

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. 7867
ORDER NO. R-7279

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN ORDER
CREATING, ABOLISHING, 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 May 11, 1983,
at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of May, 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
Chaves County, New Mexico, for the production of gas from the
Wolfcamp formation, said pool to bear the designation of South
Big Sinks-Wolfcamp Gas Pool. Said South Big Sinks-Wolfcamp
Gas Pool was discovered by the Perry R. Bass Poker Lake Unit
Well No. 52 located in Unit C of Section 33, Township 25 South,
Range 31 East, NMPM. It was completed in the Wolfcamp formation
on February 15, 1983. The top of the perforations is at 12,462
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
Strawn formation, said pool to bear the designation of Cedar
Point-Strawn Pool. Said Cedar Point-Strawn Pool was discovered
by the Hilliard Oil and Gas, Inc. McClellan Federal Well No. 1

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located in Unit I of Section 27, Township 15 South, Range 30 East, NMPM. It was completed in the Strawn formation on February 6, 1983. The top of the perforations is at 10,628 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 Wolfcamp formation, said pool to bear the designation of Golden Lane-Wolfcamp Gas Pool. Said Golden Lane-Wolfcamp Gas Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 84 located in Unit G of Section 18, Township 21 South, Range 29 East, NMPM. It was completed in the Wolfcamp formation on March 9, 1983. The top of the perforations is at 10,041 feet.

(5) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of Hoag Tank-Wolfcamp Gas Pool. Said Hoag Tank-Wolfcamp Gas Pool was discovered by the Amoco Production Company State MV Com Well No. 1 located in Unit L of Section 16, Township 19 South, Range 24 East, NMPM. It was completed in the Wolfcamp formation on November 3, 1982. The top of the perforations is at 6,338 feet.

(6) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Tubb formation, said pool to bear the designation of Nadine-Tubb Pool. Said Nadine-Tubb Pool was discovered by the Alpha Twenty-One Production Company Toni Well No. 2 located in Unit I of Section 22, Township 19 South, Range 38 East, NMPM. It was completed in the Tubb formation on June 1, 1982. The top of the perforations is at 6,622 feet.

(7) That there is need for the abolishment of the Bagley-Wolfcamp Pool in Lea County, New Mexico, and the productive acreage is to be placed in the redesignated North Bagley-Permo Pennsylvanian Pool.

(8) That there is need for the abolishment of the North Bagley-Wolfcamp Pool in Lea County, New Mexico, and the productive acreage is to be placed in the redesignated North Bagley-Permo Pennsylvanian Pool.

(9) That there is need for the abolishment of the Northeast Bagley-Wolfcamp Pool in Lea County, New Mexico, and the productive acreage is to be placed in the redesignated North Bagley-Permo Pennsylvanian Pool.

(10) That there is need for the abolishment of the Southeast Bagley-Wolfcamp Pool in Lea County, New Mexico, and the productive acreage is to be placed in the redesignated North Bagley-Permo Pennsylvanian Pool.

(11) That there is need for the extension of the vertical limits of the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include the Wolfcamp formation and the redesignation of said pool as the North Bagley-Permo Pennsylvanian Pool. There is also need for the extension of the horizontal limits of said pool to include the productive acreage from the abolished Bagley-Wolfcamp Pool and the North Bagley-Wolfcamp Pool.

(12) That there is need for the dismissal of the proposed extension of the Eagle Creek-San Andres Pool in Eddy County, New Mexico.

(13) That there is need for certain extensions to the Diamond Mound Atoka-Morrow Gas Pool, the Double L-Queen Associated Pool, the Many Gates-Morrow Gas Pool, and the Race Track-San Andres Pool, all in Chaves County, New Mexico, and the Artesia Queen-Grayburg-San Andres Pool, the Avalon-Delaware Pool, the Big Sinks-Wolfcamp Gas Pool, the Boyd-Morrow Gas Pool, the South Carlsbad-Morrow Gas Pool, the Cemetery-Morrow Gas Pool, the South Culebra Bluff-Atoka Gas Pool, the West Indian Flats-Atoka Gas Pool, the Kennedy Farms-Morrow Gas Pool, the North Loving-Atoka Gas Pool, the Malaga-Atoka Gas Pool, the Nimenim Ridge-Morrow Gas Pool, and the Sand Tank-Strawn Gas Pool, all in Eddy County, New Mexico, and the Airstrip-Wolfcamp Pool, the Antelope Ridge-Atoka Gas Pool, the Casey-Strawn Pool, the East Custer-Devonian Gas Pool, the Jalmat Tansill-Yates-Seven Rivers Pool, the Langlie Mattix Seven Rivers-Queen-Grayburg Pool, the Maljamar Grayburg-San Andres Pool, the North Mason-Delaware Pool, the West Nadine-Drinkard Pool, the Saunders-Permo Upper Pennsylvanian Pool, the Scharb-Wolfcamp Pool, the Skaggs-Drinkard Pool, and the Tulk-Pennsylvanian Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM
Section 33: N/2

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

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 27: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 18: E/2

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 16: W/2

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 22: SE/4

(f) That the Bagley-Wolfcamp Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 19: SW/4

is hereby abolished.

(g) That the North Bagley-Wolfcamp Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 14: SE/4 and S/2 SW/4
Section 15: SE/4 SE/4
Section 22: E/2 NE/4
Section 23: W/2

is hereby abolished.

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(h) That the Northeast Bagley-Wolfcamp Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 2: SW/4
Section 11: W/2

is hereby abolished.

(i) That the Southeast Bagley-Wolfcamp Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 34: SW/4

is hereby abolished.

(j) That the vertical limits of the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, are hereby extended to include the Wolfcamp formation, said pool redesignated as the North Bagley-Permo Pennsylvanian Pool, and the horizontal limits of said North Bagley-Permo Pennsylvanian Pool are hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 14: SE/4
Section 19: W/2

(k) That the Airstrip-Wolfcamp 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 2: NE/4

(l) 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 27: S/2

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

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 23: SW/4

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(n) 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 32: NW/4

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

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 27: S/2
Section 33: E/2
Section 34: N/2

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 1: E/2

(q) That the South Carlsbad-Morrow 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 36: N/2

(r) That the Casey-Strawn 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

(s) That the Cemetery-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 2: W/2

(t) That the South Culebra Bluff-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and

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described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 25: All

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

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 6: NE/4

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

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 32: All

(w) 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 34: All

(x) That the proposed extension to the Eagle Creek-San Andres Pool in Eddy County, New Mexico, is hereby dismissed.

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 28: E/2
Section 33: N/2

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

TOWNSHIP 25 SOUTH, RANGE 36 EAST, NMPM
Section 14: NE/4

(aa) That the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is

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hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 23: E/2

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

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 9: NW/4

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

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 12: S/2
Section 13: E/2
Section 24: E/2

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 4: N/2
Section 18: W/2

(dd) That the Malaga-Atoka 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 12: All

(ee) 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 16 SOUTH, RANGE 32 EAST, NMPM
Section 35: SW/4

(ff) That the Many Gates-Morrow Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
Section 30: S/2

(gg) That the North Mason-Delaware Pool in Lea County,

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

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 9: SW/4

(hh) That the West Nadine-Drinkard 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 6: SW/4
Section 7: N/2

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

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 33: N/2

(jj) 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 17: N/2 and SE/4
Section 29: W/2

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

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 4: S/2

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 9: SW/4
Section 16: SW/4
Section 17: SE/4

(mm) That the Scharb-Wolfcamp Pool in Lea County, New

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 33: SW/4

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 4: SW/4
Section 8: NE/4
Section 9: N/2
Section 10: NW/4

(nn) That the Skaggs-Drinkard 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

(oo) 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: SE/4

IT IS FURTHER ORDERED:

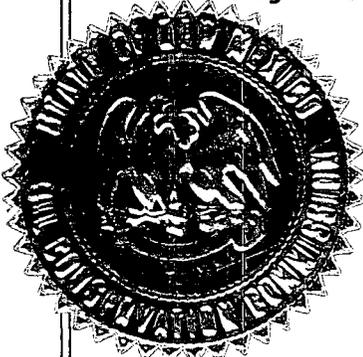
(1) That pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the 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, abolishments, and extensions included herein shall be June 1, 1983.

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DONE at Santa Fe, New Mexico, on the day and year herein-
above designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/