

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. 3688
Order No. R-3342

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER FOR THE CREATION, ABOLISHMENT,
EXTENSION, AND REDEFINITION OF CERTAIN
POOLS IN LEA, EDDY, AND CHAVES COUNTIES,
NEW MEXICO, AND FOR THE ASSIGNMENT OF A
BONUS DISCOVERY ALLOWABLE TO ONE WELL
IN LEA COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on November 15, 1967, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 20th day of November, 1967, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, 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 Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of East Atoka-Morrow Gas Pool. Said East Atoka-Morrow Gas Pool was discovered by Sinclair Oil & Gas Company, Trigg Federal No. 1, located in Unit E of Section 27, Township 18 South, Range 27 East, NMPM. It was completed in Morrow on March 26, 1967. The top of perforations is 9781 feet.

(3) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Strawn formation, said pool to bear the designation of Cabin Lake-Strawn Pool. Said Cabin Lake-Strawn Pool was discovered by Phillips Petroleum Company, James A No. 1, located in Unit O of Section 2, Township 22 South, Range 30 East, NMPM. It was completed in Strawn on February 13, 1967. The top of the perforations is 12,154 feet.

(4) 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 South Corbin-Wolfcamp Pool. Said South Corbin-Wolfcamp Pool was discovered by Aztec Oil & Gas Company, Federal MA No. 2, located in Unit I of Section 21, Township 18 South, Range 33 East, NMPM. It was completed in Wolfcamp on August 4, 1967. The top of perforations is 11,212 feet.

(5) 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 South Osudo-Morrow Gas Pool. Said South Osudo-Morrow Gas Pool was discovered by Amerada Petroleum Corporation, State WE "K" No. 1, located in Unit F of Section 15, Township 21 South, Range 35 East, NMPM. It was completed in Morrow on May 14, 1967. The top of perforations is 12,004 feet.

(6) That there is need for the consolidation of the East Mason-Delaware Pool and the North Mason-Delaware Pool, Lea and Eddy Counties, New Mexico, inasmuch as the pools produce from a common source of supply. Said consolidation to be accomplished by abolishing the East Mason-Delaware Pool and extending the North Mason-Delaware Pool.

(7) That the proposed redefinition of the vertical limits of the Moore-Pennsylvanian Pool in Lea County, New Mexico, should be dismissed pending further study.

(8) That the proposed redefinition of the vertical limits of the Moore-Wolfcamp Gas Pool in Lea County, New Mexico, should be dismissed pending further study.

(9) That the discovery well for the Vacuum-Middle Pennsylvanian Pool, created by Order No. R-3329, Mobil Oil Corporation's Bridges State No. 121, located in Unit L of Section 13, Township

CASE No. 3688

Order No. R-3342

17 South, Range 34 East, NMPM, Lea County, New Mexico, is entitled to and should receive a bonus discovery oil allowable in the amount of 52,180 barrels to be assigned over a two-year period. The top of the perforations in said well is 10,436 feet.

(10) That there is need for certain extensions to the Tom-tom San Andres Pool and the Twin Lakes-San Andres Pool, both in Chaves County, New Mexico, the Atoka-Pennsylvanian Gas Pool, the West Henshaw-Grayburg Pool, the Indian Basin-Upper Pennsylvanian Gas Pool, and the Penasco Draw San Andres-Yeso Pool, all in Eddy County, New Mexico, the North Bagley-Lower Pennsylvanian Pool, the North Bagley-Upper Pennsylvanian Pool, the Bar U-Pennsylvanian Pool, the South Corbin-Morrow Gas Pool, the North Osudo-Morrow Gas Pool, the Paddock Pool, the Northwest Vacuum-Abo Pool, and the Vada-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 Morrow production, is hereby created and designated as the East Atoka-Morrow Gas Pool, consisting of the following-described area:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 27: N/2

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 2: SW/4 SE/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 21: SE/4

(d) That a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production, is hereby created

-4-

CASE No. 3688

Order No. R-3342

and designated as the South Osudo-Morrow Gas Pool, consisting of the following-described area:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Section 15: N/2

(e) That the East Mason-Delaware Pool in Lea County, New Mexico, consisting of the following-described area:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM

Section 16: SW/4

Section 17: S/2

Section 20: N/2

Section 21: NW/4

is hereby abolished.

(f) That the North Mason-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM

Section 16: SW/4

Section 17: S/2

Section 19: NE/4

Section 20: N/2

Section 21: NW/4

(g) That the proposed redefinition of the vertical limits of the Moore-Pennsylvanian Pool in Lea County, New Mexico, is hereby dismissed.

(h) That the proposed redefinition of the vertical limits of the Moore-Wolfcamp Gas Pool in Lea County, New Mexico, is hereby dismissed.

(i) That the Atoka-Pennsylvanian Gas 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 20: N/2

(j) That the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and

described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM

Section 17: NE/4

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

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM

Section 4: SE/4 and S/2 SW/4

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

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM

Section 1: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 21: E/2

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

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM

Section 7: S/2 N/2

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

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM

Section 4: All

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

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM

Section 6: All

Section 7: All

Section 18: N/2

-6-

CASE No. 3688
Order No. R-3342

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

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 19: W/2

(r) 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 25 EAST, NMPM
Section 2: W/2 NW/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 34: NE/4

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

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 36: N/2 SW/4 and S/2 NW/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
Section 1: N/2 NE/4 and NE/4 NW/4
Section 2: N/2 NE/4

(u) That the Northwest 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 2: SW/4

(v) 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 34 EAST, NMPM
Section 16: NW/4
Section 21: W/2

-7-

CASE No. 3688

Order No. R-3342

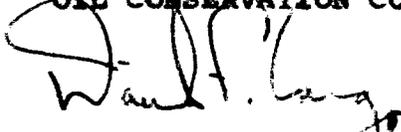
(w) That the discovery well for the previously created Vacuum-Middle Pennsylvanian Pool, Mobil Oil Corporation's Bridges State No. 121, located in Unit L of Section 13, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, is hereby authorized an oil discovery allowable of 52,180 barrels to be assigned to said well at the rate of 72 barrels per day in accordance with Rule 509 of the Commission Rules and Regulations.

IT IS FURTHER ORDERED:

That the effective date of this order and all creations, abolishments, and extensions included herein shall be December 1, 1967.

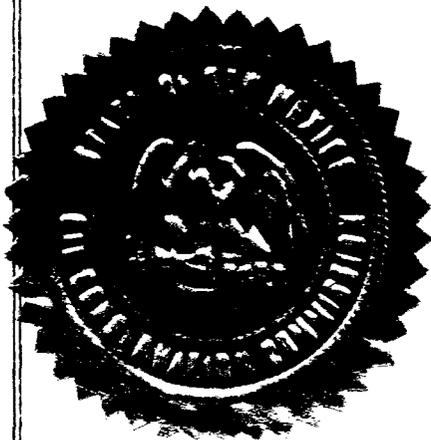
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


GUSTON B. HAYS, Member


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



esr/