Entered lugart 20,1968 a.s.P.

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. 3836 Order No. R-3472

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on August 14, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>20th</u> day of August, 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 oil pool in Chaves County, New Mexico, for the production of oil from the Queen formation, said pool to bear the designation of Sulimar-Queen Pool. Further, that the discovery well for said pool, Jack M. McClellan's Lisa "C" Federal No. 1, located in Unit A of Section 24, Township 15 South, Range 29 East, NMPM, is entitled to and should receive a bonus discovery oil allowable in the amount of 10,155 barrels to be assigned over a two-year period. The top of the perforations in said well is at 2,031 feet.

(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 -2-CASE No. 3836 Order No. R-3472

Wolfcamp formation, said pool to bear the designation of Dogie Draw-Wolfcamp Pool. Said Dogie Draw-Wolfcamp Pool was discovered by the Southland Royalty Company Gulf Federal Well No. 1, located in Unit D of Section 20, Township 25 South, Range 35 East, NMPM. It was completed in the Wolfcamp formation on March 28, 1968. The top of the perforations is at 13,466 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 Pennsylvanian formation, said pool to bear the designation of West King-Pennsylvanian Pool. Said West King-Pennsylvanian Pool was discovered by the Southwest Production Corporation Harmon Well No. 1, located in Unit M of Section 5, Township 14 South, Range 37 East, NMPM. It was completed in the Pennsylvanian formation on February 27, 1968. The top of the perforations is at 11,399 feet.

(5) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Drinkard formation, said pool to bear the designation of East Warren-Drinkard Pool. Said East Warren-Drinkard Pool was discovered by the Mobil Oil Corporation New Mexico "F" Well No. 1, located in Unit D of Section 36, Township 20 South, Range 38 East, NMPM. It was completed in the Yeso formation on August 2, 1960. The top of the perforations is at 6933 feet.

(6) That there is need for the deletion of certain acreage from the Warren-Drinkard Pool, Lea County, New Mexico, inasmuch as it has been determined that said deleted area constitutes a separate source of supply and has been designated as the East Warren-Drinkard Pool.

(7) That there is need for the deletion of certain acreage from the Inbe Permo-Pennsylvanian Pool, Lea County, New Mexico, in order that the deleted acreage may be included in the Vada-Pennsylvanian Pool.

(8) That there is need for the consolidation of the Simanola-Pennsylvanian Pool and the Vada-Pennsylvanian Pool, Lea County, New Mexico, inasmuch as both pools produce from a common source of supply. Said consolidation should be accomplished by the abolishment of the Simanola-Pennsylvanian Pool and extension of the Vada-Pennsylvanian Pool.

(9) That there is need for certain extensions to the Flying "M"-San Andres Pool and the Vada-Pennsylvanian Pool, both in Lea County, New Mexico.

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IT IS THEREFORE ORDERED:

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM Section 24: NE/4 NE/4

That the discovery well for said pool, Jack M. McClellan's Lisa "C" Federal No. 1, located in Unit A of Section 24, Township 15 South, Range 29 East, NMPM, is hereby authorized an oil discovery allowable of 10,155 barrels to be assigned to said well at the rate of 14 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations;

<u>PROVIDED HOWEVER</u>, that should subsequent development prove that the subject well has not discovered a separate common source of supply, all bonus discovery allowable remaining unproduced at such time shall be cancelled.

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

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM Section 20: NW/4

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

> TOWNSHIP 14 SOUTH, RANGE 37 EAST, NMPM Section 5: SW/4

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

TOWNSHIP	20	SOUTH,	RANGE	38	EAST,	NMPM
Section 3						
Section 3	86:	NW/4				

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(e) That the Warren-Drinkard 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	<u>38</u>	EAST,	NMPM
Section 25:	A11				
Section 26:	A11				
Section 27:	E/2				
Section 35:	NE/4				
Section 36:	NW/4				
	0.017077	DANGE	20		NTMEDIA

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM Section 30: S/2

(f) That the Flying "M"-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 33: SE/4

(g) That the Simanola-Pennsylvanian Pool in Lea County, New Mexico, consisting of the following-described area:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM Section 16: SW/4 Section 17: E/2 Section 20: All Section 21: NW/4

is hereby <u>abolished</u>.

(h) That the Inbe Permo-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 10 SOUTH, RANGE 34 EAST, NMPM Section 18: SW/4

(i) 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 8: SE/4 -5-CASE No. 3836 Order No. R-3472

(i) - Continued from Page 4 -

TOWNSHIP	10	SOUTH,	RANGE	34	EAST,	NMPM
Section	4:	SW/4				
Section	5 :	SE/4				
Section	7:	A11				
Section	8:	A11				
Section	16:	SW/4				
Section	17:	A11				
Section	18:	A11				
Section	20:	A11				
Section	21:	NW/4				

IT IS FURTHER ORDERED:

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

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

STATE OF NEW MEXICO OIL CONSPRESSION COMMISSION G DAVID F. CARGO, Chairman GU

A. L. PORTER, Jr., Member & Secretary

SEAL

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