Entered Vien 17, 1961 AIP

BEFORE THE OIL CONSERVATION COMMISSION OF THE STATE OF NEW MEXICO

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

> CASE No. 3597 Order No. R-3262

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on June 16, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>19th</u> day of June, 1967, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 oil pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Tom-tom San Andres Pool. Further, that the discovery well for said pool, Pan American Petroleum Corporation's Miller Federal No. 1 located in Unit P of Section 34, Township 7 South, Range 31 East, NMPM, is entitled to and should receive a bonus discovery oil allowable in the amount of 19,570 barrels to be assigned over a two-year period. The top of the perforations in said well is 3,954 feet. -2-CASE No. 3597 Order No. R-3262

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Pearl-San Andres Pool. Said Pearl-San Andres Pool was discovered by Shell Oil Company, Record No. 2, located in Unit G of Section 35, Township 19 South, Range 35 East, NMPM. It was completed in San Andres on April 10, 1967. The top of perforations is 5320 feet.

(4) That there is need for the deletion of certain acreage from the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, in order that said acreage may be placed in the Grayburg-Jackson Pool so that all of an operator's wells on one lease in a waterflood may be in one pool.

(5) That there is need for the extension of the vertical limits of the Dollarhide-Drinkard Pool in Lea County, New Mexico, to include the Tubb formation and redesignate said pool as Dollarhide Tubb-Drinkard Pool.

(6) That there is need for certain extensions to the North Benson Queen-Grayburg Pool, the Burton-Yates Pool, the Grayburg Jackson Queen-Grayburg-San Andres Pool, and the Penasco Draw San Andres-Yeso Pool, all in Eddy County, New Mexico, the North Bagley-Lower Pennsylvanian Pool, the South Corbin-Strawn Pool, the Fowler-Lower Paddock Gas Pool, the Inbe-Pennsylvanian Pool, the Lea-Pennsylvanian Gas Pool, the Vada-Pennsylvanian Pool, and the Wantz-Abo Pool, all in Lea County, New Mexico, and the South Prairie-San Andres Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Tom-tom San Andres Pool, consisting of the following-described area:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM Section 34: SE/4 SE/4

That the discovery well for said pool, the Pan American Petroleum Corporation Miller Federal Well No. 1, located in Unit P of Section 34, Township 7 South, Range 31 East, NMPM, is hereby authorized an oil discovery allowable of 19,570 barrels to be assigned to said well at the rate of 27 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations. -3-CASE No. 3597 Order No. R-3262

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

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

(c) That the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the followingdescribed area:

> TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM Section 10: E/2 and E/2 W/2 Section 11: W/2 Section 14: N/2 Section 15: NE/4

(d) That the vertical limits of the Dollarhide-Drinkard Pool in Lea County, New Mexico, are hereby extended to include the Tubb formation and said pool redesignated the Dollarhide Tubb-Drinkard Pool.

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

TOWNSHIP 1	11	SOUTH,	RANGE	33	EAST,	NMPM
Section 4	1:	SE/4				
Section 8	3:	SE/4				
Section 9):	S/2				
Section 10):	NE/4				
Section 11	L:	NW/4				
Section 15	5:	NE/4				
Section 16	5:	NW/4				
Section 21	L :	A11				
Section 27	7:	A11				
Section 28	3:	A11				
Section 29	9:	S/2				

(f) That the North Benson Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM Section 32: NE/4 SW/4

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

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM Section 7: SE/4 NE/4 and E/2 SE/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 27: N/2

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

> TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM Section 22: All

(j) That the Grayburg Jackson Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM Section 10: E/2 and E/2 W/2 Section 11: W/2 Section 14: N/2 Section 15: NE/4

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

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM Section 27: SW/4 TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM Section 13: SW/4 Section 24: SE/4 TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM Section 8: NW/4 -5-CASE No. 3597 Order No. R-3262

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

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM Section 11: SW/4

(m) That the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM Section 4: SW/4 Section 5: SE/4 Section 8: E/2 NE/4

(n) That the South Prairie-San Andres Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 20: NE/4

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM Section 17: S/2

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

> TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 4: SW/4

IT IS FURTHER ORDERED:

That the effective date of this order and all creations, contractions, and extensions of vertical and horizontal limits included herein shall be July 1, 1967.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION V 10m ð DAVID F. CARGO, **⁄Ch**ð irman GUYTON B. HAYS, Member Perter -A. L. PORTER, Jr., Member & Secretary

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