

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

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10142  
Order No. R-9345

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 31, 1990, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 7th day of November, 1990, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Mississippian formation, said pool to bear the designation of Big Dog-Mississippian Gas Pool. Said Big Dog-Mississippian Gas Pool was discovered by the Bridge Oil Company L. P. Julia Culp Com Well No. 2 located in Unit H of Section 34, Township 15 South, Range 35 East, NMPM. It was completed in the Mississippian formation on July 11, 1990. The top of the perforations is at 12,992 feet.

(3) 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 North

Bilbrey-Atoka Gas Pool. Said North Bilbrey-Atoka Gas Pool was discovered by the Texaco Producing Inc. North Bilbrey 7 Federal Well No. 1 located in Unit J of Section 7, Township 21 South, Range 32 East, NMPM. It was completed in the Atoka formation on July 30, 1990. The top of the perforations is at 13,153 feet.

(4) 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 EK-Delaware Pool. Said EK-Delaware Pool was discovered by the Santa Fe Energy Operating Partners L. P. New Mexico Federal Well No. 1 located in Unit H of Section 24, Township 18 South, Range 33 East, NMPM. It was completed in the Delaware formation on August 6, 1990. The top of the perforations is at 5,429 feet.

(5) 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 Southwest Jabalina-Atoka Gas Pool. Said Southwest Jabalina-Atoka Gas Pool was discovered by the Tom Brown Inc. Madera 25 Federal Well No. 1 located in Unit J of Section 25, Township 26 South, Range 34 East, NMPM. It was completed in the Atoka formation on June 11, 1987. The top of the perforations is at 15,356 feet.

(6) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Lower San Andres formation, said pool to bear the designation of West Lovington-Lower San Andres Pool. Said West Lovington-Lower San Andres Pool was discovered by the Mallon Oil Company Mobil "5" State Well No. 1 located in Unit O of Section 5, Township 17 South, Range 36 East, NMPM. It was completed in the Lower San Andres formation on August 17, 1990. The top of the perforations is at 5,272 feet.

(7) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of Southwest Lovington-San Andres Pool. Said Southwest Lovington-San Andres Pool was discovered by the Me-Tex Supply Company New Mexico BM State Well No. 1 located in Unit O of Section 16, Township 17 South, Range 36 East, NMPM. It was completed in the San Andres formation on March 13, 1988. The top of the perforations is at 5,178 feet.

(8) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Salt Lake-Wolfcamp Pool. Said Salt Lake-Wolfcamp Pool was discovered by the Yates Petroleum Corporation Belco AIA Federal Well No. 1 located in Unit J of Section 14, Township 20 South, Range 32 East, NMPM. It was completed in the Wolfcamp formation on August 28, 1990. The top of the perforations is at 11,272 feet.

(9) There is need for the abolishment of the East Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, because there is no well within said pool capable of producing from the Atoka formation.

(10) There is need for the contraction of the vertical limits of the West Lovington-San Andres Pool in Lea County, New Mexico, to include the Upper San Andres formation only, by virtue of Type Log Cities Service State AU Well No. 1 located in Unit D of Section 10, Township 17 South, Range 36 East, NMPM, and the redesignation of said pool as the West Lovington-Upper San Andres Pool.

(11) There is need for certain extensions to the Bilbrey-Morrow Gas Pool, the South Corbin-Wolfcamp Pool, the East Gem-Morrow Gas Pool, the Grama Ridge-Morrow Gas Pool, the East Grama Ridge-Strawn Gas Pool, the Lane-San Andres Pool, the Lea-Bone Spring Pool, the West Lusk-Delaware Pool, the Maljamar Grayburg-San Andres Pool, the Midway-San Andres Pool, the Quail Ridge-Morrow Gas Pool, the Querecho Plains-Delaware Pool, the Sand Springs-Atoka Gas Pool, the Mid Vacuum-Delaware Pool, the West Wilson-Yates Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico, and the Milnesand-Abo Pool in Roosevelt County, New Mexico.

(12) The effective date of this order and all creations, abolishments, contractions of vertical limits, and extensions included herein should be November 1, 1990.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico, classified as a gas pool for Mississippian production is hereby created and designated as the Big Dog-Mississippian Gas Pool, consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM  
Section 34: E/2

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 7: E/2

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
Section 24: NE/4

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

TOWNSHIP 26 SOUTH, RANGE 34 EAST, NMPM  
Section 25: S/2

(e) A new pool in Lea County, New Mexico, classified as an oil pool for Lower San Andres production is hereby created and designated as the West Lovington-Lower San Andres Pool, consisting of the following described area:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM  
Section 5: SE/4

(f) A new pool in Lea County, New Mexico, classified as an oil pool for San Andres production is hereby created and designated as the Southwest Lovington-San Andres Pool, consisting of the following described area:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM  
Section 16: SE/4

(g) A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production is hereby created and designated as the Salt Lake-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM  
Section 14: SE/4

(h) The East Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 25: S/2

is hereby abolished.

(i) The vertical limits of the West Lovington-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, are hereby contracted to include the Upper San Andres formation only, and said pool is hereby redesignated as the West Lovington-Upper San Andres Pool.

(j) The Bilbrey-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 21: S/2

(k) 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 32 EAST, NMPM  
Section 24: SE/4

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
Section 19: SW/4

(l) The East Gem-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 26: NW/4

(m) The Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM  
Section 9: SW/4

(n) The East Grama Ridge-Strawn Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM  
Section 2: SW/4

(o) The Lane-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM  
Section 36: E/2

(p) The Lea-Bone Spring 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 24: SW/4

(q) The West Lusk-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM  
Section 30: SW/4

(r) 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 11: NE/4

(s) The Midway-San Andres 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 20: NW/4

(t) The Milnesand-Abo Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM  
Section 33: SE/4  
Section 34: SW/4

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(u) The Quail Ridge-Morrow Gas 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 6: SW/4  
Section 7: All

(v) The Querecho Plains-Delaware 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 26: NE/4

(w) The Sand Springs-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM  
Section 1: Lots 1, 2, 3, 4 and S/2

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM  
Section 17: SE/4

(y) The West Wilson-Yates Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM  
Section 11: NW/4

(z) The North Young-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 3: NE/4

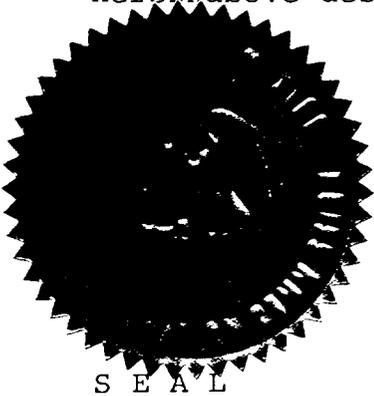
TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM  
Section 7: NW/4

IT IS FURTHER ORDERED THAT:

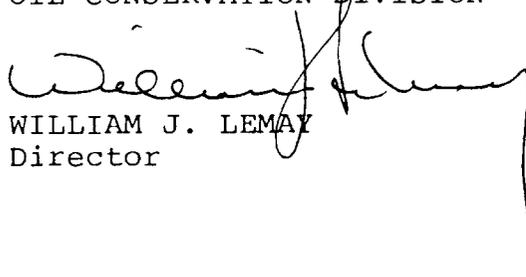
(1) Pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective 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) The effective date of this order and all creations, abolishments, contractions of vertical limits, and extensions included herein shall be November 1, 1990.

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



STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

  
WILLIAM J. LEMAY  
Director