Entered May 21, 1974 al. .

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. 5239 Order No. R-4782

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CREATING AND EXTENDING CERTAIN POOLS IN 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 May 8, 1974, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>21st</u> day of May, 1974, 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 Ojo Chiso-Morrow Gas Pool. Said Ojo Chiso-Morrow Gas Pool was discovered by the Brunson & McKnight, Inc. Ojo Chiso Unit Well No. 1, located in Unit E of Section 23, Township 22 South, Range 34 East, NMPM. It was completed in the Morrow formation on February 20, 1974. The top of the perforations is at 13,188 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 Delaware formation, said pool to bear the designation of Washington Ranch-Delaware Gas Pool. Said Washington Ranch-Delaware Gas Pool was discovered by the Black River Corporation BR 4 Federal Well No. 3, located in Unit H of Section 4, Township 26 South, Range 24 East, NMPM. It was completed in the Delaware formation on March 21, 1974. The top of the perforations is at 1331 feet. -2-CASE NO. 5239 Order No. R-4782

(4) That there is need for certain extensions to the West Atoka-Morrow Gas Pool, the Atoka-Pennsylvanian Gas Pool, the Burton Flat-Morrow Gas Pool, the Burton Flat-Strawn Gas Pool, the Cabin Lake-Morrow Gas Pool, the Indian Basin-Morrow Gas Pool, the Penasco Draw San Andres-Yeso Pool, the Rocky Arroyo-Wolfcamp Gas Pool, the Sand Dunes-Cherry Canyon Pool, the Washington Ranch-Morrow Gas Pool, the White City-Pennsylvanian Gas Pool, the Winchester-Strawn Gas Pool, and the Winchester-Wolfcamp Gas Pool, all in Eddy County, New Mexico, the Crossroads-Pennsylvanian Pool, the Drinkard Pool, the Fowler-Devonian Pool, the Quail Ridge-Morrow Gas Pool, the North Vacuum-Abo Pool, the Vada-Pennsylvanian Pool, the Wantz-Granite Wash Pool, and the Wilson-Pennsylvanian Gas 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 designated as the Ojo Chiso-Morrow Gas Pool, consisting of the following described area:

# TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM Section 23: W/2

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

# TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM Section 4: NE/4

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

> TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM Section 1: All Section 2: E/2 Section 12: All

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

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TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM Section 12: W/2
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(e) That the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein: -3-CASE NO. 5239 Order No. R-4782

> TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM Section 27: S/2 Section 35: W/2 TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM Section 7: All Section 11: All

(f) That the Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM Section 35: W/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM Section 11: All

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM Section 11: N/2

(h) That the Crossroads-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 26: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM Section 1: SE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 6: SE/4

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

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM Section 10: NE/4

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

> TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM Section 31: All Section 32: All

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(1) That the Penasco Draw San Andres-Yeso Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM Section 12: NW/4

(m) That the Quail Ridge-Morrow Gas 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 17: E/2

(n) That the Rocky Arroyo-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM Section 7: E/2 Section 8: SW/4

(o) That the Sand Dunes-Cherry Canyon Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM Section 26: NW/4 SE/4

(p) 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 1: NE/4

(q) That the Vada-Pennsylvanian 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 13: NE/4

(r) That the Wantz-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 26: NE/4

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

TOWNSHIP 26 SOUTH, RANGE 24 EAST, NMPM Section 12: N/2

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

> TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM Section 17: All

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

> TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM Section 13: E/2

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

### TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM Section 35: S/2

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

> TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM Section 35: 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 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 nonstandard 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 June 1, 1974.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

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I.R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member Le .

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

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jr/