

Entered February 18, 1980
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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. 6810
Order No. R-6274

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING VERTICAL
AND HORIZONTAL LIMITS OF CERTAIN POOLS
IN CHAVES, EDDY, AND LEA COUNTIES, NEW
MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 13, 1980, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 18th day of February, 1980, 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 pool in Lea County, New Mexico, for the production of oil from the Fusselman formation, said pool to bear the designation of Brunson-Fusselman Pool. Said Brunson-Fusselman Pool was discovered by the Amoco Production Company Grizzell B Well No. 3 located in Unit H of Section 8, Township 22 South, Range 37 East, NMPM. It was completed in the Fusselman formation on November 15, 1979. The top of the perforations is at 7168 feet.
- (3) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of North Illinois Camp-Morrow Gas Pool. Said North Illinois Camp-Morrow Gas Pool was discovered by the Hondo Oil and Gas Company Exxon

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State Well No. 1 located in Unit K of Section 9, Township 18 South, Range 28 East, NMPM. It was completed in the Morrow formation on May 30, 1979. The top of the perforations is at 10,322 feet.

(4) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Upper Pennsylvanian formation, said pool to bear the designation of Kennedy Farms-Upper Pennsylvanian Gas Pool. Said Kennedy Farms-Upper Pennsylvanian Gas Pool was discovered by the Yates Petroleum Corporation Seigenthaler "IS" Com Well No. 2 located in Unit K of Section 21, Township 17 South, Range 26 East, NMPM. It was completed in the Upper Pennsylvanian formation on April 13, 1978. The top of the perforations is at 7690 feet.

(5) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of East Siete-San Andres Pool. Said East Siete-San Andres Pool was discovered by the Sundance Oil Company Grynberg Federal Well No. 3 located in Unit D of Section 14, Township 8 South, Range 31 East, NMPM. It was completed in the San Andres formation on November 30, 1979. The top of the perforations is at 3912 feet.

(6) That there is need for the extension of the vertical limits of the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include the Atoka formation and the redesignation of said pool as the Angell Ranch Atoka-Morrow Gas Pool.

(7) That there is need for certain extensions to the Buffalo Valley-Pennsylvanian Gas Pool, the Comanche-San Andres Pool, and the Double L-Queen Associated Pool, all in Chaves County, New Mexico, and the Angell Ranch Atoka-Morrow Gas Pool, the North Burton Flats-Wolfcamp Gas Pool, the South Carlsbad-Delaware Pool, the South Culebra Bluff-Atoka Gas Pool, the Diamond Mound-Atoka Gas Pool, the Dublin Ranch-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the East Empire Yates-Seven Rivers Pool, the Golden Lane-Morrow Gas Pool, the Palmillo-Bone Springs Pool, the Penasco Draw-Morrow Gas Pool, the Penasco Draw San Andres-Yeso Associated Pool, the Race Track-San Andres Pool, and the Winchester-Morrow Gas Pool, all in Eddy County, New Mexico, and the Antelope Ridge-Atoka Gas Pool, the Antelope Ridge-Morrow Gas Pool, the West Arkansas Junction-San Andres Pool, the Austin-Mississippian Gas Pool, the South Bell Lake-Morrow Gas Pool, the Blinebry Oil and Gas Pool, the Caudill-Devonian Pool, the Drinkard Pool, the Eumont Yates Seven Rivers-Queen Pool, the Eunice-San Andres Pool, the Hardy-Blinebry Pool, the Maljamar Grayburg-San Andres Pool, the Sand Dunes-Bone

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Springs Pool, and the Warren-Tubb Gas Pool, all in Lea County, New Mexico.

(8) That the proposed extension to the Logan Draw-Morrow Gas Pool in Eddy County, New Mexico, and the Sioux-Yates Pool in 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 Fusselman production, is hereby created and designated as the Brunson-Fusselman Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 8: NE/4

(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 North Illinois Camp-Morrow Gas Pool, consisting of the following described area:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 9: All

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

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 15: All
Section 16: E/2
Section 21: All
Section 28: E/2
Section 33: E/2

(d) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the East Siete-San Andres Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 14: NW/4

(e) That the vertical limits of the Angell Ranch-Morrow Gas Pool in Township 19 South, Range 27 East, NMPM, Eddy County, New Mexico, are hereby extended to include the Atoka formation and said pool is redesignated the Angell Ranch Atoka-Morrow Gas Pool. Further, said pool is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 24: 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 23 SOUTH, RANGE 34 EAST, NMPM
Section 23: N/2

(g) That the Antelope Ridge-Morrow Gas 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 23: All

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 3: N/2

(h) That the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 29: NE/4

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

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM
Section 18: N/2

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

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 1: SE/4
Section 12: N/2

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 20: NW/4

(l) That the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 27 EAST, NMPM
Section 25: S/2

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 20: N/2

(m) That the North Burton Flats-Wolfcamp 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 22: N/2

(n) That the South Carlsbad-Delaware 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 24: SW/4 NE/4

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

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM
Section 9: NW/4 and N/2 SW/4

(p) That the Comanche-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 26 EAST, NMPM
Section 14: NW/4 NW/4

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

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 11: E/2

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

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 10: All
Section 12: S/2

(s) 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: W/2
Section 24: W/2 NE/4

(t) 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 12: SW/4

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

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 15: S/2

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 25: N/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 4: S/2

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 22: NE/4 and NE/4 SE/4

(x) That the Eumont Yates Seven Rivers-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 9, 10, 11, 12, 13,
14, 15, and 16

(y) That the Eunice-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 33: E/2 NE/4
Section 34: W/2

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

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 5: S/2
Section 8: N/2

(aa) That the Hardy-Blinbry 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 11: NE/4

(bb) That the proposed extension of the Logan Draw-Morrow Gas Pool in Eddy County, New Mexico, is hereby dismissed.

(cc) 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 23: NE/4
Section 24: NW/4

(dd) That the Palmillo-Bone Springs 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 1: NE/4 and N/2 NW/4

(ee) That the Penasco Draw-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 27: W/2
Section 28: All

(ff) That the Penasco Draw San Andres-Yeso Associated 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 31: W/2 W/2

(gg) That the Race Track-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 19: N/2 NE/4
Section 20: NW/4 NW/4

(hh) That the Sand Dunes-Bone Springs Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 18: W/2

(ii) That the proposed extension to the Sioux-Yates Pool in Lea County, New Mexico, is hereby dismissed.

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 20: NW/4

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(kk) 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 27: W/2

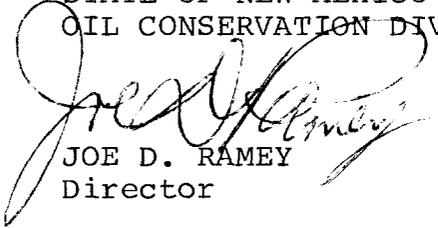
IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, NMSA 1978, 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 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 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 and extensions included herein shall be March 1, 1980.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

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