Entered Himmy 5, 1973

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. 4891 Order No. R-4464

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER ABOLISHING, CONTRACTING, 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 9:00 a.m. on January 3, 1973, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>5th</u> day of January, 1973, 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 abolishment of the Teague-Grayburg Pool in Lea County, New Mexico, because the addition of the Grayburg formation to the Langlie Mattix Pool places all Teague-Grayburg acreage in said Langlie Mattix Pool.

(3) 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 to extend deleted acreage to the North Bagley-Pennsylvanian Pool for nomenclature correction.

(4) That there is need for certain extensions to the Double L-Queen Associated Pool in Chaves County, New Mexico, the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, the North Bagley-Pennsylvanian Pool, the Anderson Ranch-Wolfcamp Pool, the Bell Lake-Bone Spring Pool, the East Brunson-Granite Wash Pool, the Cerca-Upper Pennsylvanian Pool, the Flying "M"-San Andres Pool, and the Maljamar Grayburg-San Andres Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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(a) That the Teague-Grayburg Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM Section 20: SE/4 Section 21: SW/4

is hereby abolished.

(b) 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 35: S/2 NW/4

(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 11 SOUTH, RANGE 33 EAST, NMPM Section 26: SW/4 Section 35: S/2 NW/4

> TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM Section 10: S/2 NW/4

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

> TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM Section 9: SE/4 Section 10: S/2

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM Section 31: SW/4

(f) That the East Brunson-Granite Wash 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 13: SW/4 Section 24: NW/4

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

> TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM Section 1: W/2 Section 2: All Section 3: E/2

(h) 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: SW/4

(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 15 SOUTH, RANGE 30 EAST, NMPM Section 5: NW/4

(j) 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 8: NW/4 Section 32: S/2 Section 33: SW/4

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM Section 5: NW/4 Section 6: NE/4

(k) 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 14: SW/4 Section 15: S/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 providing for spacing or proration units larger than the

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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 abolishments, contractions, and extensions included herein shall be February 1, 1973.

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION BRUCE KING, Chairman (MA ÂLEX ARMZJO, Member elic Ġ. A. L. PORTER, Jr., Member & Secretary

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