#### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

CASE NO	9642
ORDER NO.	. <u>R-8901</u>

THE APPLICATION OF THE OIL CONSERVATION DIVISION OF THE ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT UPON ITS OWN MOTION FOR AN ORDER FOR CREATING AND EXTENDING HORIZONTAL LIMITS OF CERTAIN EXISTING POOLS IN CHAVES AND LEA COUNTIES, NEW MEXICO

This cause came on for hearing at 8:15 A.M. March 29, 1989, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this \_\_\_\_\_\_day of March, 1989, the Division Director having considered the testimony, the record, 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 the cause and 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 Delaware formation. Said pool to bear the designation of Quail Ridge-Delaware Pool. Said Quail Ridge-Delaware Pool was discovered by the Bill Fenn Inc. Powell Federal Well No. 1 located in Unit P of Section 4, Township 20 South, Range 34 East, NMPM. It was completed January 19, 1989, in the Delaware formation. The top of the perforations is at 5,658 feet.
- (3) That there is need for extensions Lightcap-Pennsylvanian Gas Pool in Chaves County, the West Corbin-Delaware Pool, the South Corbin-Wolfcamp Pool, the Southwest Eunice-San Andres Pool, the Lea-Bone Spring Pool, the Quail Ridge-Morrow Gas Pool, the Querecho Plains-Upper Bone Spring Pool, the Shipp-Strawn Pool, the South Shoe Bar-Atoka Gas Pool, the Skaggs-Drinkard Pool and the North Teague-Ellenburger Pool, all in Lea County, New Mexico.

### IT IS THEREFORE ORDERED:

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

### TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM Section 4: SE/4

(b) That the West Corbin-Delaware Pool in Lea County, as heretofore classified, defined and described, is hereby extended to include therein:

### TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 16: SW/4 Section 17: SE/4

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(c) That the South Corbin-Wolfcamp 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 8: SE/4 Section 17: E/2 Section 20: NE/4 Section 21: NW/4

(d) That the Southwest Eunice-San Andres 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 17: SE/4

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

### TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 14: NW/4 Section 15: NE/4

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

# TOWNSHIP 8 SOUTH, RANGE 3Ø EAST, NMPM Section 6: SE/4

(g) That the Quail Ridge-Morrow Gas 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 33: W/2

(h) That the Querecho Plains-Upper Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

# TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 14: SE/4

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

### TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Section 1: SW/4

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

### TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM Section 22: SW/4

(k) 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 37 EAST, NMPM Section 2: SE/4

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM Section 4: SW/4

#### IT IS FURTHER ORDERED:

- (1) That pursuant to Section 70-2-18, contained in Chapter 271, Laws of 1969, any well which by virtue of any of the 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 Form 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 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 shall subject the well to cancellation of the allowable.
- (2) The effective date of this order and all creations and extensions shall be April 1, 1989.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY DIRECTOR

#### DISTRICT I

NOMENCLATURE ADVERTISEMENT FOR MARCH, 198

1983 MAR - 6 1983

In the matter of the application of the Oil Conservation of the Energy, Minerals and Natural Resources Department upon its own motion for an order for the creation and extension of certain existing pools in Chaves and Lea Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to show cause why such creations and extensions should not be made.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Quail Ridge-Delaware Pool. The discovery well is the Bill Fenn Inc. Powell Federal Well No. 1 located in Unit P of Section 4, Township 20 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM Section 4: SE/4

(b) EXTEND the West Corbin-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 16: SW/4 Section 17: SE/4

(c) EXTEND the South Corbin-Wolfcamp Pool in Lea County, New Mexico, to include therein:

### TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 8: SE/4 Section 17: E/2 Section 20: NE/4 Section 21: NW/4

(d) EXTEND the Southwest Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

### TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 17: SE/4

(e) EXTEND the Lea-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 14: NW/4 Section 15: NE/4

(f) EXTEND the Lightcap-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM

Section 6: SE/4

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(g) EXTEND the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM Section 33: W/2

(h) EXTEND the Querecho Plains-Upper Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 14: SE/4

(i) EXTEND the Shipp-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM Section 1: SW/4

(j) EXTEND the South Shoe Bar-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM Section 22: SW/4

(k) EXTEND the Skaggs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM Section 2: SE/4

(1) EXTEND the North Teague-Ellenburger Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM Section 4: SW/4