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

> CASE NO. 245 ORDER NO. R-264

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER DESIGNATING, NAMING, DEFINING AND EXTENDING THE GAS POOLS OF LEA, EDDY AND CHAVES COUNTIES, NEW MEXICO

# ORDER OF THE COMMISSION

#### BY THE COMMISSION:

This cause came on for hearing at 10 o'clock a. m. on December 22, 1950, March 20, 1951, April 24, 1951, May 23, 1951, and July 24, 1951, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on the 17th, day of February, 1953, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearings and being fully advised in the premises,

### FINDS:

(1) That due notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That under the authority of Rule 601 of Order No. 850, effective January 1, 1950, the Commission instituted proceedings upon its own motion to name, classify and define the limits of all known and producing gas pools in the Counties of Lea, Eddy and Chaves, New Mexico.

(3) That during the years 1950 and 1951, the Commission did cause exhaustive studies to be made of all ten known southeaster New Mexico gas reserves, and at the several hearings in this cause took voluminous testimony of productionengineers, geologists and other experts to the end that the producing gas pools in the area aforesaid should be named, defined and properly classified as such in the interests of conservation, prevention of waste, and the protection of correlative rights.

(4) That the following definitions and classification of gas pools in Eddy, Lea and Chaves Counties, New Mexico will result in a more efficient administration of the conservation laws of the State of New Mexico.

(a) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Jalco Gas Pool, with the following description:

Township 21 South, Range 35 East, NMPM E/2 Sec. 12; E/2 Sec. 13 E/2 Sec. 24

Township 21 South, Range 36 East, NMPM W/2 Sec. 7; W/2 Sec. 18; W/2 and SE/4 Sec. 19; SW/4 Sec. 20; All Secs. 29 thru 32, incl.

Township 22 South, Range 36 East, NMPM All Secs. 5 thru 8 incl.; All Sec. 17; N/2 and SE/4 Sec. 18; NE/4 Sec. 19; All Sec. 20; NW/4 Sec. 28; All soction 29 and 32; SW/4 Sec. 33.

Township 23 South, Range 36 East, NMPM All Sec. 4; N/2 and SE/4 Sec. 5; E/2 Sec. 8; All Sec. 9; All Sec. 16; NE/4 Sec. 17; All Sec. 2]; W/2 Sec. 27; E/2 Sec. 28; E/2 Sec. 33; W/2 and SE/4 Sec. 34. CASE NO. 245 ORDER NO. R-264 PAGE -2-

> Township 24 South, Range 36 East, NMPM All Sec. 3; E/2 Sec. 4; NE/4 Sec. 9; N/2 and SE/4 Sec. 10; W/2 Sec. 11; All Sec. 14; E/2 Sec. 15; All Secs. 22 and 23; S/2 Sec. 25; All Sec. 26; E/2 Sec. 27; E/2 Sec. 34; All Secs. 35 and 36.

Township 24 South, Range 37 East, NMPM S/2 Sec. 31.

Township 25 South, Range 36 East, NMPM All Sec. 1; N/2 Sec. 2; All Secs. 12, 13, 24 and 25; NE/4 Sec. 36.

Township 25 South. Range 37 East. NMPM All Secs. 6 and 7; SW/4 Sec. 8; S/2 and NW/4 Sec. 16; All Secs 17 thru 21 incl.; All Secs. 28 thru 33 incl.; W/2 Sec. 34.

Township 26 South, Range 37 East, NMPM W/2 Sec. 3; All Secs. 4 thru 9 incl.; W/2 Sec. 10; All Secs. 18 and 19; W/2 Sec. 29; E/2 and NW/4 Sec. 30; NE/4 Sec. 31; NW/4 Sec. 32.

(b) That a new pool should be created, classified as a gas pool, with it boundaries defined, and named the Langmat Gas Pool, with the following description:

Township 21 South, Range 36 East, NMPM W/2 Sec. 28; All Secs. 33 and 34.

Township 22 South, Range 36 East, NMPM All Secs. 3, 4, 9 and 10; SW/4 Sec. 11; W/2 Sec. 14; All Secs. 15 and 16; All Secs. 21, 22 and 23; All Secs. 25, 26, 27; S/2 and NE/4 Sec. 28; N/2 and SE/4 Sec. 33; All Secs. 34, 35 and 36.

Township 22 South, Range 37 East, NMPM SW/4 Sec. 31

Township 23 South. Range 36 East. NMPM All Secs. 1, 2 and 3; All Secs. 10 thru 15 incl.; All Secs 22 thru 26 incl.; E/2 Sec. 27; NE/4 Sec. 34; All Secs. 35 and 36.

Township 23 South, Range 37 East, NMPM All Secs. 6, 7, 18 and 19; W/2 Sec. 29; All Sec. 30 and 31; W/2 Sec. 32.

Township 24 South, Range 36 East, NMPM All Secs. 1 and 2; E/2 Sec. 11; All Secs. 12, 13, 24; N/2 Sec. 25.

Township 24 South, Range 37 East, NMPM All Secs. 5 thru 8 incl.; W/2 Sec. 9; W/2 Sec. 16; All Sec. 17 thru 21 incl.; All Secs. 28, 29 and 30; N/2 Sec. 31; All Secs 32 and 33; SW/4 Sec. 34.

Township 25 South, Range 37 East, NMPM W/2 Sec. 3; All Secs. 4 and 5; N/2 and SE/4 Sec. 8; All Sec. 9; W/2 and SE/4 Sec. 10; All Sec. 15; NE/4 Sec. 16; All Sec. 22; N/2 Sec. 27. CASE NO. 245 ORDER NO. R-264 PAGE -3-

(c) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Eumont Gas Pool, with the following description:

> Township 19 South, Range 36 East, NMPM SE/4 Sec. 13; S/2 Sec. 23; S/2 and NE/4 Sec. 24; All Secs. 25 and 26; E/2 Sec. 27; E/2 Sec. 34; All Secs. 35 and 36.

Township 19 South, Range 37 East, MAPM SE/4 Sec. 7; Sec. 8; All Secs. 17 thru 20 incl.; W/2 Sec. 21; W/2 Sec. 27; All Secs. 28 thru 34 incl.

Township 20 South, Range 36 East, NMPM All Secs. 1 and 2; E/2 Sec. 3; E/2 Sec. 10; All Secs. 11 thru 14; incl.; NE/4 Sec. 15; N/2 and SE/4 Sec. 23; All Sec. 24 and 25; E/2 Sec. 26; E/2 Sec. 35; All Sec. 36.

Township 20 South, Range 37 East, NMPM All Secs. 3 thru 9 incl.; W/2 Sec. 10; W/2 Sec. 15; All Secs. 16 thru 20 incl.; W/2 and NE/4 Sec. 21; NW/4 Sec. 22; W/2 Sec. 29; All Secs. 30, 31 and 32; W/2 Sec. 33.

Township 21 South, Range 35 East, NMPM SE/4 and Lots 1, 2, 7, 8, 9, 10, 15 and 16 of Sec. 1.

Township 21 South, Range 36 East, NMPM SW/4 Sec. 1; S/2 and Lots 11, 12, 13 and 14 of Sec. 2; S/2 and Lots 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15 and 16 of Sec. 3; All Secs. 4, 5 and 6; E/2 Sec. 7; All Secs. 8 thru 11, incl.; W/2 Sec. 12; NW/4 Sec. 13; N/2 and SW/4 Sec. 14; All Secs. 15, 16 and 17; E/2 SEc. 18; Ne/4 Sec. 19; N/2 and SE/4 Sec. 20; All Sec. 21; W/2 and NE/4 Sec. 22; E/2 Sec. 28.

(d) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Arrow Gas Pool, with the following description:

Township 21 South, Range 36 East, NMPM SE/4 Sec. 24; All Sec. 25; S/2 and NE/4 Sec. 35; All Sec. 36.

Township 22 South, Range 36 East, NMPM All Secs. 1 and 2; NE/4 Sec. 11; All Sec. 12; N/2 and SE/4 Sec. 13.

Township 22 South, Range 37 East, MMPM W/2 Section 7; All Sec. 18; N/2 Sec. 19.

(e) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Tubb Gas Bool, with the following description;

Township 21 South, Range 37 East, NMPM SW/4 and Lots 3, 4, 5, 6, 11, 12, 13 and 14 of sec. 2; All of Sec. 3; SE/4 and Lots 1, 2, 7, 8, 9, 10, 15, and 16 of Sec. 4; E/2 Sec. 8; All Secs. 9 and 10; W/2 Sec. 11; W/2 Sec.14; All Secs. 15, 16 and 17; E/2 Sec. 19; All Secs. 20 thru 23 incl.; M/2 Sec. 25; All Secs. 26 thru 29 incl.; E/2 Sec. 30; E/2 Sec. 31; All Sec. 32 thru 36 incl.

Township 22 South, Range 37 East, NMPM All Secs. 1 thru 5; incl.; E/2 Sec. 6; All Secs. 8 thru 16 incl.; E/2 Sec. 21; All Secs. 22, 23 and 24. CASE NO. 245 ORDER NO. R-264 PAGE -4-

> Township 22 South, Range 38 East, MPM W/2 Sec. 6; W/2 Sec. 7; W/2 Sec. 18; W/2 Sec. 19.

(f) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Blinebry Gas Pool, with the following description

<u>Township 21 South, Range 37 East, NMPM</u> S/2 Sec. 10; S/2. Sec. 11; All Secs. 14, 15, 22, 23, 26 27, 34, 35 and 36.

Township 22 South, Range 37 East, NMPM All Secs. 1, 2, 3, 4, 10, 11, 12, 13, 14, 23, 24 and 25.

<u>Township 22 South, Range 38 East, NMPM</u> W/2 Sec. 6; W/2 Sec. 7; W/2 Sec. 18; All Secs. 19, 30 and 31.

(g) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Amanda Gas Pool, with the following description:

Township 22 South. Range 37 East, NMPM All Sec. 25.

(h) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Monument-McKee+Gas Pool, with the following description:

Township 19 South, Range 36 East, NMPM All of Sec. 36.

Township 19 South. Range 37 East. NMPM All of Sec. 31.

Township 20 South, Range 36 East, NMPM All of Sec. 1.

Township 20 South, Range 37 East, NMPM All of Sec. 6.

(i) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Byers-Queen Gas Pool, with the following description:

Township 18 South, Range 38 East, NMPM All of Secs. 29, 30 31, and 32.

(j) That a new pool should be created, classified as a gas pool, with its boundaries defined, and named the Maljamar-Queen Gas Pool, with the following description:

Township 17 South. Range 32 East. NMPM SW/4 and W/2 SE/4 Sec. 15; All of Sec. 16; NE/4 Sec. 21; NW/4 and W/2 NE/4 Sec. 22.

(k) That a new pool should be created, classified as a gas pool, with its boundaries defined, and maned the Vandagriff-Keyes Gas Pool, with the following description:

Township 17 South, Range 28 East, NMPM S/2 Sec. 3; S/2 and NW/4 Sec. 4; All of Sec. 5; NE/4 Sec. 8; All of Sec. 9 and 10.

### IT IS THEREFORE ORDERED:

That the application of the Oil Conservation Commission, be and the same hereby is approved, as follows:

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I. (1) That a new pool be, and the same hereby is created, designated for gas poduction, denominated the Jalco Gas Pool and described as follows:

Township 21 South, Range 35 East, NMFM E/2 Sec. 12; E/2 Sec. 13; E/2 Sec. 24.

Township 21 South, Range 36 East, NMPM W/2 Sec. 7; W/2 Sec. 18; W/2 and SE/4 Sec. 19; SW/4 Sec. 20; All Secs. 29 thru 32 incl.

Township 22 South. Range 36 East, NMPM All Secs. 5 thru 8 incl.; All Sec. 17; N/2 and SE/4 Sec. 18; NE/4 Sec. 19; All Sec. 20; NW/4 Sec. 28; All Sec. 29 and 32; SW/4 Sec. 33.

Township 23 South. Range 36 East. NMPM All Sec. 4; N/2 and SE/4 Sec. 5; E/2 Sec. 8; All Sec. 9; All Sec. 16; NE/4 Sec. 17; All Sec. 21; W/2 Sec. 27; E/2 Sec. 28; E/2 Sec. 33; W/2 and SE/4 Sec. 34.

Township 24 South, Range 36 East, NMPM All Sec. 3; E/2 Sec. 4; NE/4 Sec. 9; N/2 and SE/4 Sec. 10; W/2 Sec. 11; All Sec. 14; E/2 Sec. 15; All Secs. 22 and 23; S/2 Sec. 25; All Sec. 26; E/2 Sec. 27; E/2 Sec. 34: All Secs. 35 and 36.

Township 24 South, Range 37 East, NMPM S/2 Sec. 31.

Township 25 South, Range 36 East, NMPM All Sec. 1; N/2 Sec. 2; All Secs. 12, 13, 24 and 25; NE/4 Sec. 36.

Township 25 South, Range 37 East, NMPM All Secs. 6 and 7; SW/4 Sec. 8; S/2 and NW/4 Sec. 16; All Secs. 17 thru 21 incl.; All Secs. 28 thru 33 incl.; W/2 Sec. 34.

Township 26 South, Range 37 East, NMPM W/2 Sec. 3; All Secs. 4 thru 9 incl.; W/2 Sec. 10; All Secs. 18 and 19; W/2 Sec. 29; E/2 and NW/4 Sec. 30; NE/4 Sec. 31; NW/4 Sec. 32.

(2) That the producing formation in the Jalco Gas Pool shall extend from the top of the Yates formation to a point 100 feet above the base of the Seven Rivers formation.

II. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Langmat Gas Pool and described as follows:

Township 21 South, Range 36 East, NMPM W/2 Sec. 28; All Secs. 33 and 34

Township 22 South, Range 36 East, NMPM All Secs. 3, 4, 9 and 10; SW/4 Sec. 11; W/2 Sec. 14; All Secs. 15 and 16; All Secs. 21 22 and 23; All Secs. 25, 26, 27; S/2 and NE/4 Sec. 28; N/2 and SE/4 Sec. 33; All Secs. 34, 35 and 36.

Township 22 South, Range 37 East, NMPM SW/4 Sec. 31.

Township 23 South. Range 36 East. NMPM All Secs. 1, 2 and 3; All Secs. 10 thru 15 incl.; All Secs 22 thru 26 incl.; E/2 Sec. 27; NE/4 Sec. 34: All Secs. 35 and 36. CASE NO. 245 ORDER NO. R-264 PAGE -6-

> Township 23 South, Range 37 East, NMPM All Secs. 6, 7, 18 and 19; W/2 Sec. 29; All Secs. 30 and 31; W/2 Sec. 32.

Township 24 South, Range 36 East, NMPM All Secs. 1 and 2; E/2 Sec. 11; All Secs. 12, 13, 24; N/2 Sec. 25.

Township 24 South, Range 37 East, NMPM All Secs. 5 thru 8 incl.; W/2 Sec. 9; W/2 Sec. 16; All Sec. 17 thru 21 incl.; All Secs. 28, 29 and 30; N/2 Sec. 31; All Secs. 32 and 33; SW/4 Sec. 34.

Township 25 South, Range 37 East, NMPM W/2 Sec. 3; All Secs. 4 and 5; N/2 and SE/4 Sec. 8; All Sec. 9; W/2 and SE/4 Sec. 10; All Sec. 15; NE/4 Sec. 16; All Sec. 22; N/2 Sec. 27.

III (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Eumont Gas Pool and described as follows;

Township 19 South, Range 38 East, NMPM SE/4 Sec. 13; S/2 Sec. 23; S/2 and NE/4 Sec. 24; All Secs. 25 and 26; E/2 Sec. 27; E/2 Sec. 34; All Secs. 35 and 36.

Township 19 South, Range 37 East, NMPM SE/4 Sec. 7; SW/4 Sec. 8; All Secs. 17 Thru 20 incl.; W/2 Sec. 21; W/2 Sec. 27; All Secs. 28 thru 34 incl.

Township 20 South, Range 36 East, NMPM All Secs. 1 and 2; E/2 Sec. 3; E/2 Sec. 10; All Secs. 11 thru 14 incl.; NE/4 Sec. 15; N/2 and SE/4 Sec. 23; All Sec. 24 and 25; E/2 Sec. 26; E/2 Sec. 35; All Sec. 36.

<u>Township 20 South, Range 37 East, NMPM</u> All Secs. 3 thru 9 incl.; W/2 Sec. 10; W/2 Sec. 15; All Secs. 16 thru 20 incl.; W/2 and NE/4 Sec. 21; NW/4 Sec. 22; W/2 Sec. 29; All Secs. 30, 31 and 32; W/2 Sec. 33.

Township 21 South, Range 35 East, NMPM SE/4 and Lots 1, 2, 7, 8, 9, 10, 15 and 16 of Sec. 1.

Township 21 South, Range 36 East, NMPM SW/4 Sec. 1; S/2 and Lots 11, 12, 13 and 14 of Sec. 2; S/2 and Lots 3, 4, 5, 6, 9, 10, 11, 12, 13, 14, 15 and 16 of Sec. 3; All Sec. 4, 5 and 6; E/2 Sec. 7; All Secs. 8 thru 11; incl. W/2 Sec. 12; NW/4 Sec. 13; N/2 and SW/4 Sec. 14; All Secs. 15, 16 and 17; E/2 Sec. 18; NE/4 Sec. 19; N/2 and SE/4 Sec. 20; All Sec. 21; W/2 and NE/4 Sec. 22; E/2 Sec. 28.

(2) That the producing formation in the Eumont Gas Pool shall extend from the top of the Yates formation to a point 200 feet below the top of the Queen formation thereby including all of the Seven Rivers formation.

IV. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Arrow Gas Pool and described as follows:

Township 21 South, Range 36 East, NMPM SE/4 Sec. 24; All Sec. 25; S/2 and NE/4 Sec. 35; All Sec. 36. CASE NO. 245 ORDER NO. R-264 PAGE -7-

# Township 22 South, Range 36 East, NMPM All Secs. 1 and 2; NE/4 Sec. 11; All SEC. 12; N/2 and SE/4 Sec. 13.

## Township 22 South, Range 37 East, NMPM W/2 Sec. 7; All Sec. 18; N/2 Sec. 19.

(2) That the producing formation in the Arrow Gas Pool shall extend from the top of the Yates formation to a point 200 feet below the top of the Queen formation, thereby including all of the Seven Rivers formation.

V. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Tubb Gas Pool and described as follows:

Township 21 South, Range 37 East, NMPM SW/4 and Lots 3, 4, 5, 6, 11, 12, 13 and 14 of Sec. 2; All of Sec. 3; SE/4 and Lots 1, 2, 7, 8, 9, 10, 15 and 16 of Sec. 4; E/2 Sec. 8; All Secs. 9 and 10; W/2 Sec. 11; W/2 Sec. 14; All Secs. 15, 16 and 17; E/2 Sec. 19; All Secs. 20 thru 23; incl.; W/2 Sec. 25; All Secs. 26 thru 29 incl.; E/2 Sec. 30; E/2 Sec. 31; All Secs. 32 thru 36 incl.

Township 22 South, Range 37 East. NMPM All Secs. 1 thru 5 incl.; E/2 Sec. 6; All Secs. 8 thru 16 incl.; E/2 Sec. 21; All Secs. 22, 23 and 24.

Township 22 South, Range 38 East, NMPM W/2 Sec. 6; W/2 Sec. 7; W/2 Sec. 18; W/2 Sec. 19.

(2) That the producing formation in the Tubb Gas Pool shall extend from the top of the Tubb sand to a point 225 feet below the top of the Tubb sand,

VI. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Blinebry Gas Pool and described as follows:

Township 21 South, Range 37 East, NMPM S/2 Sec. 10; S/2 Sec. 11; All Secs. 14, 15, 22, 23, 26, 27, 34, 35 and 36.

Township 22 South, Range 37 East, NMPM All Secs. 1, 2, 3, 4, 10, 11, 12, 13, 14, 23, 24 and 25.

Township 22 South, Range 38 East, NMPM W/2 Sec. 6: W/2 Sec. 7; W/2 Sec. 18; All Secs. 19, 30 and 31.

(2) That the producing formation in the Blinebry gas pool shall be all of the Blinebry formation.

VII. (1) That a new pool be, and the same hereby is created, designated forgas production, denominated the Amanda Gas Pool and described as follows:

Township 22 South, Range 37 East, NMPM All Sec. 25.

(2) That the producing formation in the Amanda Gas Pool shall be known as the Amanda Zone of lower Permian encountered at an approximate depth of 7050 feet.

VIII. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Monument-McKee Gas Pool and described as follows:

Township 19 South, Range 36 East, NMPM All of Sec. 36.

Township 19 South, Range 37 East, NMPM All of Sec. 31. CASE NO. 245-ORDER NO. R-264 PAGE -8-

## Township 20 South, Range 36 East, NMPM All of Sec. 1.

Township 20 South, Range 37 East, NMPM All of Sec. 6

(2) That the producing formation in the Monument-McKee Gas Pool shall be the McKee sandooftbhe Simpson formation.

IX. (1) That a new pool be, and the same hereby is crated, designated for gas production, denominated the Byers-Queen Gas Pool and described as follows:

## Township 18 South, Range 38 East, NMPM All of Secs. 29, 30, 31 and 32.

(2) That the producing formation in the Byers-Queen Gas Pool shall be the Queen formation.

X. (1) That a new pool be, and the same hereby is created, designated for gas production, denominated the Majamar-Queen Gas Pool and described as follows:

Township 17 South, Range 32 East, NMPM SW/4 and W/2 SE/4 Sec. 15; All of Sec. 16; NE/4 Sec. 21; NW/4 and W/2 NE/4 Sec. 22.

(2) That the producing formation in the Majamar-Queen Gas Pool shall be the Queen formation.

XI. (1) That a new pool be, and the same hereby is created, desgnated for gas production, denominated the Vandagriff-Keyes Gas Pool and described as follows:

Township 17 South, Range 28 East, NMPM S/2 Sec. 3; S/2 and NW/4 Sec. 4; All of Sec. 5; NE/4 Sec. 8; All of Sec. 9 and 10.

(2) That the producing formation in the Vandagriff-Keyes Gas Pool shall be the Queen formation encountered at an approximate depth of 1400 feet.

## IT IS FURTHER ORDERED:

That due to the extensive development program being carried on by the oil and gas operators in the southeastern New Mexico, and the possible enlargement of existing pools or discovery of new pools, the Commission orders that further testimony in the matter be received at the regular monthly hearing of the Commission on April 16, 1953.

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

R. R. SPURRIER, Secretary

SEAL