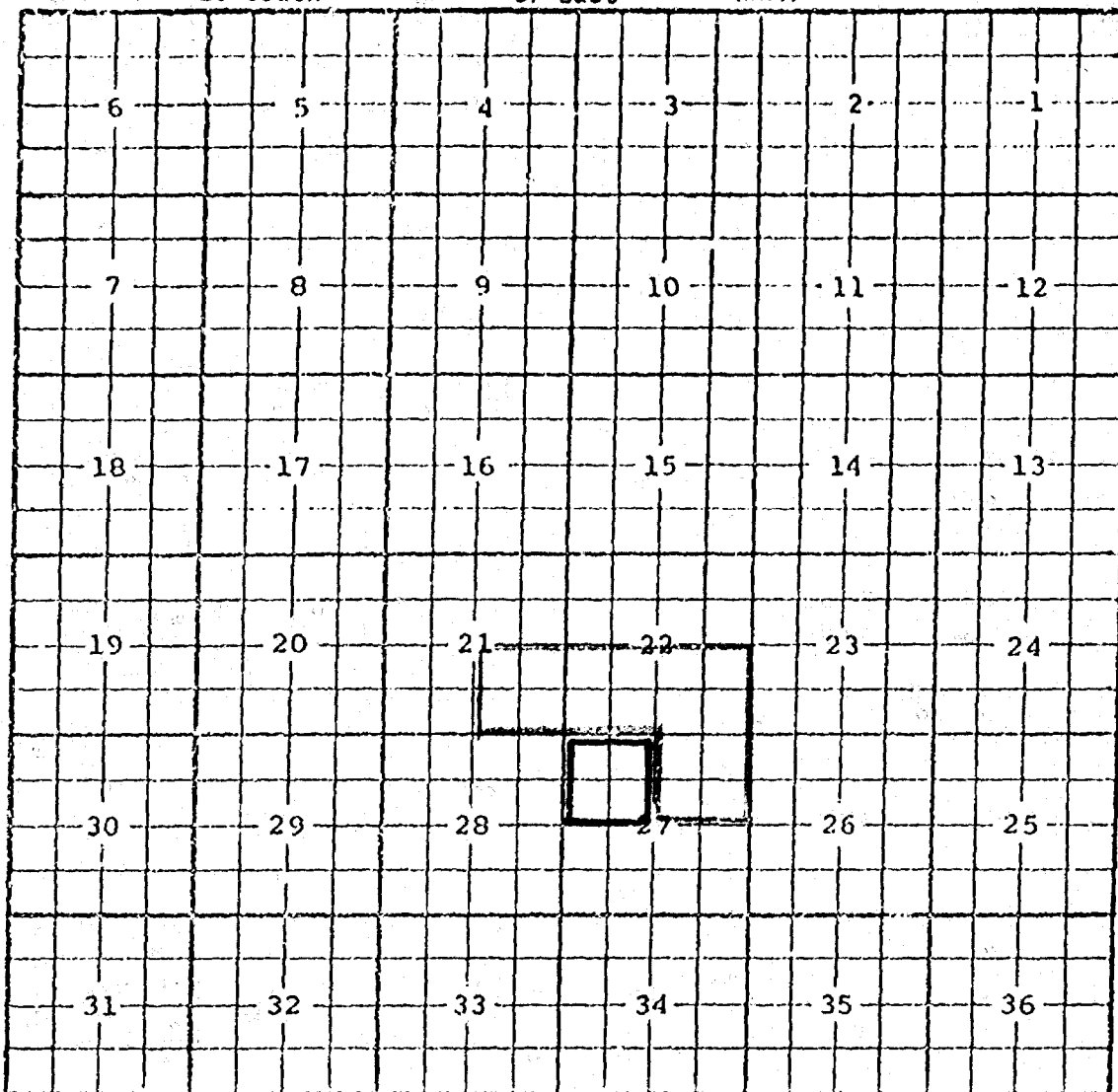
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 10: NE/4

CASE NO. 7428 (cc) EXTENSION OF AN EXISTING GAS POOL

COUNTY LEA POOL TEAGUE-ABO GAS

TOWNSHIP 23 South RANGE 37 East NM1M



PURPOSE: One completed gas well capable of producing.
Gulf Oil Corporation C.E. LaMunyon #9-D in Sec. 27, T23S, R37E, completed
Sept. 10, 1981, in the Abo formation. Top perf 6623 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 27: NW/4

CASE NO. 7428 (dd) EXTENSION OF AN EXISTING OIL POOL

COUNTY CHAVES

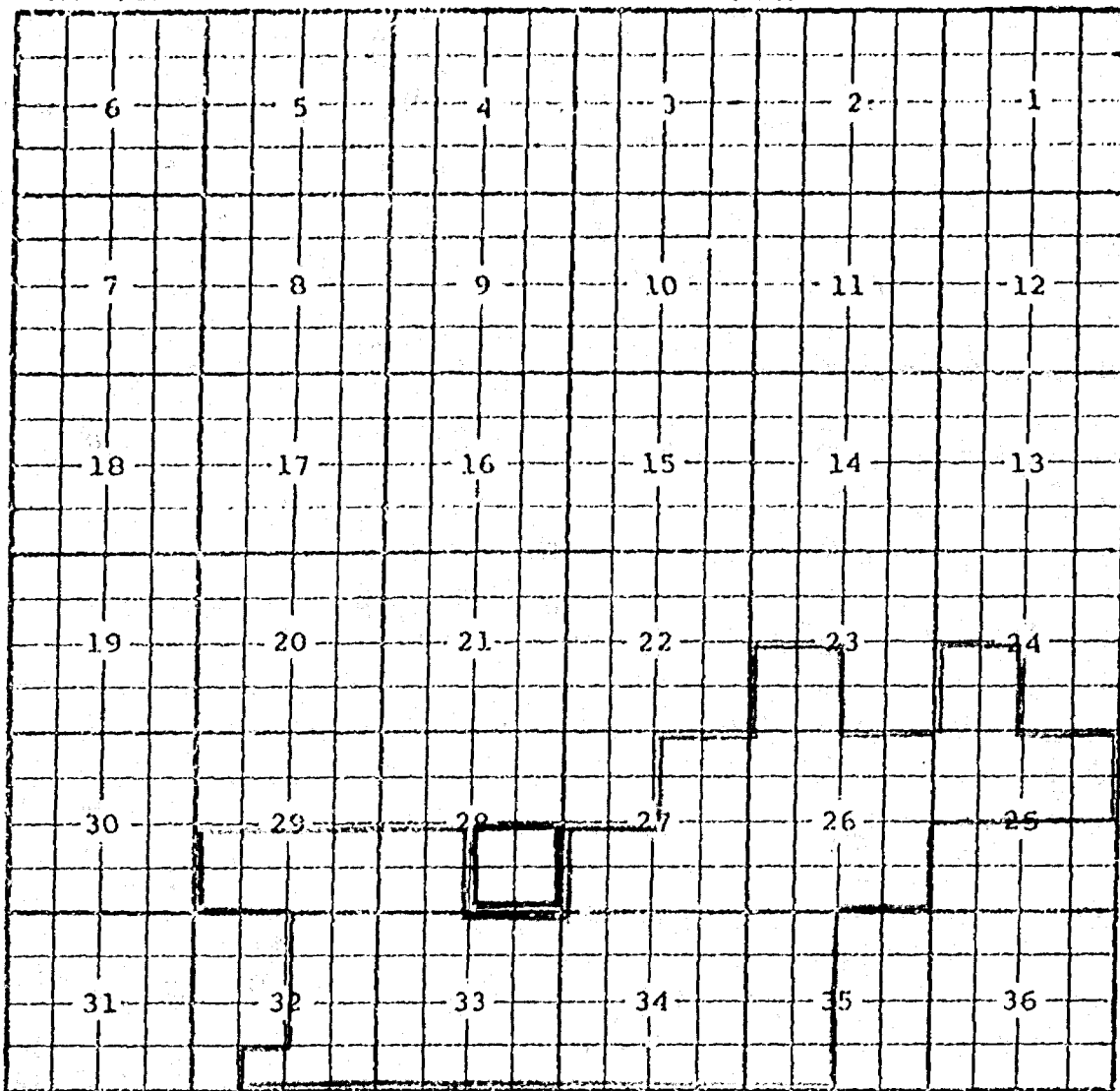
POOL

TOM-TOM-SAN ANDRES

TOWNSHIP 7 South

RANGE 31 East

NMIM



PURPOSE: One completed oil well capable of producing.

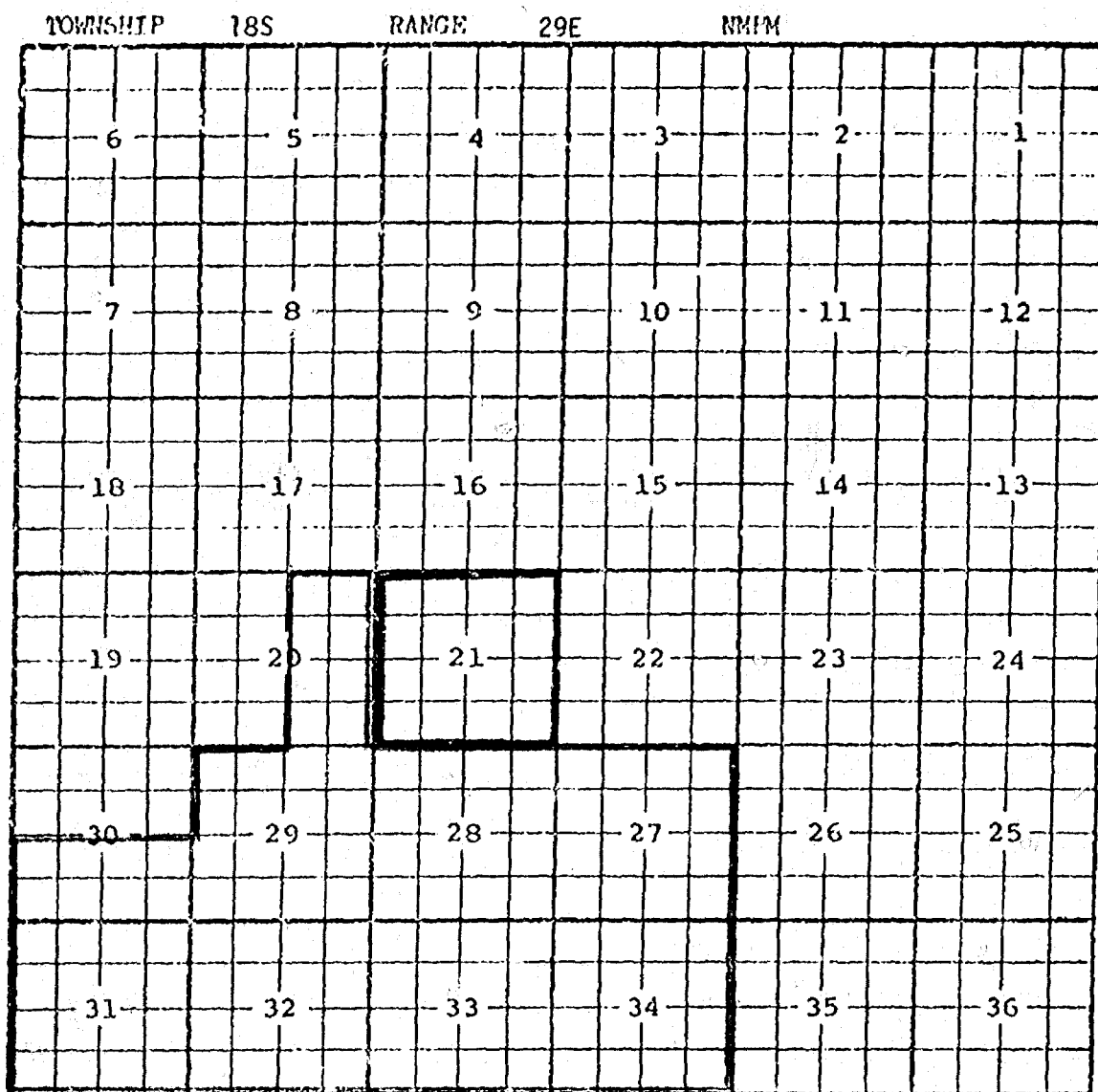
Flag Redfern Oil Co. Hahn A Fed Well #2-P in Sec. 28, T7S, R31E, completed Aug. 12, 1981, in the San Andres formation. Top perf 3876 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 28: SE/4

CASE NO. 7428 (ee) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL North Turkey Track-Morrow Gas



Purpose: One completed gas well capable of producing.

Operator Lease #&Ut. S.T.R. Comp. Form. TOP
 Southland Royalty Co. Empire 21 A Fed. 1-C 21-18-29 8-5-81 Morrow 11070'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 21: ALL

CASE NO. 7428 (ff) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA

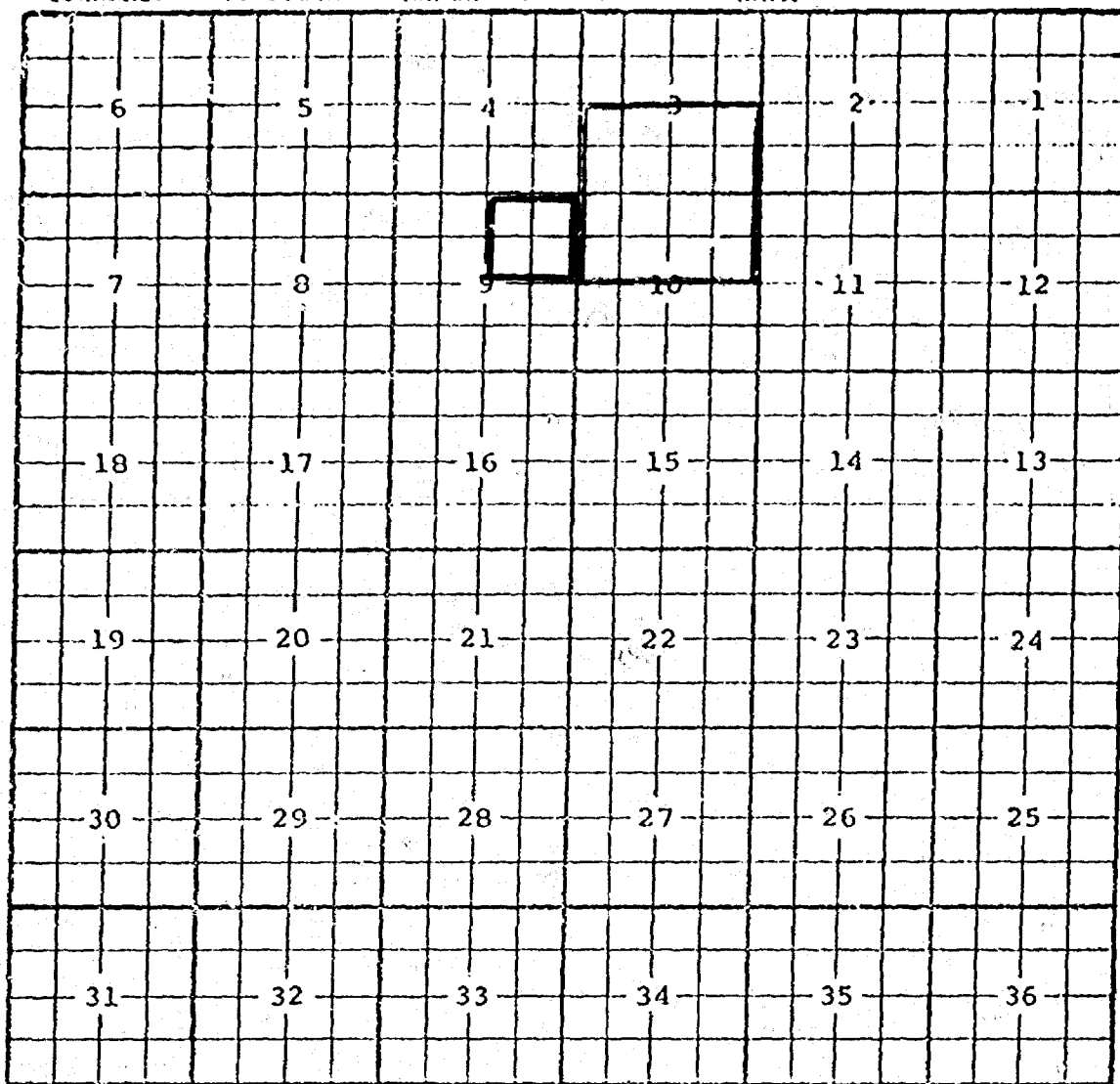
POOL NORTH YOUNG-BONE SPRING

TOWNSHIP

18 South

RANGE 32 East

NNMM



PURPOSE: One completed oil well capable of producing.

Harvey E. Yates Company Young Deep Unit Well #4-H in Sec 9, T18S, R32E, completed July 2, 1981, in the Bone Spring formation. Top perf 8312 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 9: NE/4

The following paragraphs from Case 7428 were advertised but were omitted from the docket. They will be added at the hearing.

(g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production and designated as the West Nadine-Drinkard Pool. The discovery well is Morris R. Antweil Eggbert Well No. 1 located in Unit H of Section 8, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 4: SW/4
Section 5: S/2
Section 6: SE/4
Section 8: E/2 and N/2 NW/4
Section 9: NW/4

(i) ABOLISH the North Skaggs-Drinkard Gas Pool in Lea County, New Mexico, described as:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 5: SW/4
Section 6: SE/4
Section 8: N/2 NW/4

(j) CONTRACT the Skaggs-Drinkard Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 9: W/2
Section 16: NW/4
Section 17: N/2

Dockets Nos. 38-81 and 39-81 are tentatively set for December 2, and December 15, 1981. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 19, 1981

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for December, 1981, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7410: Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7356: (Continued from October 21, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7411: Application of Viking Petroleum, Inc., for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 330 feet from the North and East lines of Section 12, Township 11 South, Range 27 East, the NE/4 of said Section 12 to be dedicated to the well. (This case will be dismissed).

CASE 7412: Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Yates, Queen, San Andres and Delaware formations in the open hole interval from 4375 feet to 7452 feet in its Lea "2D" State Well No. 1 located in Unit B of Section 30, Township 13 South, Range 35 East, Air-Strip Field.

CASE 7413: Application of Gulf Oil Corporation for Directional Drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Arnett Ramsey Well No. 12, the surface location of which is 500 feet from the South line and 1400 feet from the East line of Section 32, Township 25 South, Range 37 East, to a bottomhole location within 150 feet of a point 500 feet from the South line and 800 feet from the East line of Section 32, Township 25 South, Range 37 East, Langlie Mattix Pool, the SE/4 SE/4 of said Section 32 to be dedicated to the well.

CASE 7414: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Wantz-Granite Wash production in the wellbore of its Hugh Well No. 10, located in Unit C of Section 14, Township 22 South, Range 37 East.

CASE 7415: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Tubb and Drinkard production in the wellbore of its T. R. Andrews Well No. 3, located in Unit J of Section 32, Township 22 South, Range 38 East.

CASE 7379: (Continued from October 21, 1981, Examiner Hearing)

Application of JEM Resources, Inc., for vertical pool extension and special GOR limit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the vertical extension of the Cave-Grayburg Pool to include the San Andres Formation, and the establishment of a special gas-oil ratio limit for said pool to 6000 to one or, in the alternative, the abolishment of the gas-oil ratio limit in said pool, all to be effective October 1, 1981.

CASE 7407: (Continued from November 4, 1981, Examiner Hearing)

Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo Formation underlying the NE/4 of Section 23, Township 5 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7416: Application of El Paso Natural Gas Company for pool creation and redelineation, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks to contract the horizontal limits of the Jalmat Gas Pool by deleting therefrom all lands in Township 26 South, Range 37 East. Applicant also proposes to contract the horizontal limits of the Rhodes Yates - Seven Rivers Oil Pool by deleting therefrom all of the gas productive lands in the North end thereof and to create the Rhodes Yates-Seven Rivers Gas Pool comprising all such deleted lands. Applicant further proposes the deletion of certain oil productive lands from said Rhodes oil pool and the extension of the Scarborough Pool to include said lands. Applicant further proposes 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 created Rhodes Gas Pool.

CASE 7417: (This case will be dismissed.)

Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.

CASE 7418: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Drinkard Pool including a special gas-oil ratio of 6,000 to one.

CASE 7419: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Blinbry pool including a special gas-oil ratio of 4,000 to one.

CASE 7420: Application of Southland Royalty Company for two unorthodox oil well locations, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval for the unorthodox location of two previously drilled wells, the first being 760 feet from the South line and 660 feet from the East line of Section 5 the other being 660 feet from the North and West lines of Section 9, both in Township 19 South, Range 35 East, both to be plugged back to the Scharb-Bone Springs Pool, the S/2 SE/4 of Section 5 and the N/2 NW/4 of Section 9, respectively, to be dedicated to the wells.

CASE 7421: Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard

spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Page 3

Examiner Hearing - Thursday - November 14, 1981

- CASE 7422:** Application of Conoco, Inc. for dual completion and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Southeast Monument Unit Well No. 121, to produce oil from the Skaggs Grayburg and an undesignated Paddock pool through parallel strings of tubing. Applicant further seeks approval of the unorthodox location of said well 1310 feet from the North line and 1330 feet from the West line of Section 19, Township 20 South, Range 38 East, the NE/4 NW/4 of said Section 19 to be dedicated to the well.
- CASE 7423:** Application of Conoco, Inc., for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinebry oil and gas pool by the injection of water into the Blinebry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.
- CASE 7424:** Application of Rice Engineering and Operating, Inc., for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres formation in the perforated interval from 4300 feet to 4852 feet in its Eunice-Monument Eumont SWD "G" Well No. 8, located in Unit G of Section 8, Township 20 South, Range 37 East.
- CASE 7425:** Application of H. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 36, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 554 feet from the South and West lines of said Section 26, provided that in the event the subject well encounters production in the Casey-Strawn Pool and/or the West Knowles-Drinkard Pool, the lands pooled would be the W/2 SW/4 of said Section 26. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.
- CASE 7426:** Application of Phillips Petroleum Company for Amendment of Division Order No. R-5897 and certification of a tertiary recovery project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-5897, to include the injection of carbon dioxide in the previously authorized pressure maintenance project in the East Vacuum Grayburg-San Andres Unit, for conversion of existing injectors to water/carbon dioxide injection, and for certification to the Secretary of the IRS that the East Vacuum Grayburg-San Andres Unit Project is a qualified tertiary oil recovery project.
- CASE 7427:** Application of Belco Petroleum Corporation for a special allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an adjustment to the manner in which allowables are calculated for wells in the South Carlsbad-Morrow Gas Pool in order to grant relief to the over-produced status of its Douglas Com. Well No. 1 located in Unit H of Section 7, Township 22 South, Range 27 East, said well being subject to shut-in being more than six times its allowable over-produced. In the alternative, applicant seeks to make up the over-production at a rate less than complete shut-in by curtailing production from the well to 80 percent of its top allowable until it is back in balance.
- CASE 7428:** In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 10: N/2 and N/2 SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is the Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4

3-Changes in Nomenclature

Examiner Hearing - Thursday - November 14, 1981

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grama Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 4: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C. F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bone Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com. Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 32: E/2
Section 33: All

(h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 11: All
Section 15: N/2

(i) EXTEND the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 14: N/2

(j) EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 28: N/2 SE/4

(k) EXTEND the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH RANGE 37 EAST, NMPM
Section 10: SE/4

(l) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 4: All

Examiner Hearing - Thursday - November 14, 1981

- (m) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 13: SE/4 SW/4

- (n) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 35: W/2

- (o) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All

- (p) EXTEND the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 8: S/2

- (q) EXTEND the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 34: N/2
Section 35: N/2

- (r) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPH
Section 8: S/2 S/2

- (s) EXTEND the West Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 35: N/2

- (t) EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 29: W/2

- (u) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: NE/4

- (v) EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: S/2

- (w) EXTEND the Saunders-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: NE/4

Examiner Hearing - Thursday - November 14, 1981

- (x) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 8: NE/4

- (y) EXTEND the East Siets-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 10: NE/4

- (z) EXTEND the Teague-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 27: NW/4

- (aa) EXTEND the Tom-Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 28: SE/4

- (bb) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 21: All

- (cc) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 9: NE/4

TO: Florene Davidson -- this is the revised nomenclature ad for November including the discovery well correction for the Springs-Morrow gas Pool (h) as well as the abolishment, deletion and creation of the new Drinkard Pool (g), (i), & (j)

NOTE: (Paragraph (i)) Wells from abolished North Skaggs Drinkard Gas Pool will be reclassified and placed in the new West Nadine-Drinkard Pool.

(Paragraph (j)) Deleted acreage from Skaggs-Drinkard Pool will be placed in West Nadine-Drinkard Pool. Geological study determined deleted area was not same structure as Skaggs Drinkard Pool.

I did not include the above explanation in the ad, you may wish to use it.

Also, I am sorry about all this, hope it has not inconvenienced you.

Evelyn



NOMENCLATURE ADVERTISEMENT FOR NOVEMBER 1981

CASE NO. 7428

3 additional 11111

In the matter of the application of the Oil Conservation Division of the Energy and Minerals Department upon its own motion for an order for the creation of new pools in Eddy, Chaves and Lea Counties, New Mexico, the abolishment of an existing pool in Lea County, New Mexico, the contraction of an existing pool in Lea County, New Mexico, and the extension of certain existing pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such creations, abolishments, contractions, and extensions should not be made.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

✓ TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM OK
Section 10: N/2 and N/2 SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is The Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

✓ TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM OK
Section 14: SE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grama Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

✓ TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM OK
Section 4: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C.F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

✓ TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM OK
Section 23: SW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bone Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

✓ TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM OK
Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

✓ TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM OK
Section 21: S/2

(g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production and designated as the West Nadine-Drinkard pool. The discovery well is Morris R. Antweil Eggbert Well No. 1 located in Unit H of Section 8, Township 20 South, Range 38 East, NMPM. Said Pool would comprise:

✓ TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 4: SW/4
Section 5: S/2
Section 6: SE/4
Section 8: E/2 and N/2 NW/4
Section 9: NW/4

Addition

OK

Nomenclature Advertisement for November 1981

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

✓ TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM OK
Section 32: E/2✓
Section 33: All✓

(i) ABOLISH the North Skaggs-Drinkard Gas Pool in Lea County, New Mexico, described as:

Addition

✓ TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 5: SW/4
Section 6: SE/4 OK
Section 8: N/2 NW/4

(j) CONTRACT the Skaggs-Drinkard Pool in Lea County, New Mexico, by the deletion of the following described area:

Addition

✓ TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: W/2
Section 16: NW/4 OK
Section 17: N/2

(k) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM OK
Section 11: All
Section 15: N/2

(l) EXTEND the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM OK
Section 14: N/2

(m) EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM OK
Section 28: N/2 SE/4

(n) EXTEND the Bluitt-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

✓ TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM OK
Section 10: SE/4

(o) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

✓ TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM OK
Section 4: All

(p) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM OK
Section 13: SE/4 SW/4

(q) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM OK
Section 35: W/2

(r) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM OK
Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All

Nomenclature Advertisement for November 1981

(s) EXTEND the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 8: S/2

OK

(t) EXTEND the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 34: N/2
Section 35: N/2

OK

(u) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: S/2 S/2

OK

(v) EXTEND the West Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 35: N/2

OK

(w) EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 29: W/2

OK

(x) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

✓ TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: NE/4

OK

(y) EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: S/2

OK

(z) EXTEND the Saunders-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: NE/4

OK

(aa) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 8: NE/4

OK

(bb) EXTEND the East Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

✓ TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 10: NE/4

OK

(cc) EXTEND the Teague-Abo Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 27: NW/4

OK

(dd) EXTEND the Tom-Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

✓ TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 28: SE/4

OK

(ee) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 21: All

OK

(ff) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 9: NE/4

OK

CASE 7427:

Application of Belco Petroleum Corporation
for a special allowable, Eddy County, New
Mexico.

Applicant, in the above-styled cause, seeks an adjustment to the manner in which allowables are calculated for wells in the South Carlsbad-Morrow Gas Pool in order to grant relief to the over-produced status of its Douglas Com. Well No. 1 located in Unit H of Section 7, Township 22 South, Range 27 East, said well being subject to shut-in, being more than six times its allowable over-produced. In the alternative, applicant seeks to make up the over-production at a rate less than complete shut-in by curtailing production from the well to 80 percent of its top allowable until it is back in balance.

CASE 7428:

Nov. 19

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider:

The creation of the following pools in Lea County:

North Antelope Ridge-Wolfcamp Gas
Pool in Township 23 South, Range
34 East;

Diamondtail-Wolfcamp Pool in Township
23 South, Range 32 East;

North Grama Ridge-Bone Spring Pool
in Township 21 South, Range 34 East;

Grassland-Wolfcamp Pool in Township
15 South, Range 34 East;

North Lusk-Bone Spring Pool in Township
19 South, Range 32 East;

The creation of the following pools in Eddy county:

McMillan-Atoka Gas Pool in Township
19 South, Range 27 East;

Springs-Morrow Gas Pool in Township
20 South, Range 26 East;

The abolishment of the North Skaggs-Drinkard Gas Pool in Lea County and the contraction of the Skaggs-Drinkard Pool in Lea County; and the concomitant creation of the West Nadine-Drinkard Pool in Township 20 South, Range 38 East, to include the lands formerly contained in said pools.

The extension of the following pools in Lea County:

Antelope Ridge-Morrow Gas
North Mason-Delaware
West Osuda-Morrow Gas
Saunders-Porro Upper Penn
Schard-Bone Spring
Teague-Alto

North Young-Bone Spring

The extension of the following pools in Eddy County:

Baldridge Canyon-Morrow Gas
Bear Draw Queen-Grayburg-San Andres
Bunker Hill-Penrose
Burton Flat-Morrow Gas
Eagle Creek-Strawn Gas
Golden Lane-Morrow Gas
Kennedy Farms-Upper Penn Gas
West Parkway-Morrow Gas
POW-Morrow Gas
North Turkey Track-Morrow Gas

The extension of the following pools in Roosevelt County:

Bluitt-Wolfcamp Gas
Peterson-Mississippian

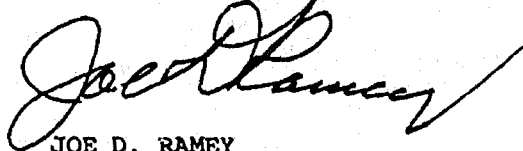
The extension of the following pools in Chaves County:

Buffalo Valley-Penn Gas
East Siete-San Andres
Tom-Tom San Andres

GIVEN Under the Seal of the New Mexico Oil Conservation Division at Santa Fe,
New Mexico, on this 30th day of October, 1981.

STATE OF NEW MEXICO

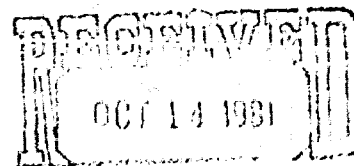
OIL CONSERVATION DIVISION



JOE D. RAMEY
Director

S E A L

OIL CONSERVATION DIVISION
ARTESIA, NEW MEXICO
DISTRICT II



NOMENCLATURE ADVERTISEMENT FOR NOVEMBER, 1981 SANTA FE

- (a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow Gas production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon, State 32 Com #1, located in Unit G of Section 32, Township 20 South, Range 26 East, NMPM.
Said pool described as:
Township 20 South, Range 26 East, NMPM
Section 32: E/2
- (b) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka Gas production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Co. Pecos River 21 Fed. Com #1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM.
Said pool described as:
Township 19 South, Range 27 East, NMPM
Section 21: S/2
- (c) Extend the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico to include therein:
Township 24 South, Range 24 East, NMPM
Section 14: N/2
- (d) Extend the Bear Draw-Q-G-SA Pool in Eddy County, New Mexico, to include therein:
Township 16 South, Range 29 East, NMPM
Section 28: N/2 SE/4
- (e) Extend the Buffalo Valley-Penn. Gas Pool in Chaves County, New Mexico to include therein:
Township 15 South, Range 27 East, NMPM
Section 4: ALL
- (f) Extend the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:
Township 16 South, Range 31 East, NMPM
Section 13: SE/4 SW/4
- (g) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:
Township 20 South, Range 27 East, NMPM
Section 35: W/2
- (h) Extend the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:
Township 17 South, Range 25 East, NMPM
Section 27: N/2
Township 18 South, Range 25 East, NMPM
Section 1: ALL
- (i) Extend the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico to include therein:
Township 21 South, Range 29 East, NMPM
Section 8: S/2
- (j) Extend the Kennedy Farms-Upper Penn. Gas Pool in Eddy County, New Mexico to include therein:
Township 17 South, Range 26 East, NMPM
Section 34: N/2
Section 35: N/2

- (k) Extend the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

Township 17 South, Range 26 East, NMPM
Section 4: S/2

- (l) Extend the West Parkway-Morrow Gas Pool in Eddy County, New Mexico to include therein:

Township 19 South, Range 29 East, NMPM
Section 29: W/2

- (m) Extend the N. Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include therein:

Township 18 South, Range 29 East, NMPM
Section 21: ALL

October 8, 1981

Xc: Carl Ulyog
Santa Fe OCD

Hobbs OCD