Entered Selwing 18, 1972 A.A.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. 4666 Order No. R-4258

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 10:00 a.m. on February 16, 1972, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this <u>18th</u> day of February, 1972, 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 Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of La Rica-Wolfcamp Pool. Said La Rica-Wolfcamp Pool was discovered by the Union Oil Company of California, Pipeline "A" Federal Well No. 1, located in Unit G of Section 8, Township 19 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on October 27, 1971. The top of the perforations is at 10,824 feet.

(3) That there is need for certain extensions to the Double L-Queen Associated Pool, the Haystack-Cisco Gas Pool, and the Sulimar-Queen Pool, all in Chaves County, New Mexico,

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the Indian Basin-Upper Pennsylvanian Gas Pool and the Shugart Pool, both in Eddy County, New Mexico, the Dollarhide-Fusselman Pool, the Flying "M"-San Andres Pool, the Sawyer-San Andres Gas Pool, and the Wantz-Granite Wash Pool, all in Lea County, New Mexico. Further, that the proposed extension to the Tres Papalotes-Pennsylvanian Pool, Lea County, New Mexico, should be dismissed pending further study.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production, is hereby created and designated as the La Rica-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM Section 8: NE/4

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

> TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM Section 30: SE/4

(c) 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 24: NW/4 SW/4

(d) 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 31: E/2

(e) That the Haystack-Cisco Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM Section 16: S/2

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(f) 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 22: All

(g) That the Sawyer-San Andres Gas 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 24: NE/4 NW/4

(h) That the Shugart 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 26: E/2

(i) 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: NW/4 SE/4 and NE/4 SW/4

(j) That the proposed extension to the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

> TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM Section 30: SE/4 Section 31: NE/4 Section 32: All TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM Section 5: NE/4

is hereby dismissed.

(k) That the Wantz-Granite Wash Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is

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hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 11: E/2 Section 12: SW/4

IT IS FURTHER ORDERED:

That, pursuant to Section 65-3-14.5, NMSA 1953, con-(1)tained 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 March 1, 1972.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

BRUCE-KING, Chairman

ARMIO, Member Me Ser & Secretary PORTER,

SEAL

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