Entered February 23, 1971 C.J.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. 4498 Order No. R-4106

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING AND EXTENDING CERTAIN POOLS IN 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 February 17, 1971, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this <u>23rd</u> day of February, 1971, 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 Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of North Antelope Sink-Morrow Gas Pool. Said North Antelope Sink-Morrow Gas Pool was discovered by the Midwest Oil Corporation Federal J Well No. 1, located in Unit M of Section 21, Township 18 South, Range 24 East, NMPM. It was completed in the Morrow formation on November 3, 1970. The top of the perforations is at 8442 feet.

(3) That the proposed creation of a new pool in Section 14, Township 23 South, Range 31 East, NMPM, Eddy County, New Mexico, -2-CASE No. 4498 Order No. R-4106

for the production of oil from the Lower Pennsylvanian formation should be <u>dismissed</u> due to an error in advertising.

(4) That there is need for certain extensions to the Eagle Creek-San Andres Pool and the Rock Tank-Lower Morrow Gas Pool, both in Eddy County, New Mexico, the North Bagley-Pennsylvanian Pool, the Lea-Bone Springs Pool, the West Sawyer-San Andres Pool, and the Scarborough Yates-Seven Rivers Pool, all in Lea County, New Mexico, the Chaveroo-San Andres Pool and the South Prairie-Cisco Pool, both in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production, is hereby created and designated as the North Antelope Sink-Morrow Gas Pool, consisting of the following-described area:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM Section 21: W/2

(b) That the proposed creation of a new pool in Eddy County, New Mexico, classified as an oil pool for Lower Pennsylvanian production and designated as the Sand Dunes-Lower Pennsylvanian Pool, consisting of the following-described area:

```
TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 14: W/2
```

is hereby dismissed.

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

TOWNSHIP 12	SOUTH,	RANGE	33	EAST,	NMPM
Section 8:	NE/4				
Section 9:	NE/4				

(d) 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 22: SE/4 Section 35: SW/4

-3-CASE No. 4498 Order No. R-4106

(e) That the Eagle Creek-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM Section 22: SE/4 Section 23: SW/4 NW/4 Section 27: NW/4 NE/4 and NE/4 NW/4

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

> TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM Section 35: NE/4 Section 36: NW/4

(g) That the South Prairie-Cisco Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM Section 21: E/2

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

> TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM Section 1: All

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

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM Section 22: SW/4 Section 27: NW/4 Section 28: N/2 and SW/4

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

> TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM Section 25: SE/4

-4-CASE No. 4498 Order No. R-4106

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 Failure to file Forms C-102 dedistandard unit for the pool. cating 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 March 1, 1971.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE Chairman

11

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

SEAL

esr/