

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. 8456
Order No. R-7785

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN
POOLS IN CHAVES AND EDDY COUNTIES,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8 a.m. on January 16, 1985, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 17th day of January, 1985, 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 Eddy County, New Mexico, for the production of oil from the Bone Spring formation, said pool to bear the designation of South Hackberry-Bone Spring Pool. Said South Hackberry-Bone Spring Pool was discovered by the Perry R. Bass Big Eddy Unit Well No. 33 located in Unit P of Section 4, Township 20 South, Range 31 East, NMPM. It was completed in the Bone Spring formation on October 10, 1984. The top of the perforations is at 9,897 feet.

(3) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of Scoggin Draw-Strawn Gas Pool. Said Scoggin Draw-Strawn Gas Pool was discovered by the Amoco Production Company Federal DH Gas Com Well No. 1 located in Unit M of Section 11, Town-

ship 18 South, Range 27 East, NMPM. It was completed in the Strawn formation on October 19, 1984. The top of the perforations is at 9,293 feet.

(4) The proposed extension of vertical and horizontal limits of the East Millman Queen-Grayburg Pool in Eddy County, New Mexico, should be dismissed.

(5) There is need for certain extensions to the East Avalon-Bone Spring Pool, the Baldrige Canyon-Morrow Gas Pool, the South Carlsbad-Morrow Gas Pool, the West Corral Canyon-Delaware Pool, the Northwest Fenton-Delaware Pool, the North Hackberry Yates-Seven Rivers Pool, the Loving-Delaware Pool, the Salt Draw-Atoka Gas Pool, the Scanlon-Delaware Pool, and the Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the Foor Ranch-Wolfcamp Gas Pool, the South Haystack-San Andres Pool, the Pecos Slope-Abo Gas Pool, the South Pecos Slope-Abo Gas Pool, the West Pecos Slope-Abo Gas Pool, the Race Track-San Andres Pool, and the Red Lake Ridge-San Andres Pool, all in Chaves County, New Mexico.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM
Section 4: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 11: S/2

(c) The East Avalon-Bone Spring 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 25: S/2
Section 26: S/2
Section 35: N/2

(d) The Balldridge Canyon-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 22: N/2
Section 23: N/2

(e) The South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 28: All
Section 33: All

(f) The West Corral Canyon-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 SOUTH, RANGE 29 EAST, NMPM
Section 15: SE/4

(g) The Northwest Fenton-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Sections 11 and 12: All

(h) The Foor Ranch-Wolfcamp Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 23: All

(i) The North Hackberry Yates-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 21: N/2

(j) The South Haystack-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 27 EAST, NMPM
Section 6: E/2
Section 7: E/2

(k) The Loving-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 31: All

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 1: E/2

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 6: W/2

(l) The proposed extension of the vertical and horizontal limits of the East Millman Queen-Grayburg Pool in Eddy County, New Mexico, is hereby dismissed.

(m) The Pecos Slope-Abo 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
Sections 19 through 22: All

TOWNSHIP 7 SOUTH, RANGE 27 EAST, NMPM
Sections 19 and 20: All

(n) The South Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 24 EAST, NMPM
Section 15: All
Section 36: All

TOWNSHIP 10 SOUTH, RANGE 24 EAST, NMPM
Section 1: All
Sections 12 and 13: All
Sections 24 and 25: All
Section 36: All

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM
Sections 17 through 22: All
Section 23: S/2 and NW/4
Sections 24 through 26: All
Sections 34 through 36: All

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM

Sections 19 and 20: All

Section 31: All

TOWNSHIP 11 SOUTH, RANGE 25 EAST, NMPM

Section 3: All

Section 4: S/2

Section 8: All

Section 9: N/2

(o) The West Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 23 EAST, NMPM

Section 2: All

Section 3: E/2

Section 11: N/2

(p) 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 7: N/2 and N/2 SW/4

(q) The Red Lake Ridge-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM

Section 28: N/2

(r) The Salt Draw-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 25: All

Section 26: S/2

Section 35: All

(s) The Scanlon-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 25: S/2

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM

Section 30: S/2 S/2

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(t) The Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

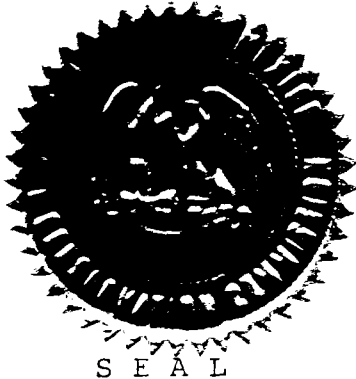
TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 17: N/2

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 and extensions included herein shall be February 1, 1985.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

R. L. Stamets
R. L. STAMETS
Director