

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

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

CASE NO. 12292  
Order No. R-11286

APPLICATION OF THE OIL CONSERVATION  
DIVISION FOR AN ORDER CREATING AND  
CONTRACTING CERTAIN POOLS IN CHAVES  
AND EDDY COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on November 18, 1999, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 2nd day of December, 1999, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Barnett formation, bearing the designation of Empire-Barnett Gas Pool. The Empire-Barnett Gas Pool was discovered by the OXY USA, Inc. P.I.B. Federal Well No. 1 located in Unit G of Section 21, Township 17 South, Range 28 East, NMPM, which was completed in the Barnett formation on January 22, 1999. The top of the perforations is at 10,205 feet.

(3) There is need for the creation of a new pool in Chaves County, New Mexico, for the production of gas from the Wolfcamp formation, bearing the designation of South Foor Ranch-Wolfcamp Gas Pool. The South Foor Ranch-Wolfcamp Gas Pool was discovered by the Yates Petroleum Corporation Samedan "ATH" State Well No. 1 located in Unit I of Section 35, Township 10 South, Range 26 East, NMPM, which was

completed in the Wolfcamp formation on September 17, 1999. The top of the perforations is at 5,248 feet.

(4) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, bearing the designation of South Washington Ranch-Morrow Gas Pool. The South Washington Ranch-Morrow Gas Pool was discovered by the Marbob Energy Corporation Primero Federal Well No. 1 located in Unit D of Section 23, Township 26 South, Range 24 East, NMPM, which was completed in the Morrow formation on February 2, 1999. The top of the perforations is at 7,769 feet.

(5) There is need for the contraction of the Empire-Pennsylvanian Gas Pool in Eddy County, New Mexico, in order to correct nomenclature.

(6) The effective date of this order and all creations and contractions included herein should be December 1, 1999.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 21: E/2

(b) A new pool in Chaves County, New Mexico, classified as a gas pool for Wolfcamp production is hereby created and designated as the South Four Ranch-Wolfcamp Gas Pool, consisting of the following described area:

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM  
Section 35: E/2

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

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM  
Section 23: N/2

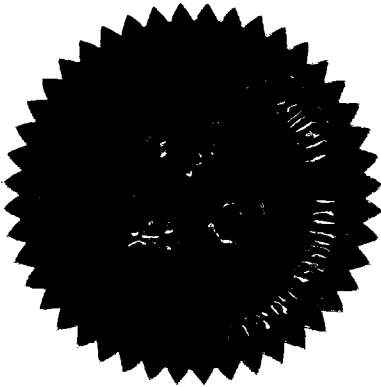
(d) The Empire-Pennsylvanian Gas Pool in Eddy County, New Mexico, is hereby contracted by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 21: NE/4

IT IS FURTHER ORDERED THAT:

(1) The effective date of this order and all creations and contractions included herein shall be December 1, 1999.

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



S E A L

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Lori Wrotenbery*  
LORI WROTENBERY  
Director