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. 4414
                                    Order No. R-4014

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

    This cause came on for hearing at 9:30 a.m. on August 19, 1970,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

    NOW, on this __21st__ day of August, 1970, 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 there is need for the creation of a new gas pool
in Lea County, New Mexico, for the production of gas from the
Morrow formation, said pool to bear the designation of Townsend-
Morrow Gas Pool. Said Townsend-Morrow Gas Pool was discovered
by the Avance Oil & Gas Company State ETA Well No. 2, located in
Unit I of Section 8, Township 16 South, Range 35 East, NMPM. It
was completed in the Morrow formation on September 9, 1969. The
top of the perforations is at 11,770 feet.

    (3) That there is need for certain extensions to the
Sulimar-Queen Pool in Chaves County, New Mexico, the Indian
Basin-Upper Pennsylvanian Gas Pool, the Paduca-Morrow Gas Pool,
and the Springs-Upper Pennsylvanian Gas Pool, all in Eddy County,

New Mexico, the Allison-Pennsylvanian Pool, the Baum-Upper Pennsyl-
vanian Pool, the Drinkard Pool, the EK Yates-Seven Rivers-Queen
Pool, the Hobbs-Blinebry Pool, the Tres Papalotes-Pennsylvanian
Pool, and the Northwest Vacuum-Wolfcamp Pool, all in Lea County,
New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified
as a gas pool for Morrow production, is hereby created and desig-
nated as the Townsend-Morrow Gas Pool, consisting of the following-
described area:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 8: SE/4

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

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 12: S/2

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

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 36: NW/4

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 31: NW/4

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
Section 2: NE/4

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 24: E/2 NE/4

(e)   That the EK Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 19:   SE/4
Section 20:   SW/4

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 19:   S/2

(g)   That the Indian Basin-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM
Section 21:   N/2 and N/2 N/2 N/2 S/2

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

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM
Section 1:   W/2
Section 12:   W/2

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

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM
Section 3:   Lots 1, 2, 7, 8, 9, 10,
             15 and 16

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 26:   SW/4 NE/4

(k) That the Tres Papalotes-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 33: NW/4

(1) That the Northwest Vacuum-Wolfcamp 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 5: 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 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 and extensions included herein shall be September 1, 1970.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX J. ARMIJO, Member

S E A L

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

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