

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. 3559
Order No. R-3228

APPLICATION OF BTA OIL PRODUCERS
FOR SPECIAL POOL RULES, LEA COUNTY,
NEW MEXICO.

*Pool redesignated
the South Flying "M"
Brush Pool
by R-4969*

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on April 26, 1967,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 3rd day of May, 1967, the Commission, a
quorum being present, 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 Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That the applicant, BTA Oil Producers, seeks the promul-
gation of special rules and regulations for the South Flying "M"-
Pennsylvanian Pool, Lea County, New Mexico, including a provision
for 80-acre spacing units.

(3) That in order to prevent the economic loss caused by
the drilling of unnecessary wells, to avoid the augmentation of
risk arising from the drilling of an excessive number of wells,
to prevent reduced recovery which might result from the drilling
of too few wells, and to otherwise prevent waste and protect
correlative rights, temporary special rules and regulations
providing for 80-acre spacing units should be promulgated for
the South Flying "M"-Pennsylvanian Pool.

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(4) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(5) That the temporary special rules and regulations should be established for a one-year period in order to allow the operators in the subject pool to gather reservoir information to establish the area that can be efficiently and economically drained and developed by one well.

(6) That this case should be reopened at an examiner hearing in May, 1968, at which time the operators in the subject pool should be prepared to appear and show cause why the South Flying "M"-Pennsylvanian Pool should not be developed on 40-acre spacing units.

IT IS THEREFORE ORDERED:

That temporary Special Rules and Regulations for the South Flying "M"-Pennsylvanian Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
SOUTH FLYING "M"-PENNSYLVANIAN POOL

RULE 1. Each well completed or recompleted in the South Flying "M"-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian formation within one mile thereof, and not nearer to or within the limits of another designated Pennsylvanian oil pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The Secretary-Director of the Commission may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a governmental quarter-quarter section or lot or the

unorthodox size or shape of the tract is due to a variation in the legal subdivision of the United States Public Land Surveys. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. The initial well on any 80-acre unit in said pool shall be located within 150 feet of the center of either the northeast quarter or the southwest quarter of a governmental quarter section. Any subsequent additional well on the 80-acre unit shall be located within 150 feet of the center of the other quarter-quarter section or lot in the unit.

RULE 5. The Secretary-Director may grant an exception to the footage requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all operators offsetting the proposed location or if no objection to the unorthodox location has been entered within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) shall be assigned an 80-acre proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That the locations of all wells presently drilling to or completed in the South Flying "M"-Pennsylvanian Pool or in the

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Bough "C" zone of the Pennsylvanian formation within one mile thereof are hereby approved; that the operator of any well having an unorthodox location shall notify the Hobbs District Office of the Commission in writing of the name and location of the well on or before June 1, 1967.

(2) That each well presently drilling to or completed in the South Flying "M"-Pennsylvanian Pool or in the Bough "C" zone of the Pennsylvanian formation within one mile thereof shall receive a 40-acre allowable until a Form C-102 dedicating 80 acres to the well has been filed with the Commission.

(3) That this case shall be reopened at an examiner hearing in May, 1968, at which time the operators in the subject pool may appear and show cause why the South Flying "M"-Pennsylvanian Pool should not be developed on 40-acre spacing units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

S E A L

esr/

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. 3559
Order No. R-3228-A

APPLICATION OF BTA OIL PRODUCERS
FOR SPECIAL POOL RULES, LEA COUNTY,
NEW MEXICO.

See Also R-4969

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on May 1, 1968,
at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 6th day of May, 1968, the Commission, a
quorum being present, 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 Commission has jurisdiction of this cause and the subject
matter thereof.

(2) That by Order No. R-3228, dated May 3, 1967, temporary
Special Rules and Regulations were promulgated for the South
Flying "M"-Pennsylvanian Pool, Lea County, New Mexico.

(3) That pursuant to the provisions of Order No. R-3228,
this case was reopened to allow the operators in the subject pool
to appear and show cause why the South Flying "M"-Pennsylvanian
Pool should not be developed on 40-acre spacing units.

(4) That the evidence establishes that one well in the
South Flying "M"-Pennsylvanian Pool can efficiently and
economically drain and develop 80 acres.

(5) That the Special Rules and Regulations promulgated by
Order No. R-3228 have afforded and will afford to the owner of

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Order No. R-3228-A

each property in the pool the opportunity to produce his just and equitable share of the oil in the pool.

(6) That in order to prevent the economic loss caused by the drilling of unnecessary wells, to avoid the augmentation of risk arising from the drilling of an excessive number of wells, to prevent reduced recovery which might result from the drilling of too few wells, and to otherwise prevent waste and protect correlative rights, the Special Rules and Regulations promulgated by Order No. R-3228 should be continued in full force and effect until further order of the Commission.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations governing the South Flying "M"-Pennsylvanian Pool, promulgated by Order No. R-3228, are hereby continued in full force and effect until further order of the Commission.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

GUYTON B. HAYS, Member

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

S E A L

esr/

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. 5430
Order No. R-4969

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on March 5, 1975, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 11th day of March, 1975, the Commission, a quorum being present, 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 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 Atoka formation, said pool to bear the designation of Avalon-Atoka Gas Pool. Said Avalon-Atoka Gas Pool was discovered by the Atlantic Richfield Company State BR Well No. 1, located in Unit K of Section 16, Township 21 South, Range 26 East, NMPM. It was completed in the Atoka formation on October 18, 1974. The top of the perforations is at 10,104 feet.
- (3) 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-east Bagley-Wolfcamp Pool. Said Southeast Bagley-Wolfcamp Pool was discovered by the Anderson Oil & Gas Company, Inc. Hess State Well No. 1, located in Unit L of Section 34, Township 11 South, Range 33 East, NMPM. It was completed in the Wolfcamp formation on December 9, 1974. The top of the perforations is at 8627 feet.

(4) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of South Flying "M"-Atoka Gas Pool. Said South Flying "M"-Atoka Gas Pool was discovered by the Phillips Petroleum Company Marg "A" Com Well No. 1, located in Unit K of Section 25, Township 9 South, Range 32 East, NMPM. It was completed in the Atoka formation on October 29, 1974. The top of the perforations is at 10,571 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 North Pearl-Morrow Gas Pool. Said North Pearl-Morrow Gas Pool was discovered by the Dorchester Exploration, Inc. Henry Record Well No. 1, located in Unit I of Section 26, Township 19 South, Range 35 East, NMPM. It was completed in the Morrow formation on November 12, 1974. The top of the perforations is at 12,529 feet.

(6) That there is need for the abolishment of the Arrow-head-Drinkard Pool in Lea County, New Mexico, because all of the acreage included in said pool is now non-productive.

(7) That there is need for the contraction of the vertical limits of the South Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, to include only the Bough formations and redesignate said South Flying "M"-Pennsylvanian Pool as the South Flying "M"-Bough Pool.

(8) That there is need for certain extensions to the Atoka-Pennsylvanian Gas Pool, the Burton Flat-Morrow Gas Pool, the Cemetary-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the Forty Niner Ridge-Morrow Gas Pool, the Kennedy Farms-Morrow Gas Pool, and the Red Lake-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, the Blinebry Oil and Gas Pool, the La Rica-Morrow Gas Pool, and the Tubb Gas Pool, all in Lea County, New Mexico, the Bluitt-Wolfcamp Gas Pool and the Todd-Wolfcamp Pool, both in Roosevelt County, New Mexico.

(9) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Wolfcamp formation, said pool to bear the designation of Fairview Mills-Wolfcamp Gas Pool. Said Fairview Mills-Wolfcamp Gas Pool was discovered by the Exxon Corporation Fairview Mills-Federal Well No. 1, located in Unit O of Section 14, Township 25 South, Range 34 East, NMPM. It was completed in the Wolfcamp formation on December 30, 1974. The top of the perforations is at 13,797 feet.

IT IS THEREFORE ORDERED:

(a) That a new pool in Eddy County, New Mexico, classified

as a gas pool for Atoka production, is hereby created and designated as the Avalon-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
SECTION 16: S/2

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

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

(c) That a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production, is hereby created and designated as the South Flying "M"-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM
SECTION 25: S/2

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

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
SECTION 26: S/2

(e) That the Arrowhead-Drinkard Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SW/4

is hereby abolished.

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 31: SW/4

(g) That the vertical limits of the South Flying "M"-Pennsylvanian Pool in Lea County, New Mexico, are hereby contracted to include only the Bough formations and said South Flying "M"-Pennsylvanian Pool is hereby redesignated the South Flying "M"-Bough Pool.

*Special Pool
Order R-3228*

(h) 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 1: E/2
SECTION 12: E/2

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

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
SECTION 36: SE/4

(j) That the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM
SECTION 34: SW/4

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
SECTION 3: W/2
SECTION 10: NW/4

(k) That the Burton Flat-Morrow Gas 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 15: All
SECTION 28: All

(l) That the Cemetary-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 7: E/2
SECTION 21: W/2

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
SECTION 31: N/2

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

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
SECTION 21: N/2

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

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
SECTION 27: N/2

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
SECTION 33: All

(q) That the Red Lake-Pennsylvanian Gas 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 18: S/2

(r) That the Todd-Wolfcamp Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 7 SOUTH, RANGE 35 EAST, NMPM
SECTION 26: SW/4
SECTION 27: NE/4

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
SECTION 2: SE/4

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

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
SECTION 14: SE/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, 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

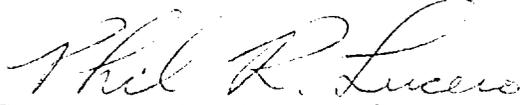
a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission 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, contractions of vertical limits, and extensions of horizontal limits included herein shall be April 1, 1975.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman


PHIL R. LUCERO, Member


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

S E A L

1st Draft

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

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OGOMES -TPHC
PAGE NO: 1

Sec : 30 Twp : 09S Rng : 33E Section Type : NORMAL

1 39.66 Fee owned	C 40.00 Fee owned	B 40.00 Fee owned A	A 40.00 Fee owned P
2 39.74 Fee owned	F 40.00 Fee owned	G 40.00 Fee owned	H 40.00 Fee owned P

PF01 HELP	PF02	PF03 EXIT	PF04 GoTo	PF05	PF06
PF07 BKWD	PF08 FWD	PF09 PRINT	PF10 SDIV	PF11	PF12

CMD :
OG5SECT

ONGARD
INQUIRE LAND BY SECTION

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OGOMES -TPHC
PAGE NO: 2

Sec : 30 Twp : 09S Rng : 33E Section Type : NORMAL

³ 38.82 Fee owned	K 40.00 Fee owned	J 40.00 Fee owned A	I 40.00 Fee owned
4 39.91 78.73 Federal owned	N 40.00 Fee owned	O 40.00 Fee owned	P 40.00 Fee owned

PF01 HELP PF02 PF03 EXIT PF04 GoTo PF05 PF06
PF07 BKWD PF08 FWD PF09 PRINT PF10 SDIV PF11 PF12