Entend October 22, 1969.

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. 4228 Order No. R-3853

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING, CONTRACTING, 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 October 15, 1969, 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, 1969, 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 Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Arena Roja-Pennsylvanian Gas Pool. Said Arena Roja-Pennsylvanian Gas Pool was discovered by the Skelly Oil Company Mexico "P" Federal Well No. 1, located in Unit F of Section 21, Township 26 South, Range 35 East, NMPM. It was completed in the Atoka formation on February 10, 1969. The top of the perforations is at 15,565 feet.

(3) That there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from the -2-CASE No. 4228 Order No. R-3853

San Andres formation, said pool to bear the designation of East Chisum-San Andres Pool. Said East Chisum-San Andres Pool was discovered by the Plains Radio Broadcasting Company LE Ranch 9 Well No. 1, located in Unit O of Section 9, Township 11 South, Range 28 East, NMPM. It was completed in the San Andres formation on June 14, 1969. The top of the perforations is at 2155 feet.

(4) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Basal Penrose formation, said pool to bear the designation of South Corbin-Queen Gas Pool. Said South Corbin-Queen Gas Pool was discovered by the Texo Oil Company Buffalo Unit Well No. 11, located in Unit L of Section 35, Township 18 South, Range 33 East, NMPM. It was completed in the Basal Penrose formation on July 18, 1969. The top of the perforations is at 4584 feet.

(5) That there is need for the contraction of the Anderson Ranch-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage in order that said acreage may be placed in the Anderson Ranch-Morrow Gas Pool.

(6) That there is need for the contraction of the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of certain acreage in order that said acreage may be placed in the North Bagley-Lower Pennsylvanian Pool.

(7) That there is need for certain extensions to the Golden Lane-Strawn Gas Pool and the Paduca-Morrow Gas Pool, both in Eddy County, New Mexico, the Anderson Ranch-Morrow Gas Pool, the North Bagley-Lower Pennsylvanian Pool, the Cerca-Upper Pennsylvanian Pool, the South Flying "M"-Pennsylvanian Pool, the Flying "M"-San Andres Pool, the Hobbs-Blinebry Pool, the Justis-Blinebry Pool, the Lea-Pennsylvanian Gas Pool, and the Maljamar Grayburg-San Andres Pool, all in Lea County, New Mexico, the Bluitt-San Andres Associated Pool and the Chaveroo-San Andres Pool, both in Roosevelt County, New Mexico, and the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico.

# IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated as the Arena Roja-Pennsylvanian Gas Pool, consisting of the following-described area: -3-CASE No. 4228 Order No. R-3853

(a) Continued from Page 2 -

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM Section 21: W/2

(b) 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 East Chisum-San Andres Pool, consisting of the following-described area:

## TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM Section 9: SW/4 SE/4

(c) That a new pool in Lea County, New Mexico, classified as a gas pool for Basal Penrose production, is hereby created and designated as the South Corbin-Queen Gas Pool, consisting of the following-described area:

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TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 35: SW/4
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(d) That the Anderson Ranch-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following-described area:

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TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 11: N/2
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(e) That the Bagley-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 11 SOUTH, RANGE 33 EAST, NMPM Section 33: NE/4

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

TOWNSHIP	16	SOUTH,	R	ANGE		32 EZ	<u>s</u> ۲	r, NI	MPM
Section	2:	Lots	1,	2,	7	and	8	and	S/2
Section 2	11:	<b>Al</b> 1							

(g) That the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and -4-CASE No. 4228 Order No. R-3853

described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM Section 2: SW/4 Section 30: SW/4 Section 33: NE/4

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

> TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM Section 24: NW/4

> TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM Section 19: NE/4

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

> TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM Section 8: NE/4

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

> TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM Section 35: SE/4

(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 24: SW/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: SE/4 -5-CASE No. 4228 Order No. R-3853

(m) That the Golden Lane-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM Section 32: E/2

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

TOWNSHII	? 18	SOUTH,	RANGE	38	EAST,	NMPM
Section	29:	NW/4				
Section	32:	SE/4				
Section	33:	NW/4				

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM Section 26: SW/4

(p) 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 14: SE/4

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

> TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM Section 16: NE/4

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

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM Section 35: W/2 -6-CASE No. 4228 Order No. R-3853

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

> TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM Section 34: SE/4 TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 27: SW/4 Section 30: NE/4Section 34: NW/4 TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 35: SW/4 TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM Section 4: SW/4 Section 9: NW/4 Section 11: SW/4 TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM Section 2: NE/4Section 3: NE/4 9: N/2 Section Section 10: N/2Section 12: NE/4 TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM Section 7: NW/4 Section 9: SW/4

### IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a -7-CASE No. 4228 Order No. R-3853

standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, contractions, and extensions included herein shall be November 1, 1969.

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

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STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

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