Entered Murch 30, 1969 ALP

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. 4076 Order No. R-3710 NOMENCLATURE

APPLICATION OF AMERICAN TRADING AND PRODUCTION CORPORATION FOR THE CREATION OF A NEW POOL, LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on March 5, 1969, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>20th</u> day of March, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 the applicant, American Trading and Production Corporation, seeks the creation of a new gas pool for Morrow production in Lea County, New Mexico.

(3) That the American Trading and Production Corporation Southeast Lea Unit Well No. 2, located in Unit L of Section 25, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico, having its top Morrow perforations at 12,856 feet, has discovered a separate common source of supply which should be designated the West Osudo-Morrow Gas Pool; that the vertical limits of said pool should be the Morrow formation as found in the interval from 12,827 feet to 13,680 feet on the log of the aforesaid Southeast -2-CASE No. 4076 Order No. R-3710

Lea Unit Well No. 2; and that the horizontal limits of said pool should comprise the following-described area:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM Section 25: W/2 Section 26: E/2

(4) That the aforesaid discovery well was drilled as a Devonian test at a standard location for said formation but has subsequently been dually completed as a Wolfcamp gas well and as a Morrow gas well.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production, is hereby created and designated the West Osudo-Morrow Gas Pool, with vertical limits comprising the Morrow formation as found in the interval from 12,827 feet to 13,680 feet on the log of the discovery well, American Trading and Production Corporation's Southeast Lea Unit Well No. 2, located in Unit L of Section 25, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico, and horizontal limits comprising the following-described area:

TOWNSHIP 2	20	SOUTH,	RANGE	35	EAST,	NMPM
Section 25	5:	W/2				
Section 26	6:	E/2				

(2) That the locations of all wells presently drilling to or completed in the West Osudo-Morrow Gas Pool or in the Morrow formation within one mile thereof, and not nearer to nor within the limits of another Morrow pool, are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before April 1, 1969.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

-3-CASE No. 4076 Order No. R-3710

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION DAVTE 1 , DAVID F. CARGO, Chairman ALEX J. ARMIJO, Member Ć the.

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

SEAL

esr/