Entered May 12, 1928

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 6220 Order No. R-5729

THE APPLICATION OF THE OIL CONSERVATION DIVISION UPON ITS OWN MOTION FOR AN ORDER CREATING AND EXTENDING CERTAIN POOLS IN CHAVES, EDDY, AND LEA COUNTIES, NEW MEXICO, AND REDESIGNATING AN EXISTING POOL IN LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on May 3, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 12th day of May, 1978, the Division Director, 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 Division 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 Strawn formation, said pool to bear the designation of North Eidson-Strawn Pool. Said North Eidson-Strawn Pool was discovered by the Sabine Production Company North Eidson Fee Well No. 1 located in Unit M of Section 34, Township 15 South, Range 34 East, NMPM. It was completed in the Strawn formation on October 25, 1977. The top of the perforations is at 12,114 feet.

(3) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Devonian formation, said pool to bear the designation of Hume-Devonian Pool. Said Hume-Devonian Pool was discovered by the W. A. Moncrief, Jr. State "8" Well No. 1 located in Unit G of Section 8, Township 16 South, Range 34 East, NMPM. It was completed in the Devonian formation on October 16, 1977. The top of the perforations is at 13,988 feet. -2-Case No. 6220 Order No. R-5729

(4) 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 Hume-Morrow Gas Pool. Said Hume-Morrow Gas Pool was discovered by the Mewbourne Oil Company State "E" Com Well No. 1 located in Unit V of Section 6, Township 16 South, Range 34 East, NMPM. It was completed in the Morrow formation on May 13, 1977. The top of the perforations is at 12,906 feet.

(5) 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 North Lusk-Wolfcamp Pool. Said North Lusk-Wolfcamp Pool was discovered by the Petroleum Development Corporation Pedco Gulf Federal Com Well No. 1 located in Unit I of Section 33, Township 18 South, Range 32 East, NMPM. It was completed in the Wolfcamp formation on January 6, 1978. The top of the perforations is at 10,770 feet.

(6) That there is need for the creation of a new gas pool in Chaves County, New Mexico, for the production of gas from the Mississippian formation, said pool to bear the designation of Mescalero Sands-Mississippian Gas Pool. Said Mescalero Sands-Mississippian Gas Pool was discovered by the Petroleum Development Corporation Hudson Federal Well No. 1 located in Unit M of Section 27, Township 12 South, Range 30 East, NMPM. It was completed in the Mississippian formation on September 21, 1977. The top of the perforations is at 9,746 feet.

That there is need for certain extensions to the Artesia (7) Pool, the Atoka-Yeso Pool, the Box Canyon-Upper Penn Gas Pool, the Crooked Creek-Morrow Gas Pool, the Fren-Seven Rivers Pool, the Herradura Bend-Delaware Pool, the Little Box Canyon-Morrow Gas Pool, the South Loco Hills-Morrow Gas Pool, the West Malaga-Morrow Gas Pool, the South Millman-Morrow Gas Pool, the Penasco Draw-San Andres Yeso Pool, the Revelation-Morrow Gas Pool, the North Shugart-Morrow Gas Pool, the White City-Pennsylvanian Gas Pool, the Winchester-Morrow Gas Pool, and the Winchester-Upper Pennsylvanian Gas Pool, all in Eddy County, New Mexico, and the Antelope Ridge-Atoka Gas Pool, the Grama Ridge-Morrow Gas Pool, the West Kemnitz-Lower Wolfcamp Pool, the Langlie Mattix Pool, the Lusk-Morrow Gas Pool, the North Lusk-Morrow Gas Pool, the West Sawyer-San Andres Pool, the Tubb Pool, and the North Vacuum-Abo Pool, all in Lea County, New Mexico, and the redesignation of the West Scarborough-Yates Pool as the Comanche Stateline-Yates Pool and the extension of the Comanche Stateline-Yates Pool in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in Lea County, New Mexico, classified as

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an oil pool for Strawn production, is hereby created and designated as the North Eidson-Strawn Pool, consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM Section 34: W/2

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

> TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM Section 8: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM Section 6: S/2

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

> TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 33: SE/4

(e) That a new pool in Chaves County, New Mexico, classified as a gas pool for Mississippian production, is hereby created and designated as the Mescalero Sands-Mississippian Gas Pool, consisting of the following described area:

TOWNSHIP 12 SOUTH, RANGE 30 EAST, NMPM Section 27: W/2

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

TOWNSHIP			RANGE	34	EAST,	NMPM
Section 2	26:	Ā11				
Section 3	35:	A11				

(g) That the Artesia Pool in Eddy County, New Mexico, as

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM Section 2: S/2 SW/4 and SW/4 SE/4

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

> TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM Section 28: E/2 NW/4 Section 33: NE/4 Section 34: W/2 NW/4

(i) That the Box Canyon-Upper Penn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM Section 23: N/2

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

> TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM Section 4: All

(k) That the Fren-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM Section 14: S/2, S/2 N/2, N/2 NE/4 and NE/4 NW/4 Section 15: S/2 and S/2 N/2 Section 23: All Section 26: N/2 Section 27: N/2 Section 28: N/2 and N/2 S/2

(1) That the Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM Section 2: All

(m) That the Herradura Bend-Delaware Pool in Eddy County,

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

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM Section 29: W/2 SE/4, E/2 SW/4 and SW/4 SW/4 Section 30: SE/4 SE/4 Section 31: E/2 E/2 Section 32: N/2 NW/4 and NW/4 NE/4

(n) That the West Kemnitz-Lower Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 32: NE/4

(o) 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 31: NW/4

(p) That the Little Box Canyon-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM Section 12: S/2

(q) That the South Loco Hills-Morrow Gas 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 20: W/2

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 10: All

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 3: E/2

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

> TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM Section 9: S/2

(u) That the South Millman-Morrow 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 19: N/2 Section 20: N/2

(v) 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 18 SOUTH, RANGE 26 EAST, NMPM Section 29: SE/4 SE/4 Section 32: NE/4 NE/4

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

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM Section 10: W/2

(x) 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: NE/4

(y) That the West Scarborough-Yates Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby redesignated as the Comanche Stateline-Yates Pool, and the Comanche Stateline-Yates Pool is hereby extended to include therein:

> TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM Section 28: S/2

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

> TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM Section 19: E/2 Section 20: W/2

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(aa) That the Tubb 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 36: SE/4

(bb) 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 16: N/2 Section 17: N/2

(cc) 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 25 SOUTH, RANGE 26 EAST, NMPM Section 11: All

(dd) That the Winchester-Morrow 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 28: S/2

(ee) That the Winchester-Upper Pennsylvanian 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 36: 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 providing for spacing or provation 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 Division. 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 -8-Case No. 6220 Order No. R-5729

the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations, extensions, and redesignations included herein shall be June 1, 1978.

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

STATE OF NEW MEXICO OLL CONSERVATION DIVISION Ines L ļ JOE D. RAMEY Director

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