

**CASE 5539: SOUTHEASTERN NOMENCLATURE
FOR AUGUST, 1975**

CASE NO.

5539

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
August 13, 1975

EXAMINER HEARING

IN THE MATTER OF:

Southeastern nomenclature case calling
for the creation, contraction, and
extensions of certain pools in Lea and
Chaves Counties, New Mexico.

CASE
5539

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the New Mexico Oil
Conservation Commission:

Thomas Derryberry, Esq.
and
William F. Carr, Esq.
Legal Counsels for the Commission
State Land Office Building
Santa Fe, New Mexico

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 981-9212

I N D E X

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CARL ULVOG

Direct Examination by Mr. Carr

3

EXHIBIT INDEX

Oil Conservation Commission Exhibit A

5

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1 MR. NUTTER: We'll call Case Number 5539.

2 MR. DERRYBERRY: Case 5539, southeastern nomen-
3 clature case calling for the creation, contraction, and
4 extensions of certain pools in Lea and Chaves Counties,
5 New Mexico.

6 MR. NUTTER: We will call for appearances in Case
7 Number 5539.

8 MR. CARR: Mr. Examiner, I am William F. Carr
9 appearing for the Commission and I have one witness to be
10 sworn.

11 (THEREUPON, the witness was duly sworn.)

12
13 CARL ULVOG

14 called as a witness, having been first duly sworn, was
15 examined and testified as follows;

16
17 DIRECT EXAMINATION

18 BY MR. CARR:

19 Q Would you state your name and position for the
20 record, please?

21 A Yes, sir. Carl Ulvog, Senior Petroleum Geologist
22 for the Oil Conservation Commission here in Santa Fe.

23 Q Mr. Ulvog, are you prepared to make recommendations
24 to the Commission concerning the nomenclature of certain
25 pools in Lea and Chaves Counties, New Mexico?

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1 A. Yes, sir, I am.

2 Q. Are your recommendations prepared in the form of an
3 exhibit?

4 A. They are. I have one exhibit consisting of a
5 series of plats describing our proposals as given by the
6 docket and corresponding to the paragraphs (a) through (i)
7 listed therein.

8 Q. Is that marked as Oil Conservation Commission
9 Exhibit A?

10 A. That is correct.

11 Q. Please refer to this exhibit and the docket that
12 has been prepared and distributed at this hearing and point
13 out any substantial differences between the two?

14 A. Yes, sir, there are no differences between our
15 proposed creation, contraction and extensions that are
16 described in the docket except in the case of paragraph (h)
17 where we propose an additional extension other than that
18 listed by the docket, being the South half of Section Four,
19 and the Northwest quarter of Section Nine of Township Eight
20 South, Range thirty-one East.

21 Q. There are no other discrepancies between the
22 docket and your exhibit, is that correct?

23 A. That is correct.

24 Q. Do you have anything further to add to your
25 testimony?

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1 A. No, sir.

2 MR. CARR: Mr. Examiner, at this time I move the
3 introduction of Oil Conservation Commission Exhibit A.

4 MR. NUTTER: OCC Exhibit A in Case 5539 will be
5 admitted into evidence.

6 (THEREUPON, Oil Conservation Commission
7 Exhibit A was admitted into evidence.)

8 MR. CARR: I have nothing further. I tender the
9 witness for cross examination.

10 MR. NUTTER: Are there any questions of Mr. Ulvog?
11 He may be excused.

12 Do you have anything further, Mr. Carr?

13 MR. CARR: Nothing further.

14 MR. NUTTER: Does anyone have anything they wish
15 to offer in Case 5539?

16 We will take the Case under advisement.

17 The Hearing is adjourned.
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Phone (505) 982-9212

1
2 State of New Mexico)
3 County of Santa Fe) ss.
4

5 I, SIDNEY F. MORRISH, a court reporter, do hereby
6 certify that the foregoing and attached Transcript of Hearing
7 before the New Mexico Oil Conservation Commission was reported
8 by me, and the same is a true and correct record of the said
9 proceedings to the best of my knowledge, skill and ability.
10

11
12 
13 Sidney F. Morrish, Court Reporter
14

15
16
17 I do hereby certify that the foregoing is
18 a complete record of the proceedings in
19 the Examiner hearing of Case No. 5539,
20 heard by me on Aug 13, 1975.

21  Examiner
22 New Mexico Oil Conservation Commission
23
24
25

sid morrish reporting service

General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5539
Order No. R-5081

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on August 13, 1975, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 19th day of August, 1975, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Devonian formation, said pool to bear the designation of Custer-Devonian Gas Pool. Said Custer-Devonian Gas Pool was discovered by the Shell Oil Company State B Com Well No. 1, located in Unit C of Section 36, Township 24 South, Range 36 East, NMPM. It was completed in the Devonian formation on April 15, 1975. The top of the perforations is at 9843'.

(3) That there is need for the contraction of the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage to be put into the North Bagley-Pennsylvanian Pool.

(4) That there is need for certain extensions to the Tom Tom-San Andres Pool in Chaves County, New Mexico, the North Bagley-Pennsylvanian Pool, the Casey-Strawn Pool, the South Flying M-Atoka Gas Pool, the West Knowles-Drinkard Pool, the Mal-jamar Grayburg-San Andres Pool, and the Tulk-Pennsylvanian Pool all in Lea County, New Mexico.

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Case No. 5539
Order No. R-5081

IT IS THEREFORE ORDERED:

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

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 36: N/2

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

(d) That the Casey-Strawn Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

(e) That the South Flying M-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 36: N/2

(f) That the West Knowles-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 14: NW/4

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Case No. 5539
Order No. R-5081

(h) 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 34: S/2 SW/4 and SW/4 SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 3: NW/4
Section 4: NE/4 and S/2
Section 9: NW/4

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

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
Section 32: E/2
Section 33: SW/4
Section 35: NE/4

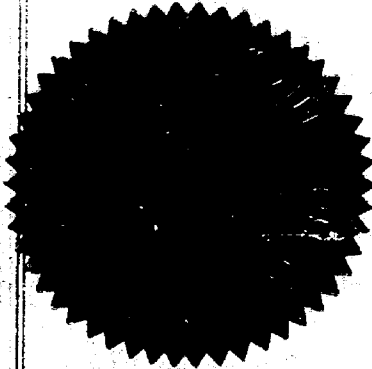
IT IS FURTHER ORDERED:

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

(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be September 1, 1975.

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Case No. 5539
Order No. R-5081

DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

Phil R. Lucero
PHIL R. LUCERO, Member

Joe D. Ramey
JOE D. RAMEY, Member & Secretary

S E A L

jr/

CASE 5539: Southeastern New Mexico nomenclature case calling for the creation, contraction, and extension of certain pools in Chaves and Lea Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production and designated as the Custer-Devonian Gas Pool. The discovery well is the Shell Oil Company State B Com Well No. 1, located in Unit C of Section 36, Township 24 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: N/2

(b) CONTRACT the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
SECTION 10: W/2 SE/4

(c) EXTEND the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
SECTION 10: W/2 SE/4

(d) EXTEND the Casey-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: NE/4

(e) EXTEND the South Flying M-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 36: N/2

(f) EXTEND the West Knowles-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: SW/4

(g) EXTEND the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
SECTION 14: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
SECTION 34: S/2 SW/4 and SW/4 SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
SECTION 3: NW/4

SECTION 4: NE/4

ADDITION-----SECTION 4: S/2

ADDITION-----SECTION 9: NW/4

(i) EXTEND the Tulk-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
SECTION 32: E/2
SECTION 33: SW/4
SECTION 35: NE/4

NEW POOLS

OCC Ex 1
SE Nomenclature
Case 5539

a) It is recommended that a new gas pool be created and designated as the CUSTER-DEVONIAN GAS Pool.

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

Discovery well was Shell Oil Company, State B Com #1 located in Unit C Section 36 Township 24 Range 36 and was completed on April 15, 1975. Top of perforations is at 9843' 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.

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 5539 (a) CREATION OF A NEW GAS POOL

COUNTY LEA POOL CUSTER-DEVONIAN GAS

TOWNSHIP 24 South RANGE 36 East NMPM

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 gas well capable of producing
 Shell Oil Company, State B Com #1 in Unit C of Section 36-24-36
 Completed in Devonian on April 15, 1975. Top of Perforations 9843'.

Proposed pool boundary outlined in red. Section 36: N/2

CASE 5539 (b) DELECTION OF AN EXISTING OIL POOL

COUNTY LEA

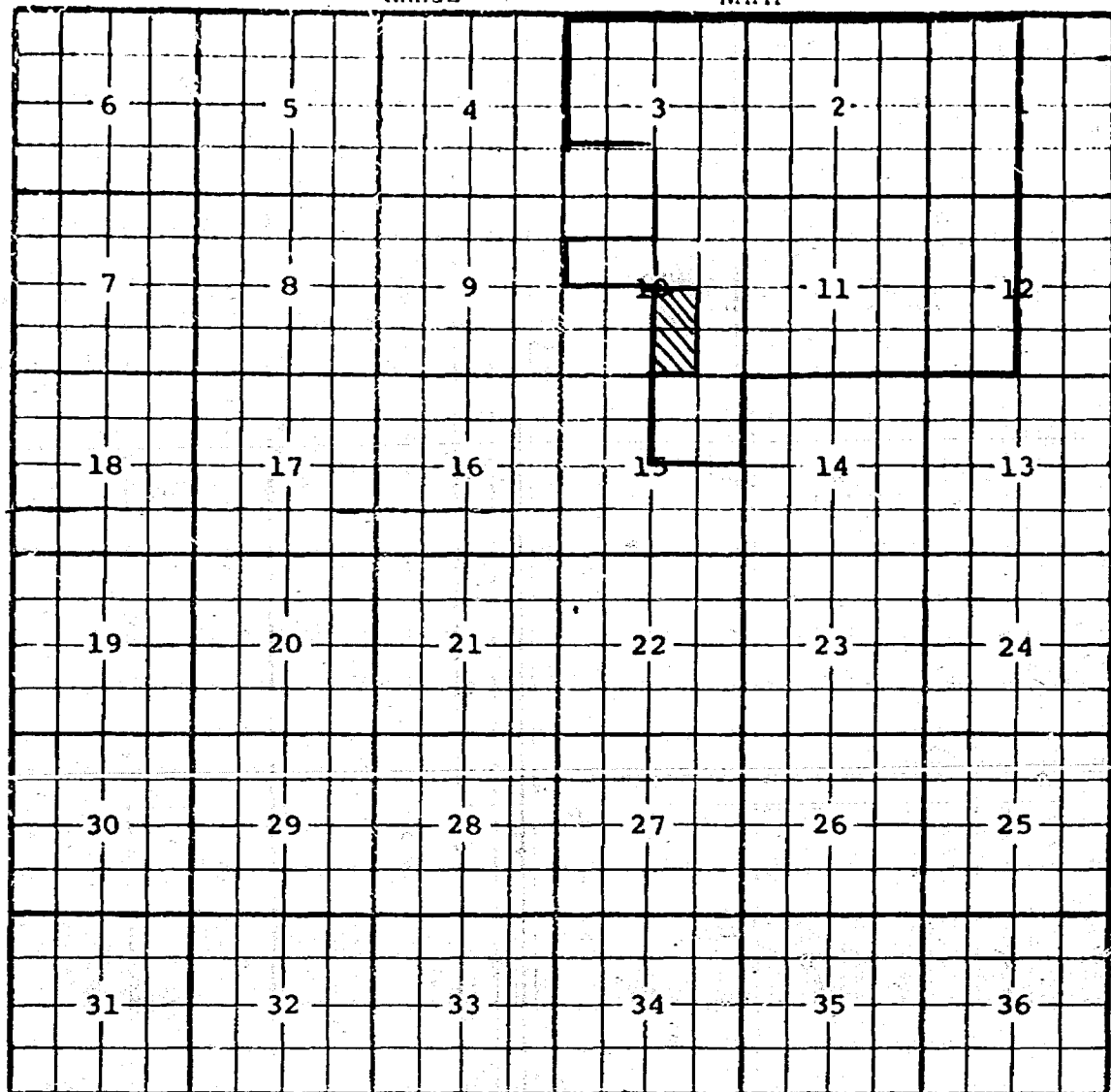
POOL

BAGLEY PENNSYLVANIAN

TOWNSHIP 12 South

RANGE 33 East

NMPM

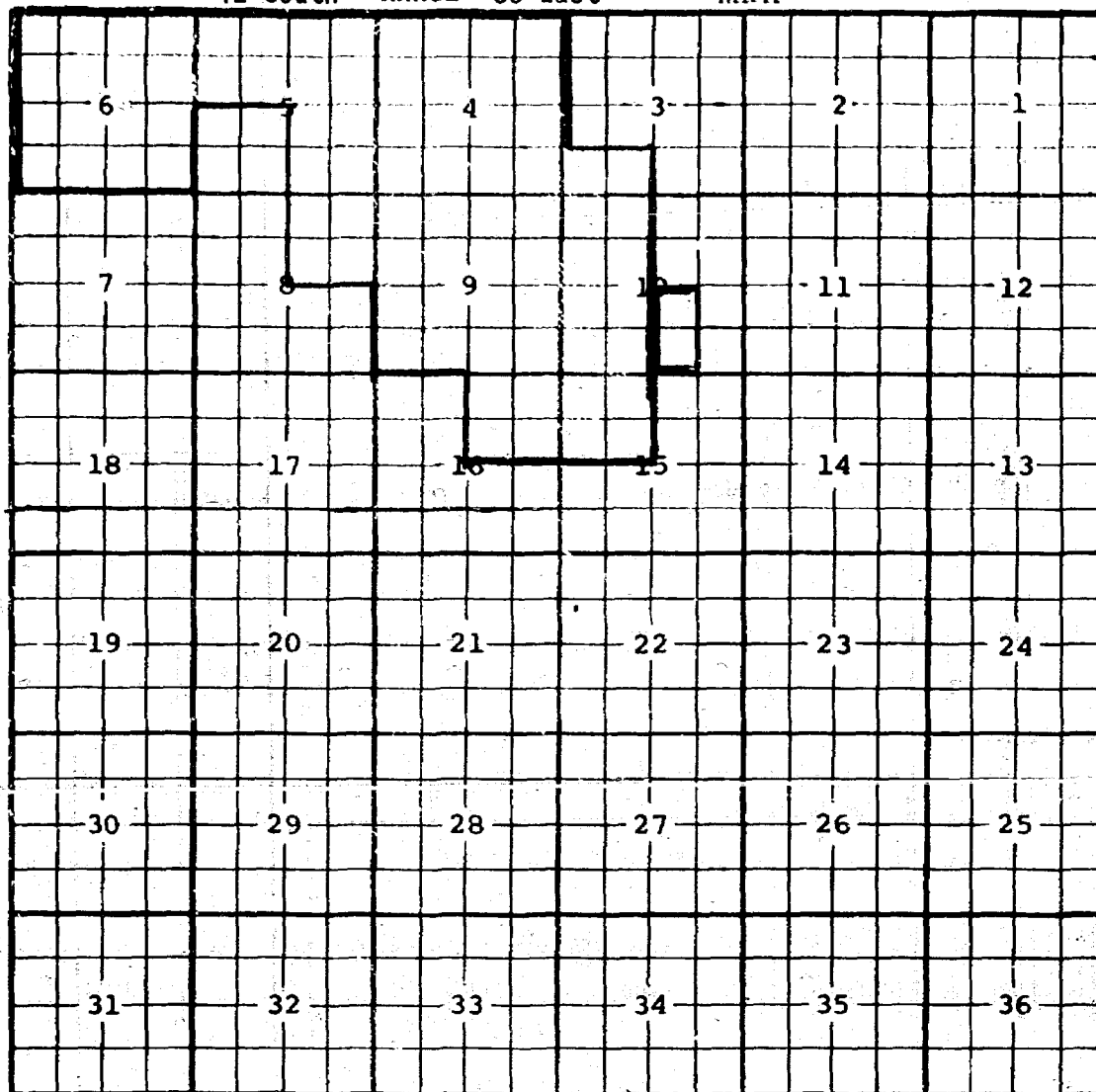


PURPOSE: To contract the Bagley Pennsylvanian Pool by the deletion of certain acreage to be put into North Bagley Pennsylvanian Pool. Pool boundary outlined in red.

Proposed pool deletion colored in blue. SECTION 10: W/2 of SE/4

COUNTY LEA POOL North Bagley-Pennsylvanian

TOWNSHIP 12 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

BTA Oil Producers - Stevens 7501 JV-D #1 in Unit J of Section 10-12-33.

Completed in Pennsylvanian on February 19, 1975. Top of perforations 9464'.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 10: W/2 of SE/4

CASE 5539 (d) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA

POOL

CASEY-STRAWN

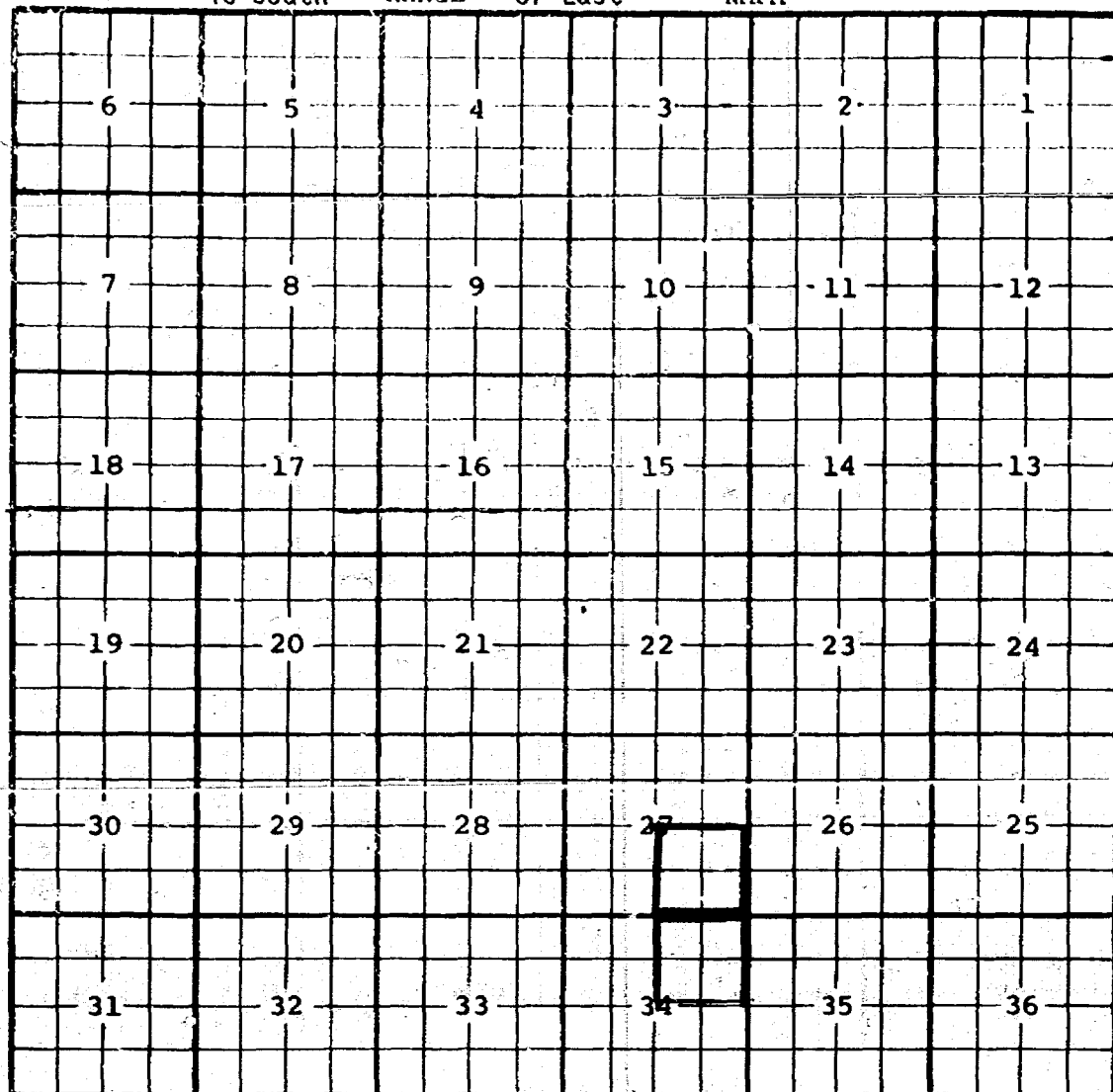
TOWNSHIP

16 South

RANGE

37 East

NMPM



PURPOSE: One completed oil well capable of producing.

MESA PETROLEUM CO. - West Knowles #4 in Unit B of Section 34-16-37

Completed in the Strawn on June 6, 1975. Top of perforations 11,354'.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 34: NE/4

CASE 5539 (e) EXTENSION OF AN EXISTING GAS POOL

COUNTY LEA POOL SOUTH FLYING M - ATOKA GAS

TOWNSHIP 9 South RANGE 32 East NMFM

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 gas well capable of producing.

PHILLIPS PETROLEUM COMPANY - Marg B Com #1 in Unit C of Section 36-9-32.

Completed in the Atoka on May 20, 1975. Top of perforations 10,327'.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 36: N/2

CASE 5539 (f) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA

POOL WEST KNOWLES-DRINKARD

TOWNSHIP 16 South

RANGE 37 East

NMPM

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.

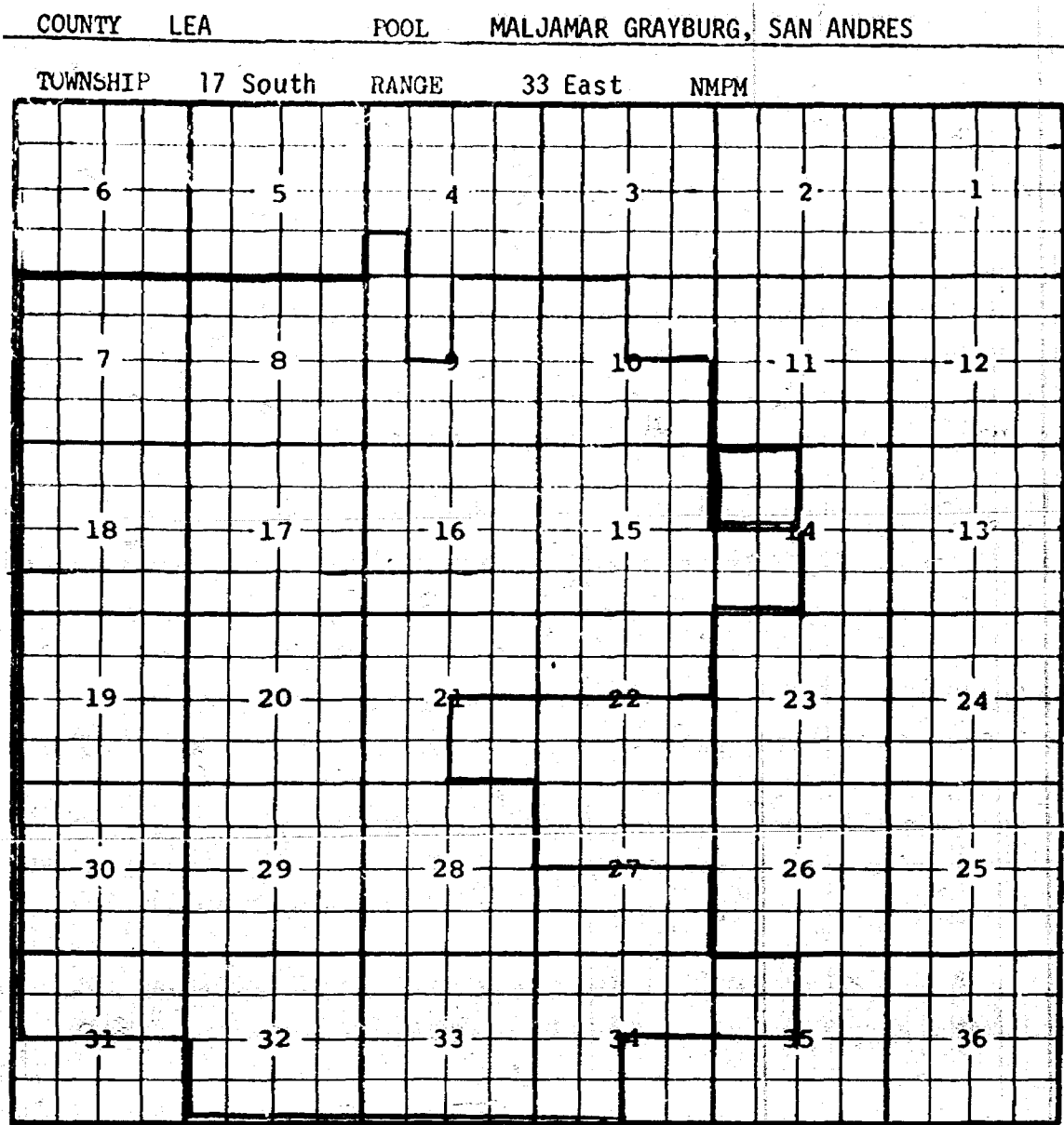
C & K PETROLEUM, INC. - Shipp "34" #1 in Unit K of Section 34-16-37.

Completed in the Drinkard on June 1, 1975. Top of perforations 8148'.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 34: SW/4

CASE 5539 (g) EXTENSION OF AN EXISTING OIL POOL



PURPOSE: One completed oil well capable of producing.

PHILLIPS PETROLEUM COMPANY - Phillips E State #21 in Unit D of Section 14-17-33.

Completed in Grayburg, San Andres on May 29, 1975. Top of perforations 4387'.

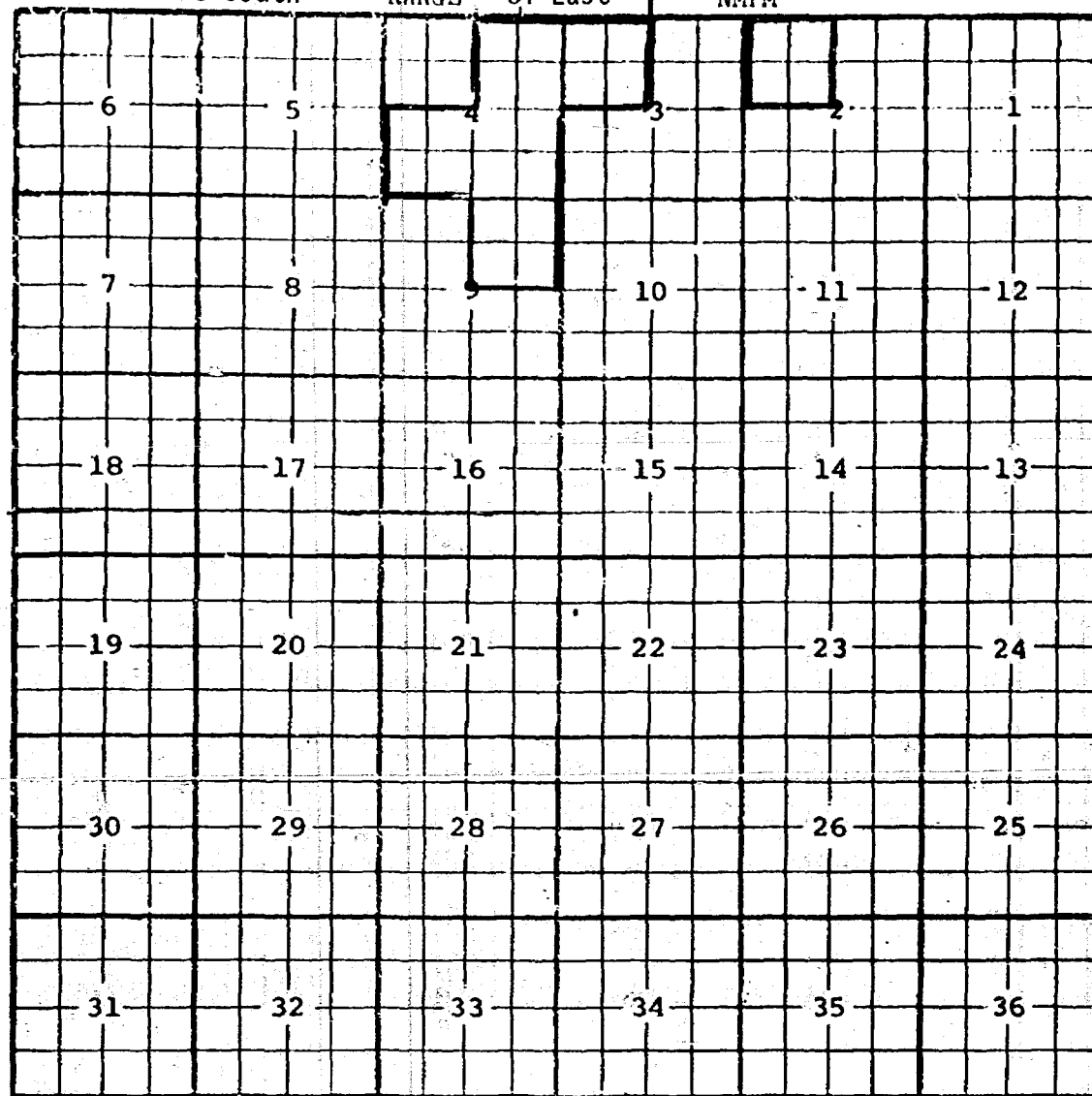
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 14: NW/4

CASE 5539 (h) EXTENSION OF AN EXISTING OIL POOL

COUNTY CHAVES POOL TOM TOM - SAN ANDRES

TOWNSHIP 8 South RANGE 31 East NM1M



PURPOSE: Two completed oil wells capable of producing.

SUNDANCE OIL COMPANY - Paye Federal #1 in Unit A of Section 4-8-31.

Completed in San Andres on May 30, 1975. Top of perforations 3849'.

ADDITION: SUNDANCE OIL CO. - Strange Federal #1 in Unit E of Section 9-8-31.

Completed in the San Andres on May 30, 1975. Top of perforations 3742'.

Pool boundary outlined in red.

Proposed pool extension outlined in green: SECTION 3: NW/4

SECTION 4: NE/4

ADDITION ----- SECTION 4: S/2

ADDITION ----- SECTION 9: NW/4

COUNTY CHAVES

POOL

TOM TOM - SAN ANDRES

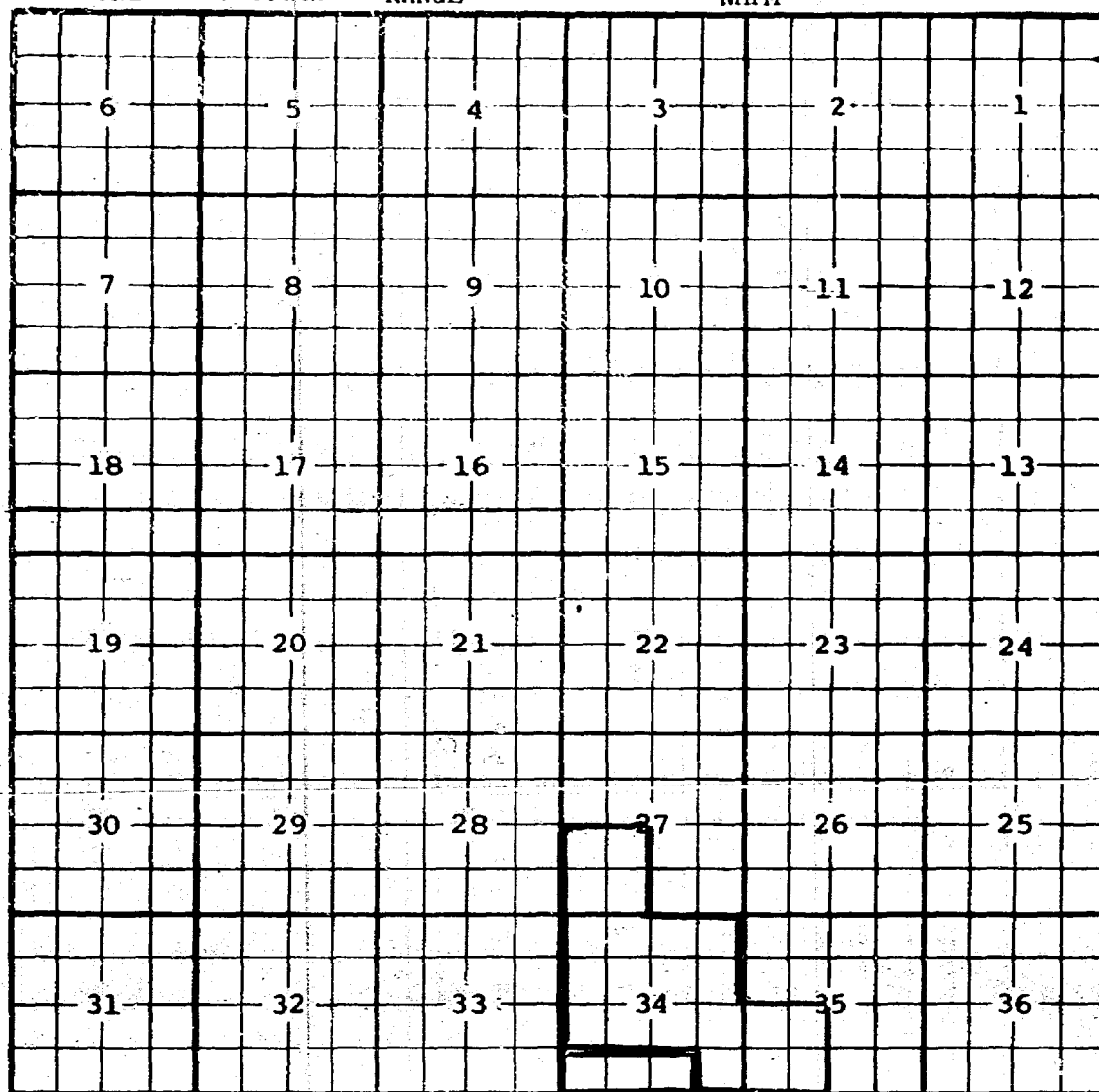
TOWNSHIP

7 South

RANGE

31 East

NMPM



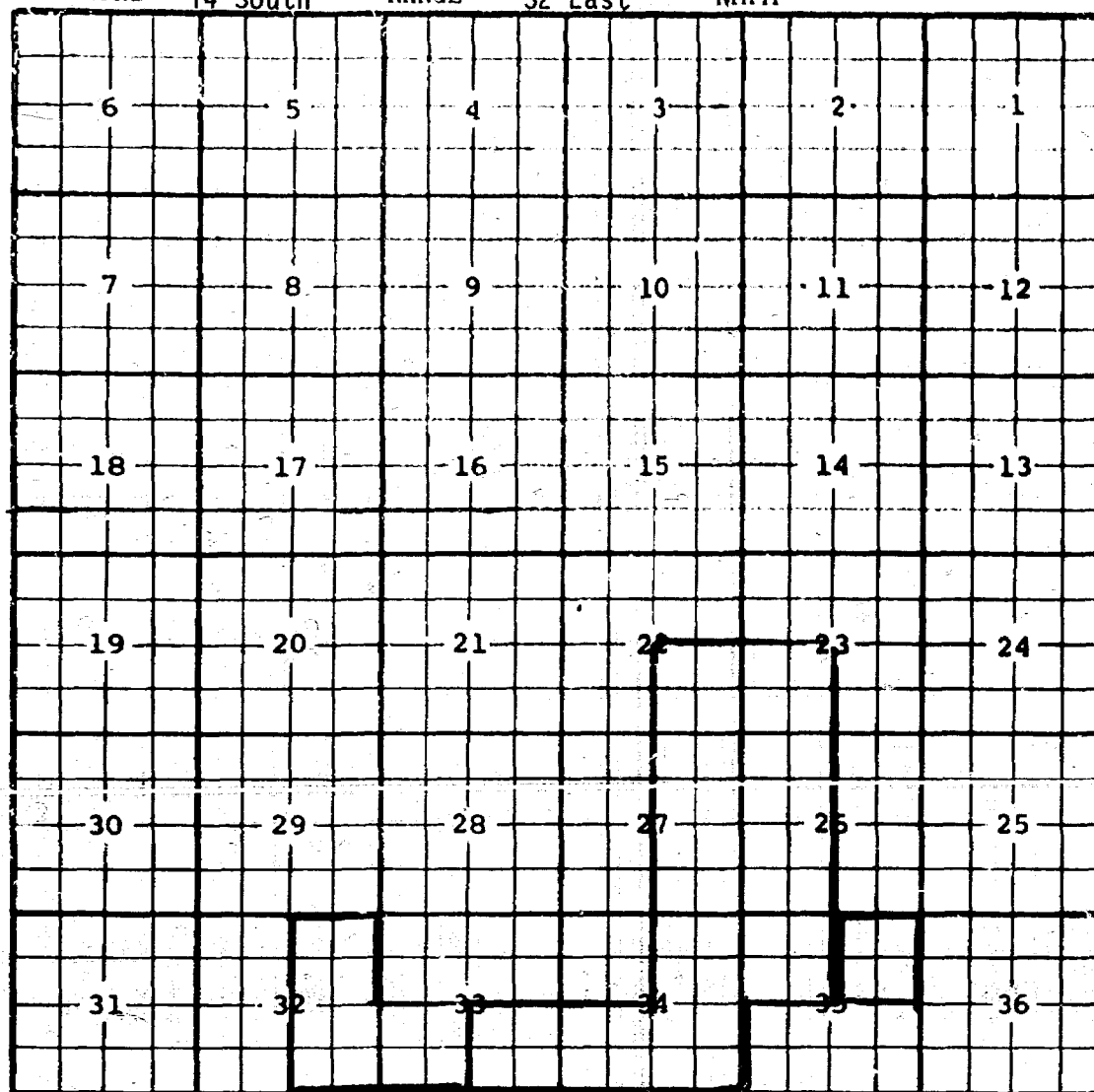
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 34: S/2 SW/4 and SW/4 SE/4

CASE 5539 (i) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL TULK-PENNSYLVANIAN

TOWNSHIP 14 South RANGE 32 East NM1M



PURPOSE: Two completed oil wells capable of producing.

R. L. BURNS - State 32 #1-Y in Unit A of Section 32-14-32. Completed in Bough C on May 5, 1975. Top of perforations 9775'.

SAXON OIL COMPANY, INC. - State "35" #1 in Unit G of Section 35-14-32.

Completed in Pennsylvanian on June 9, 1975. Top of perforations 9863'.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 32: E/2

SECTION 33: SW/4

SECTION 35: NE/4

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5539
ORDER NO. R-

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on August 13, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of August, 1975, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Devonian formation, said pool to bear the designation of Custer-Devonian Gas Pool. Said Custer-Devonian Gas Pool was discovered by the Shell Oil Company State B Com Well No. 1, located in Unit C of Section 36, Township 24 South, Range 36 East, NMPM. It was completed in the Devonian formation on April 15, 1975. The top of the perforations is at 9843'.

(3) That there is need for the contraction of the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage to be put into the North Bagley-Pennsylvanian Pool.

(4) That there is need for certain extensions to the Tom Tom-San Andres Pool in Chaves County, New Mexico, the North Bagley-Pennsylvanian Pool, the Casey-Strawn Pool, the South Flying M-Atoka Gas Pool, the West Knowles-Drinkard Pool, the Maljamar-Grayburg, San Andres Pool, and the Tulk-Pennsylvanian Pool all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 36: N/2

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

(d) That the Casey-Strawn Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

(e) That the South Flying M-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 36: N/2

(f) That the West Knowles-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 14: NW/4

(h) 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 34: S/2 SW/4 and SW/4 SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM

Section 3: NW/4

Section 4: NE/4

Section 4: S/2

Section 9: NW/4

ADDITION -----

ADDITION -----

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

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
Section 32: E/2
Section 33: SW/4
Section 35: NE/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, and well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

-3-

Case 5539

Order No. R-_____

(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be September 1, 1975.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

PHIL R. LUCERO, Member

JOE D. RAMEY, Member & Secretary

S E A L

CASE 5539: Southeastern nomenclature case calling for the creation, contraction, and extensions of certain pools in Lea and Chaves Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production and designated as the Custer-Devonian Gas Pool. The discovery well is the Shell Oil Company State B Com Well No. 1 located in Unit C of Section 36, Township 24 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 36: N/2

(b) CONTRACT the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

(c) EXTEND the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

(d) EXTEND the Casey-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

(e) EXTEND the South Flying M-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 36: N/2

(f) EXTEND the West Knowles-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: SW/4

(g) EXTEND the Maljamar-Grayburg, San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 14: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 34: S/2 SW/4 and SW/4 SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM

Section 3: NW/4

Section 4: NE/4

(1) EXTEND the Tulk-Pennsylvanian Pool in Lea County, New Mexico,
to include therein:

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM

Section 32: E/2

Section 33: SW/4

Section 35: NE/4

NOMENCLATURE ADVERTISEMENT FOR AUGUST, 1975
CASE 5539

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of a new pool in Lea County, New Mexico, the contraction of an existing oil pool in Lea County, New Mexico, and the extension of certain existing pools in Chaves and Lea 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, contractions and extensions should not be made.

- ✓ a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production and designated as the Custer-Devonian Gas Pool. The discovery well is Shell Oil Company State B Com Well No. 1 located in Unit C of Section 36, Township 24 South, Range 36 East, NMPM. Said pool ~~is described~~ *is described and comprised*

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 36: N/2 ✓

- ✓ b) CONTRACT the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

- ✓ c) EXTEND the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

- ✓ d) EXTEND the Casey-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

- ✓ e) EXTEND the South Flying M-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 36: N/2

- ✓ f) EXTEND the West Knowles-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: SW/4

- ✓ g) EXTEND the Maljamar-Grayburg, San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 14: NW/4

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

✓ TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 34: S/2 SW/4 and SW/4 SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 3: NW/4
Section 4: NE/4

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AUGUST, 1975 NOMENCLATURE ADVERTISEMENT

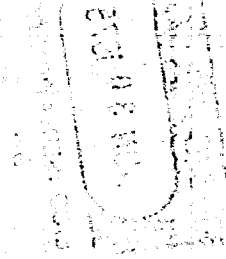
- / 1) EXTEND the Tulk-Pennsylvanian Pool in Lea County, New Mexico to include therein:

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM

Section 32: E/2

Section 33: SW/4

Section 35: NE/4



BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

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

CASE NO. 5539
ORDER NO. R-5081

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on August 13, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of August, 1975, the Commission, a quorum being present, 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 Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Devonian formation, said pool to bear the designation of Custer-Devonian Gas Pool. Said Custer-Devonian Gas Pool was discovered by the Shell Oil Company State B Com Well No. 1, located in Unit C of Section 36, Township 24 South, Range 36 East, NMPM. It was completed in the Devonian formation on April 15, 1975. The top of the perforations is at 9843'.

(3) That there is need for the contraction of the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage to be put into the North Bagley-Pennsylvanian Pool.

(4) That there is need for certain extensions to the Tom Tom-San Andres Pool in Chaves County, New Mexico, the North Bagley-Pennsylvanian Pool, the Casey-Strawn Pool, the South Flying M-Atoka Gas Pool, the West Knowles-Drinkard Pool, the Maljamar-Grayburg, San Andres Pool, and the Tulk-Pennsylvanian Pool all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 36: N/2

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

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

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 10: W/2 SE/4

(d) That the Casey-Strawn Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

(e) That the South Flying M-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
Section 36: N/2

(f) That the West Knowles-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 34: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 14: NW/4

(h) 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 34: S/2 SW/4 and SW/4 SE/4

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM

Section 3: NW/4

Section 4: NE/4

Section 4: S/2

Section 9: NW/4

ADDITION
ADDITION

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

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM

Section 32: E/2

Section 33: SW/4

Section 35: NE/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, and well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

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Case 5539

Order No. R-

(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be September 1, 1975.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

PHIL R. LUCERO, Member

JOE D. RAMEY, Member & Secretary

SEAL