Entered October 22, 1968 QLP.

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. 3893 Order No. R-3530

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 16, 1968, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>22nd</u> day of October, 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 Lea County, New Mexico, for the production of oil from the Glorieta formation, said pool to bear the designation of Hobbs-Paddock Pool. Further, that the discovery well for said pool, the Gulf Oil Company - U.S. W. D. Grimes (NCT-A) Well No. 16, located in Unit D of Section 32, Township 18 South, Range 38 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 26,945 barrels to be assigned over a two-year period. The top of the perforations in said well is at 5,389 feet. -2-CASE No. 3893 Order No. R-3530

(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 Blinebry formation, said pool to bear the designation of Hobbs-Blinebry Pool. Further, that the discovery well for said pool, the Gulf Oil Company - U.S. W. D. Grimes (NCT-A) Well No. 16, located in Unit D of Section 32, Township 18 South, Range 38 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 29,355 barrels to be assigned over a two-year period. The top of the perforations in said well is at 5,871 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 Wolfcamp formation, said pool to bear the designation of East Denton-Wolfcamp Pool. Said East Denton-Wolfcamp Pool was discovered by the Robert G. Brown Mitchell Well No. 1, located in Unit C of Section 5, Township 15 South, Range 38 East, NMPM. It was completed in the Wolfcamp formation on July 15, 1968. The top of the perforations is at 9560 feet.

(5) That there is need for the creation of a new oil pool in Roosevelt County, New Mexico, for the production of oil from the Bough C formation, said pool to bear the designation of West Milnesand-Pennsylvanian Pool. Said West Milnesand-Pennsylvanian Pool was discovered by the Roger C. Hanks, Ltd., Collins Federal Well No. 1, located in Unit J of Section 19, Township 8 South, Range 34 East, NMPM. It was completed in the Bough C formation on May 27, 1968. The top of the perforations is at 9192 feet.

(6) That there is need for certain extensions to the Cato-San Andres Pool in Chaves County, New Mexico, the East Bagley-Pennsylvanian Pool, the North Bagley-Lower Pennsylvanian Pool, the Blinebry Oil Pool, the East Brunson-McKee Pool, the Cass-Pennsylvanian Pool, the South Flying "M"-Pennsylvanian Pool, the Flying "M"-San Andres Pool, the Justis-Blinebry Pool, the Teague-Blinebry Pool, and the North Vacuum-Abo Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Glorieta production, is hereby created and designated as the Hobbs-Paddock Pool, consisting of the followingdescribed area: -3-CASE No. 3893 Order No. R-3530

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM Section 32: NW/4

That the discovery well for said pool, the Gulf Oil Company - U.S. W. D. Grimes (NCT-A) Well No. 16, located in Unit D of Section 32, Township 18 South, Range 38 East, NMPM, is hereby authorized an oil discovery allowable of 26,945 barrels to be assigned to said well at the rate of 37 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM Section 32: NW/4

That the discovery well for said pool, the Gulf Oil Company - U.S. W. D. Grimes (NCT-A) Well No. 16, located in Unit D of Section 32, Township 18 South, Range 38 East, NMPM, is hereby authorized an oil discovery allowable of 29,355 barrels to be assigned to said well at the rate of 41 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

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

TOWNSHIP 15 SOUTH, RANGE 38 EAST, NMPM Section 5: NW/4

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

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM Section 19: SE/4

(e) That the East Bagley-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein: -4-CASE No. 3893 Order No. R-3530

> TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM Section 4: SW/4 Section 5: SE/4 Section 9: NW/4

(f) 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 11 SOUTH, RANGE 33 EAST, NMPM Section 30: S/2 NE/4 and SE/4 Section 32: NW/4 Section 33: NW/4

(g) That the Blinebry Oil 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 17: SW/4

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 26: NE/4

(i) That the Cass-Pennsylvanian 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 22: SE/4

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

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM Section 13: SW/4 Section 23: SE/4 TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM Section 5: NW/4 -5-CASE No. 3893 Order No. R-3530

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

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM Section 25: NE/4

(1) 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 10 SOUTH, RANGE 33 EAST, NMPM Section 4: NE/4

(m) That the Justis-Blinebry 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 27: NE/4

(n) 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 28: SW/4

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

> TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM Section 11: SE/4

IT IS FURTHER ORDERED:

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

-6-CASE No. 3893 Order No. R-3530

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION ting and the second of the second sec ーペー ر بر ار بر ا DAVID F. CARGO, Chairman no Ha nh GUYTON B. HAYS, Member eiter, . A. L. PORTER, Jr., Member & Secretary

SEAL

esr/