Entired September 16, 1971 all

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. 4596 Order No. R-4194

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING, ABOLISHING, 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 9:00 a.m. on September 15, 1971, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>l6th</u> day of September, 1971, 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 oil pool in Eddy County, New Mexico, for the production of oil from the Strawn formation, said pool to bear the designation of South Hackberry-Strawn Pool. Said South Hackberry-Strawn Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 33, located in Unit P of Section 4, Township 20 South, Range 31 East, NMPM. It was completed in the Strawn formation on March 31, 1971. The top of the perforations is at 11,461 feet.

(3) 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 Maroon Cliffs-Morrow Gas Pool. Said Maroon Cliffs-Morrow Gas Pool -2-CASE NO. 4596 Order No. R-4194

was discovered by the Perry R. Bass Big Eddy Unit Well No. 7, located in Unit O of Section 19, Township 20 South, Range 31 East, NMPM. It was completed in the Morrow formation on April 27, 1971. The top of the perforations is at 12,656 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 Bough "A" formation, said pool to bear the designation of McDonald-Pennsylvanian Pool. Said McDonald-Pennsylvanian Pool was discovered by the J. M. Huber Corporation Griffin Well No. 1, located in Unit A of Section 4, Township 14 South, Range 36 East, NMPM. It was completed in the Bough "A" formation on July 20, 1971. The top of the perforations is at 10,203 feet.

(5) That there is need for the consolidation of the Northwest Vacuum-Abo Pool and the North Vacuum-Abo Pool, both in Lea County, New Mexico, inasmuch as both pools are producing from a common reservoir. Said consolidation to be accomplished by abolishing the Northwest Vacuum-Abo Pool and extending the North Vacuum-Abo Pool.

(6) That there is need for certain extensions to the Double L-Queen Associated Pool in Chaves County, New Mexico, the South Carlsbad-Morrow Gas Pool, the Eagle Creek-San Andres Pool, the Grayburg-Jackson Pool, and the Power Grayburg-San Andres Pool, all in Eddy County, New Mexico, the Blinebry Oil Pool, the Flying "M"-Pennsylvanian Pool, the Flying "M"-San Andres Pool, the Langlie-Mattix Pool, the East Shoebar-Devonian Pool, the North Vacuum-Morrow Gas Pool, the North Vacuum-Lower Wolfcamp Pool, and the Northwest Vacuum-Wolfcamp Pool, all in Lea County, New Mexico, and the Vada-Pennsylvanian Pool in Lea and Roosevelt Counties, New Mexico. Further, that the proposed extension to the South Carlsbad Strawn Gas Pool, Eddy County, New Mexico, should be dismissed pending further study.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production, is hereby created and designated as the South Hackberry-Strawn Pool, consisting of the following described area:

> TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM Section 4: SE/4 SE/4

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

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM Section 19: S/2

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

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM Section 4: NE/4

(d) That the Northwest Vacuum-Abo Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 1	7 SOUTH,	RANGE	34	EAST,	NMPM
Section 2:	SW/4				
Section 3:	NE/4	SE/4			

is hereby abolished.

(e) 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 2:	SW/4				
Section 3:	SE/4				
Section 10:	NE/4				

(f) 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 36 EAST, NMPM Section 36: NE/4 TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 8: NW/4

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

> TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM Section 25: S/2 TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM Section 30: All Section 31: W/2 TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

(h) That the proposed extension to the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

s/2

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM Section 30: S/2

is hereby dismissed.

Section 2:

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

> TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM Section 23: N/2 SE/4 and SW/4 SE/4 Section 25: NW/4 SE/4 and W/2 SW/4 Section 26: S/2 Section 36: SW/4 SE/4

(j) 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 21: SE/4 Section 22: W/2 Section 27: NW/4 NW/4 Section 28: N/2 NE/4

(k) That the Flying "M"-Pennsylvanian Pool in Lea County,

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New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 9: 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 9 SOUTH, RANGE 33 EAST, NMPM Section 9: W/2, NE/4 and N/2 SE/4

(m) That the Grayburg Jackson Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM Section 18: S/2 NW/4

(n) That the Langlie-Mattix 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 20: NW/4 and NW/4 SW/4

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

> TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM Section 1: NE/4 NE/4

> TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM Section 6: SW/4 NW/4

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

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM Section 29: SW/4 Section 30: SE/4 -6-CASE NO. 4596 Order No. R-4194

(g) That the North Vacuum-Morrow Gas 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 12: S/2 Section 14: S/2 Section 23: N/2

(r) That the North Vacuum-Lower 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 4: NW/4

(s) 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: SE/4

(t) 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 34 EAST, NMPM Section 35: SE/4

> TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM Section 31: SE/4

> TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM Section 2: S/2 and NW/4 Section 3: NE/4 Section 7: S/2 Section 10: E/2 Section 11: N/2

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 -7-CASE NO. 4596 Order No. R-4194

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-103 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, abolishments, and extensions included herein shall be October 1, 1971.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION 22 BRUCE_KING, Chairman

Cle - Critici, c ALEX J. ARMIJO, Member

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

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