

Entered August 19, 1983  
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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. 7943  
Order No. R-7334

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.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 17, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 19th day of August, 1983, 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 Bone Spring formation, said pool to bear the designation of Bilbrey Basin-Bone Spring Pool. Said Bilbrey Basin-Bone Spring Pool was discovered by the Getty Oil Company Bilbrey 5 Federal Well No. 1 located in Unit B of Section 5, Township 22 South, Range 32 East, NMPM. It was completed in the Bone Spring formation on May 8, 1983. The top of the perforations is at 10,062 feet.

(3) 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 Haystack-San Andres Pool. Said Haystack-San Andres Pool was discovered by the Stevens Operating Company Sand Creek Federal

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Well No. 1 located in Unit D of Section 17, Township 7 South, Range 27 East, NMPM. It was completed in the San Andres formation on February 10, 1983. The top of the perforations is at 1741.5 feet.

(4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Yeso formation, said pool to bear the designation of Johnson Draw-Yeso Pool. Said Johnson Draw-Yeso Pool was discovered by the Cabana Oil Corporation Carter Estate Well No. 1 located in Unit N of Section 32, Township 17 South, Range 39 East, NMPM. It was completed in the Yeso formation on April 8, 1983. The top of the perforations is at 6,410 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 Montoya formation, said pool to bear the designation of West Lighthouse-Montoya Pool. Said West Lighthouse-Montoya Pool was discovered by the Mobil Producing Texas and New Mexico Inc. C. L. O'Brien Well No. 2 located in Unit H of Section 7, Township 8 South, Range 30 East, NMPM. It was completed in the Montoya formation on June 22, 1983. The top of the perforations is at 7,955 feet.

(6) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Pitchfork Ranch-Atoka Gas Pool. Said Pitchfork Ranch-Atoka Gas Pool was discovered by the HNG Oil Company Pitchfork 34 Federal Com Well No. 1 located in Unit L of Section 34, Township 24 South, Range 34 East, NMPM. It was completed in the Atoka formation on June 10, 1983. The top of the perforations is at 13,924 feet.

(7) That there is need for certain extensions to the Haystack-Cisco Gas Pool, the Railroad Mountain-San Andres Pool, and the Tomahawk-San Andres Pool, all in Chaves County, New Mexico, and the Avalon-Delaware Pool, the Brushy Draw-Delaware Pool, the Dark Canyon-Pennsylvanian Gas Pool, the South Empire-Morrow Gas Pool, the North Square Lake Grayburg-San Andres Pool, and the North Winchester-Wolfcamp Pool, all in Eddy County, New Mexico, and the Antelope Ridge-Atoka Gas Pool, the West Arkansas Junction-San Andres Pool, the Hardy-Blinebry Pool, the West Knowles-Drinkard Pool, the Maljamar-Abo Pool, the Pitchfork Ranch-Morrow Gas Pool, the North Shoe Bar-Wolfcamp Pool, the Talco-Strawn Gas Pool, the Tubb Oil and Gas Pool, the Tulk-Pennsylvanian Pool, the Vacuum-Glorieta Pool, and the Weir-Blinebry Pool, all in Lea County, New Mexico.

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IT IS THEREFORE ORDERED:

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM  
Section 5: NE/4

(b) 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 Haystack-San Andres Pool, consisting of the following described area:

TOWNSHIP 7 SOUTH, RANGE 27 EAST, NMPM  
Section 17: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 39 EAST, NMPM  
Section 32: Lots 3, 4, and SW/4

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

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM  
Section 7: NE/4

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 34: 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 10: S/2

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(g) 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 19: NE/4

(h) That the Avalon-Delaware 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 30: SE/4

(i) That the Brushy Draw-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM  
Section 26: W/2  
Section 27: E/2 E/2

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

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM  
Section 36: E/2

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM  
Section 1: All

(k) 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 13: E/2

(l) That the Hardy-Blinebry 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: E/2 NW/4

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(m) 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 19: S/2

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM  
Section 33: NE/4  
Section 34: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM  
Section 15: S/2

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 32: SE/4  
Section 33: W/2

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM  
Section 5: NE/4

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

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM  
Section 33: S/2  
Section 34: S/2 S/2

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM  
Section 3: NE/4 NE/4

(r) That the North Shoe Bar-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described,

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is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM  
Section 19: N/2 and SE/4  
Section 20: SW/4

(s) That the North Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM  
Section 11: NE/4

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

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM  
Section 34: S/2

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM  
Section 3: E/2

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM  
Section 1: SW/4

(v) That the Tubb Oil and Gas 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 24: NW/4

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

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM  
Section 28: NE/4

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

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TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
Section 24: SE/4

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

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM  
Section 9: NE/4

(z) That the North Winchester-Wolfcamp 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 22: NE/4

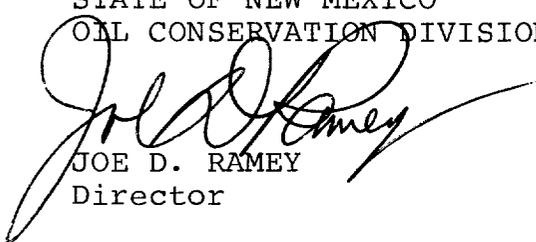
IT IS FURTHER ORDERED:

(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 September 1, 1983.

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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