Entered (1 fail 25, 1968

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. 3748 Order No. R-3402

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING, ABOLISHING, CONTRACTING, REDEFINING VERTICAL LIMITS, AND EXTENDING 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 April 17, 1968, at Hobbs, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>25th</u> day of April, 1968, 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 gas pool in Eddy County, New Mexico, for the production of gas from the Upper Pennsylvanian formation, said pool to bear the designation of Antelope Sink-Upper Pennsylvanian Gas Pool. Said Antelope Sink-Upper Pennsylvanian Gas Pool was discovered by Marathon Oil Company, Antelope Sink Unit No. 1, located in Unit G of Section 18, Township 19 South, Range 24 East, NMPM. It was completed in Upper Pennsylvanian on July 21, 1963. The top of perforations is 6366 feet. -2-CASE No. 3748 Order No. R-3402

(3) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Big Eddy-Delaware Pool. Said Big Eddy-Delaware Pool was discovered by Pan American Petroleum Corporation, Big Eddy Unit Well No. 11, located in Unit I of Section 7, Township 20 South, Range 31 East, NMPM. It was completed in Delaware on January 2, 1968. The top of perforations is 5165 feet.

(4) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of House-Abo Pool. Said House-Abo Pool was discovered by Pan American Petroleum Corporation, Howse "C" No. 1, located in Unit H of Section 11, Township 20 South, Range 38 East, NMPM. It was completed in Abo on November 8, 1967. The top of perforations is 7214 feet.

(5) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Huapache-Morrow Gas Pool. Said Huapache-Morrow Gas Pool was discovered by Humble Oil & Refining Company, Huapache Unit No. 10, located in Unit F of Section 10, Township 23 South, Range 22 East, NMPM. It was completed in Morrow on May 18, 1963. The top of perforations is 9942 feet.

(6) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Tubb-Drinkard formation, said pool to bear the designation of Imperial Tubb-Drinkard Pool. Said Imperial Tubb-Drinkard Pool was discovered by Bronco Oil Corporation, E. C. Hill "A" No. 3, located in Unit O of Section 27, Township 23 South, Range 37 East, NMPM. It was completed in Tubb-Drinkard on December 13, 1967. The top of perforations is 6081 feet.

(7) That there is need for the consolidation of the Middle Lane Permo-Pennsylvanian Pool and the Inbe Permo-Pennsylvanian Pool inasmuch as the pools produce from a common source of supply. Said consolidation to be accomplished by abolishing the Middle Lane Permo-Pennsylvanian Pool and extending the Inbe Permo-Pennsylvanian Pool.

(8) That there is need for the deletion of certain acreage from the Cave-Grayburg Pool in Eddy County, New Mexico, in order to eliminate non-productive acreage and to place all acreage in the Grayburg Jackson West Cooperative Unit in the Grayburg-Jackson Pool. -3-CASE No. 3748 Order No. R-3402

(9) That there is need for the deletion of certain acreage from the Monument Grayburg-San Andres Pool in Lea County, New Mexico, in order that the deleted acreage may be included in the Eunice Grayburg-San Andres Pool.

(10) That there is need for the redesignation of the Cedar Hills-Wolfcamp Gas Pool in Eddy County, New Mexico, to be the Cedar Hills-Upper Pennsylvanian Gas Pool in order to correctly reflect the producing interval in said pool.

(11) That there is need for certain extensions to the Twin Lakes-San Andres Pool in Chaves County, New Mexico, the Grayburg-Jackson Pool, the North Indian Hills-Morrow Gas Pool, the McMillan-Morrow Gas Pool, and the Cedar Hills-Upper Pennsylvanian Gas Pool, all in Eddy County, New Mexico, the West Bronco-Devonian Pool, the East Brunson-McKee Pool, the Eunice Grayburg-San Andres Pool, the Inbe Permo-Pennsylvanian Pool, the Tatum-Wolfcamp Pool, and the Teague-Blinebry Pool, all in Lea County, New Mexico, and the Todd-Lower San Andres Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

> TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM Section 18: N/2

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

> TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM Section 7: NE/4 SE/4

(c) That a new pool in Lea County, New Mexico, classified as an oil pool for Abo production, is hereby created and designated as the House-Abo Pool, consisting of the followingdescribed area:

> TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM Section 11: NE/4

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

> TOWNSHIP 23 SOUTH, RANGE 22 EAST, NMPM Section 10: N/2

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

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

(f) That the Cave-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

> TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM Section 16: NW/4 Section 17: NE/4

(g) That the Grayburg-Jackson 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 16: N/2 and SW/4

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

TOWNSHIP 13 SOUTH, RANGE 38 EAST, NMPM Section 6: SW/4

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

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(j) That the Middle Lane Permo-Pennsylvanian Pool in Lea County, New Mexico, consisting of the following-described area:

> TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM Section 3: SE/4 Section 10: E/2 Section 11: All Section 13: S/2 Section 14: All Section 15: E/2 NW/4, NE/4, and S/2 Section 22: W/2 and NE/4 Section 23: N/2 and N/2 SW/4 Section 24: NW/4, N/2 SW/4, and SE/4

is hereby abolished.

(k) That the Inbe Permo-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 3: SE/4 Section 10: E/2 Section 11: All Section 13: S/2 Section 14: All Section 15: E/2 NW/4, NE/4, and S/2 Section 22: All Section 23: N/2 and N/2 SW/4 Section 24: NW/4, N/2 SW/4, and SE/4 Section 27: N/2 Section 33: N/2 NE/4 TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM Section 26: NE/4

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

> TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM Section 9: All

(m) That the McMillan-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, -6-CASE No. 3748 Order No. R-3402

is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM Section 24: All

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

TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM Section 5: NE/4

(o) That the Teague-Blinebry 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 33: NE/4

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

> TOWNSHIP 7 SOUTH, RANGE 36 EAST, NMPM Section 20: SW/4 Section 29: NW/4 Section 32: NW/4

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

> TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM Section 36: N/2 NW/4

(r) That the vertical limits of the Cedar Hills-Wolfcamp Gas Pool in Eddy County, New Mexico, are redefined to be the Upper Pennsylvanian formation rather than the Wolfcamp formation, and that said pool be redesignated Cedar Hills-Upper Pennsylvanian Gas Pool.

That the Cedar Hills-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and -7-CASE No. 3748 Order No. R-3402

described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM Section 15: NE/4

(s) That the Monument Grayburg-San Andres 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 37 EAST, NMPM Section 19: N/2 NE/4

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

> TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM Section 19: N/2 NE/4

IT IS FURTHER ORDERED:

That the effective date of this order and all creations, abolishments, contractions, redefinitions of vertical limits, and extensions included herein shall be May 1, 1968.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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DAVID F. CARGO, Chairman

B. LYTON B. HA Membe AN

. L. PORTER, Jr., Member & Secretary

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