

CASE 4307:

SOUTHEASTERN NEW MEXICO
NOMENCLATURE

Case Number

4307

Application
Transcripts.

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
February 18, 1970

REGULAR HEARING

IN THE MATTER OF:

Southeastern New Mexico nomenclature
case calling for an order for the
creation, extension and abolishment
of certain pools in Eddy, Chaves and
Lea Counties, New Mexico.

Case No. 4307

BEFORE: A. L. Porter, Examiner.

TRANSCRIPT OF HEARING

dearnley-meier

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS

1120 SIMMS BLDG. • P. O. BOX 1092 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO



(Witness sworn).

(Whereupon, Applicant's
Exhibit 1 was marked
for identification).

JOE D. RAMEY

called as a witness, having been first duly sworn, was
examined and testified as follows:

DIRECT EXAMINATION

BY MR. HATCH:

Q State your name and position for the record.

A Joe D. Ramey, supervisor, Commission's District
1.

Q For the record, we didn't read the style of
the case. We should read that now.

Southeastern New Mexico nomenclature case calling
for an order for the creation, extension and abolishment of
certain pools in Eddy, Chaves and Lea Counties, New Mexico.

Q (By Mr. Hatch) Mr. Ramey, are you prepared to
make recommendations to the Commission concerning the creation,
extension and abolishment of certain pools in Eddy, Chaves and
Lea Counties, New Mexico?

A Yes, I am.

Q Are your recommendations prepared in the form of
an exhibit?

A Yes, Southeast New Mexico nomenclature Exhibit 1. paragraphs A through J.

Q Would you refer to paragraphs A through J of the exhibit and docket that has been distributed in this case and point out any corrections that need to be made in the docket?

A Everything in the exhibit agrees with the docket with the exception of paragraph J, which I have an addition in Township 17 South, Range 36 East, in Section 24, the South half of the southeast quarter.

Q Do you recommend that the pools in paragraphs A through J be created, extended and abolished as shown on the docket and as you have corrected them in this hearing?

A Yes, I do.

Q Was Exhibit 1 prepared by you or someone under your supervision?

A Yes, it was.

MR. HATCH: I move the introduction of Exhibit 1 into evidence.

MR. PORTER: Without objection, Exhibit No. 1 will be admitted. Anyone else have a question of Mr. Ramey? He may be excused.

(Witness excused).

MR. PORTER: If there is nothing further to be offered in this case, the Commission will take it under advisement and call Case 4305.

I N D E X

<u>WITNESS</u>	<u>PAGE</u>
JOE D. RAMEY	
Direct Examination by Mr. Hatch	2

E X H I B I T S

Applicant's 1	2
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STATE OF NEW MEXICO)
) ss
COUNTY OF BERNALILLO)

I, GLENDA BURKS, Court Reporter in and for the
County of Bernalillo, State of New Mexico, do hereby
certify that the foregoing and attached Transcript of
Hearing before the New Mexico Oil Conservation Commission
was reported by me; and that the same is a true and correct
record of the said proceedings to the best of my knowledge,
skill and ability.



Notary Public

My Commission Expires:

March 12, 1973

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. 4307
Order No. R-3922

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 18, 1970, 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 February, 1970, 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 Strawn formation, said pool to bear the designation of South Carlsbad-Strawn Gas Pool. Said South Carlsbad-Strawn Gas Pool was discovered by the Superior Oil Company Collat Estate Com Well No. 1, located in Unit J of Section 1, Township 23 South, Range 26 East, NMPM. It was completed in the Strawn formation on November 27, 1969. The top of the perforations is at 10,453 feet.

(3) That there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from

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CASE No. 4307
Order No. R-3922

the Queen formation, said pool to bear the designation of Round Tank-Queen Pool. Said Round Tank-Queen Pool was discovered by the Elk Oil Company JW State Well No. 1, located in Unit K of Section 30, Township 15 South, Range 29 East, NMPM. It was completed in the Queen formation on November 30, 1969. The top of the perforations is at 1506 feet.

(4) That there is need for the consolidation of the Forest-San Andres Pool and the Square Lake Pool, both in Eddy County, New Mexico, inasmuch as both pools are producing from one common source of supply. Said consolidation to be accomplished by the abolishment of the Forest-San Andres Pool and the extension of the Square Lake Pool.

(5) That there is need for certain extensions to the Cato-San Andres Pool in Chaves County, New Mexico, the Shugart Yates Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, the Blinbry Pool, the Cerca-Upper Pennsylvanian Pool, the Lusk-Delaware Pool, and the Spencer-San Andres 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 Strawn production, is hereby created and designated as the South Carlsbad-Strawn Gas Pool, consisting of the following-described area:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 1: E/2

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

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
Section 30: NE/4 SW/4

(c) That the Forest-San Andres Pool in Eddy County, New Mexico, consisting of the following-described area:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 26: S/2
Section 27: S/2

(c) (Forest-San Andres Pool - continued from page 2)

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM - continued

Section 34: All

Section 35: W/2 and SW/4 SE/4

is hereby abolished.

(d) That the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM

Section 27: S/2 SE/4

Section 34: All

Section 35: W/2 and SW/4 SE/4

(e) That the Blinebry 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 8: NE/4

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

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM

Section 6: SE/4

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

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 8: SE/4

(h) That the 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 28: SW/4

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CASE No. 4307
Order No. R-3922

(i) That the Shugart Yates Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 24: SE/4 SW/4

(j) That the Spencer-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 24: SW/4 SW/4 and S/2 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, and extensions included herein shall be March 1, 1970.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman

ALEX J. ARMSTRONG, Member

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

DOCKET: REGULAR HEARING - WEDNESDAY - FEBRUARY 18, 1970

OIL CONSERVATION COMMISSION - 9:00 A.M. - MORGAN HALL, STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

- ALLOWABLE: (1) Consideration of the oil allowable for March, 1970;
- (2) Consideration of the allowable production of gas for March, 1970, from fifteen prorated pools in Lea, Eddy, Roosevelt and Chaves Counties, New Mexico. Consideration of the allowable production of gas from nine prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico, for March, 1970.

CASE 4305: Application of Castus Drilling Corporation for a non-standard location and pool extension, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to complete an oil well at an unorthodox location 330 feet from the South line and 1651 feet from the West line of Section 17, Township 13 South, Range 33 East, North Baum-Upper Pennsylvanian Pool, Lea County, New Mexico.

CASE 4306: Application of Cities Service Oil Company for a non-standard gas proration unit and unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 298-acre non-standard gas proration unit comprising Lots 1, 2, 7, 8, 9, 10, 15 and 16 of Section 3, Township 21 South, Range 25 East, Springs-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to its Springs Unit Well No. 4 at an unorthodox location 1000 feet from the North line and 660 feet from the East line of said Section 3.

CASE 4307: Southeastern New Mexico nomenclature case calling for an order for the creation, extension and abolishment of certain pools in Eddy, Chaves and Lea Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the South Carlsbad-Strawn Gas Pool. The discovery well is the Superior Oil Company's Collatt Estate Com No. 1 located in Unit J of Section 1, Township 23 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
SECTION 1: E/2

(Case 4307 continued)

(b) Create a new pool in Chaves County, New Mexico, classified as an oil pool for Queen production and designated as the Round Tank-Queen Pool. The discovery well is Elk Oil Company's J. W. State Well No. 1 located in Unit K of Section 30, Township 15 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 30: NE/4 SW/4

(c) Abolish the Forest-San Andres Pool in Eddy County, New Mexico, described as:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
SECTION 26: S/2
SECTION 27: S/2
SECTION 34: All
SECTION 35: W/2 and SW/4 SE/4

(d) Extend the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
SECTION 27: S/2 SE/4
SECTION 34: All
SECTION 35: W/2 and SW/4 SE/4

(e) Extend the Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 8: NE/4

(f) Extend the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
SECTION 6: SE/4

(g) Extend the Carca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 8: SE/4

(h) Extend the Lusk-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
SECTION 28: SW/4

(i) Extend the Shugart Yates Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 24: SE/4 SW/4

(j) Extend the Spencer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
SECTION 24: SW/4 SW/4

CASE 4307: (a) CREATION OF A NEW GAS POOL
 COUNTY EDDY POOL SOUTH CARLSBAD STRAWN GAS

TOWNSHIP	23S	RANGE	26E	NMPM
6	5	4	3	2
7	8	9	10	11
18	17	16	15	14
19	20	21	22	23
30	29	28	27	26
31	32	33	34	35
				36

Purpose: One completed gas well capable of producing.
 Discovery Well: The Superior Oil Co., Collat Estate Com Well No.1
 in unit J of Section 1-23-26. Completed in Strawn November 27,
 1969, through perforations 10453' to 10493'.

Proposed pool boundary colored in green.
 Section 1: E/2

CASE 4307: (b) CREATION OF A NEW OIL POOL

COUNTY CHAVES

POOL ROUND TANK-QUEEN

TOWNSHIP	15S	RANGE	29E	NMPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed oil well capable of producing.

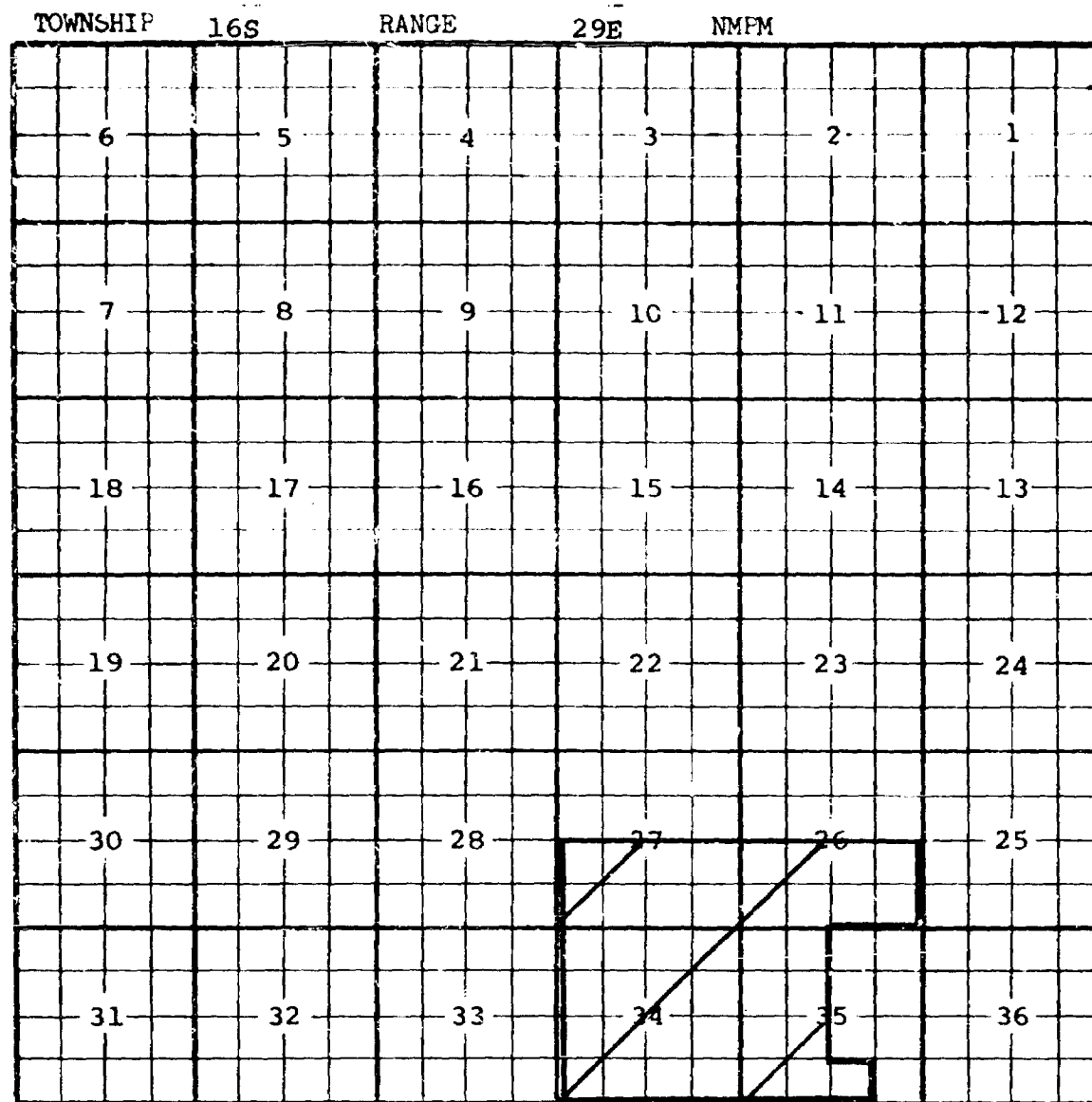
Discovery Well: Elk Oil Co., JW State Well No.1 in unit K of Section 30-15-29. Completed in Queen November 30, 1969, through perforations 1506' to 1522'.

Proposed Pool boundary colored in green.

Section 30: NE/4 SW/4

CASE 4307: (c) ABOLISHMENT OF AN EXISTING OIL POOL

COUNTY EDDY POOL FOREST (SA)



Purpose: Abolish the Forest Pool and place acreage formerly therein in the Square Lake Pool. To place all of an operators wells in one pool and to place cooperating waterflood projects in one pool.

Pool to be abolished outlined in blue:

Section 26: S/2

Section 27: S/2

Section 34: ALL

Section 35: W/2 & SW/4 SE/4

CASE 4307: (d) EXTENSION OF AN EXISTING OIL POOL

COUNTY	EDDY	POOL	SQUARE LAKE (G-SA)
TOWNSHIP	16S	RANGE	29E NMPM
6	5	4	3 2 1
7	8	9	10 11 12
18	17	16	15 14 13
19	20	21	22 23 24
30	29	28	27 26 25
31	32	33	34 35 36

Purpose: Extend the Square Lake Pool to take in acreage formerly in the Forest Pool eliminating some undrilled acreage.

Pool boundary colored in red.

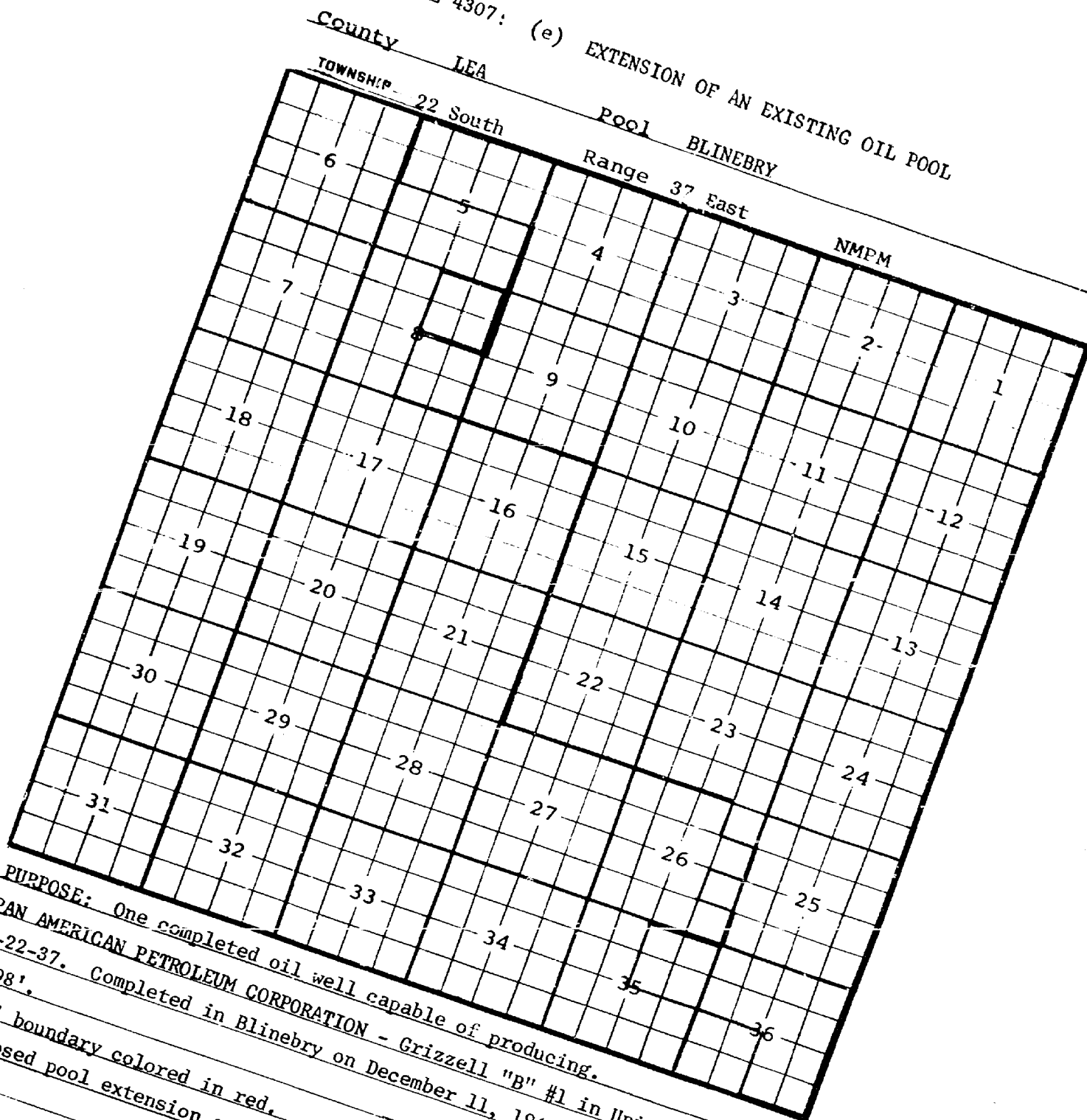
Proposed extensions colored in green.

Section 27: S/2 SE/4

Section 34: ALL

Section 35: W/2 & SW/4 SE/4

CASE 4307: (e) EXTENSION OF AN EXISTING OIL POOL



PURPOSE: One completed oil well capable of producing.

PAN AMERICAN PETROLEUM CORPORATION - Grizzell "B" #1 in Unit G of Section 8-22-37. Completed in Blinebry on December 11, 1969. Top of Perforations 5498'.

Pool boundary colored in red.

Proposed pool extension colored in green.

SECTION 8: NE/4

CASE 4307: (f) EXTENSION OF AN EXISTING OIL POOL

County CHAVES Pool CATO-SAN ANDRES

TOWNSHIP. 9 South Range 30 East NMPM

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a boustrophedon pattern, starting from the top right (1) and moving left, then down to the next row and moving right, and so on. A path of 10 squares is highlighted with a thick black border, starting at square 6 and ending at square 5. The path consists of the following squares: 6, 7, 8, 9, 10, 11, 12, 13, 14, 15.

PURPOSE: One completed oil well capable of producing.

ADOBE OIL COMPANY - Peterson Federal #1 in Unit J of Section 6-9-30.

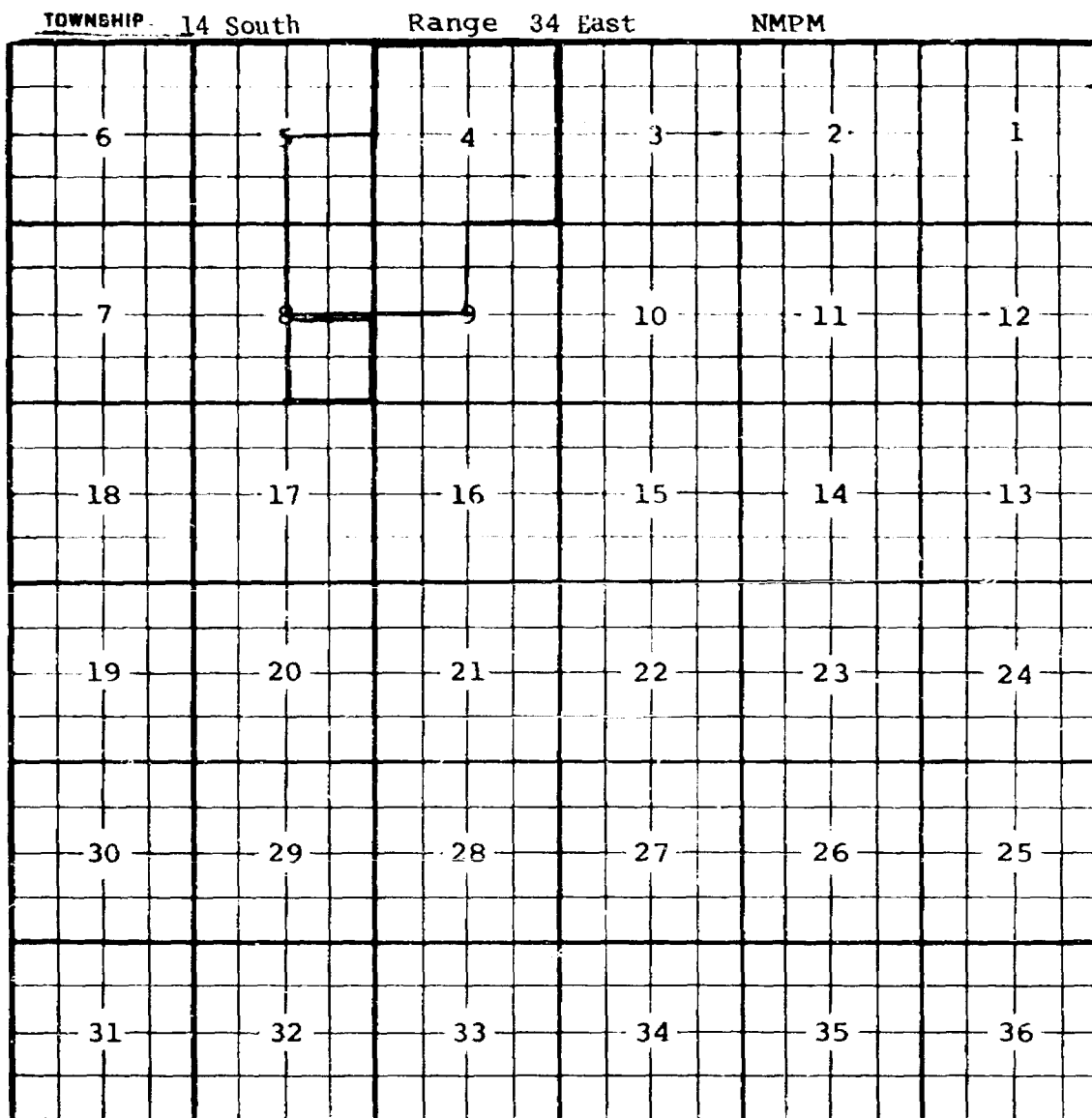
Completed in San Andres on December 2, 1969. Top of Perforations 3382'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 6: SE/4

CASE 4307: (g) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool CERCA-UPPER PENNSYLVANIAN



PURPOSE: One completed oil well capable of producing.

AMINI OIL CORPORATION - Tenneco "A" State #1 in Unit J of Section 8-14-34. Completed in Upper Pennsylvanian on November 26, 1969. Top of Perforations 10,388'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 8: SE/4

CASE 4307: (h) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool LUSK-DELAWARE

TOWNSHIP 19 South Range 32 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed oil well capable of producing.

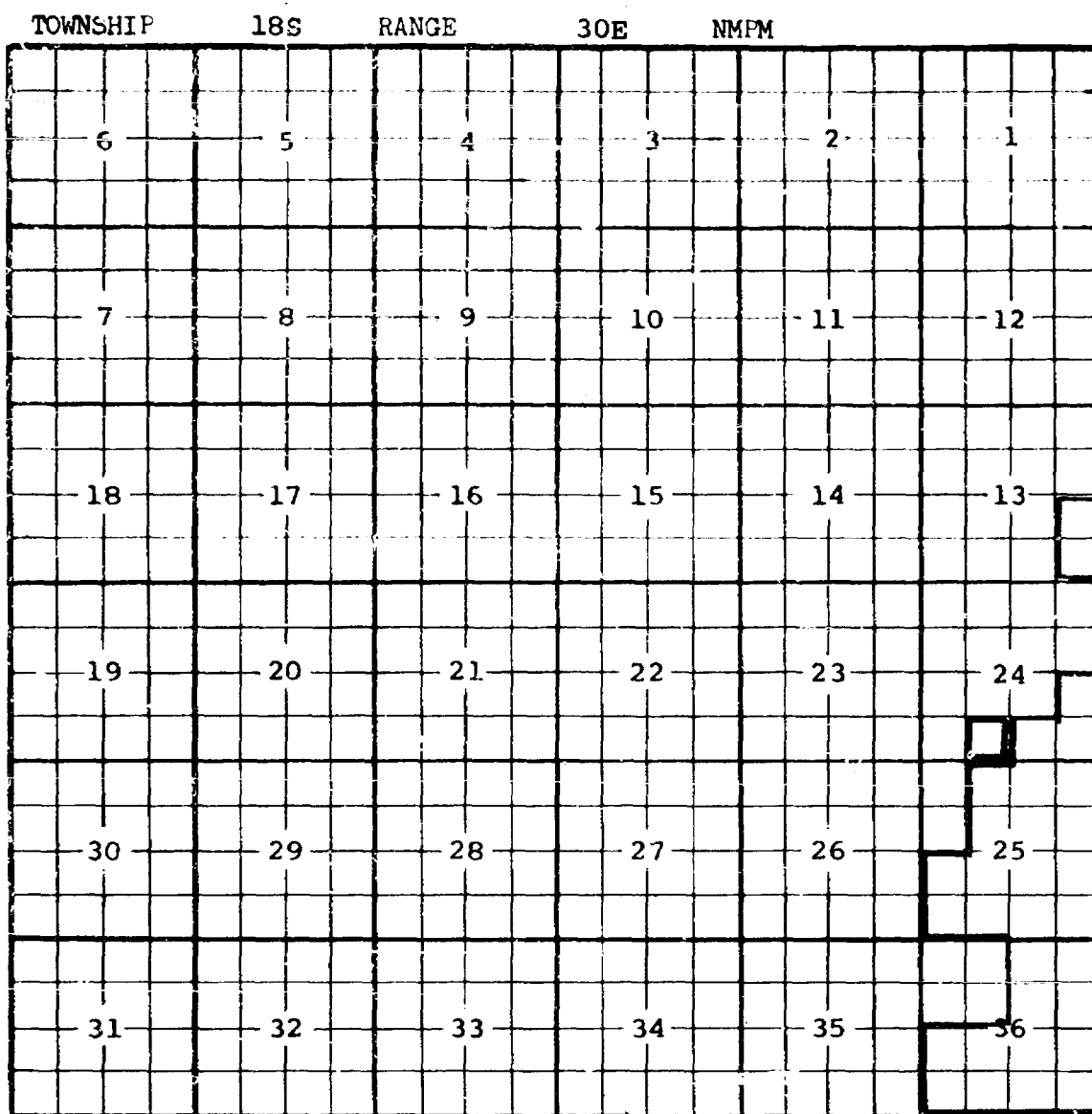
PAN AMERICAN PETROLEUM CORPORATION - Plains Unit Federal #10 in Unit N of Section 28-19-32. Completed in Delaware on December 18, 1969. Top of Perforations 4719'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 28: SW/4

CASE 4307: (i) EXTENSION OF AN EXISTING OIL POOL

COUNTY EDDY POOL SHUGART (Y-SR-Q-G)



Purpose: One completed oil well capable of producing.

Yates Petroleum Corp. Creek AL Well No.5 in unit N of Section 24-18-30. Completed in Queen December 20, 1969, through perforations 3292' to 3364'.

Pool boundary colored in red.

Proposed extension colored in green.

Section 24: SE/4 SW/4

CASE 4307: (j) EXTENSION OF AN EXISTING OIL POOL

County LEA

TOWNSHIP 17 South

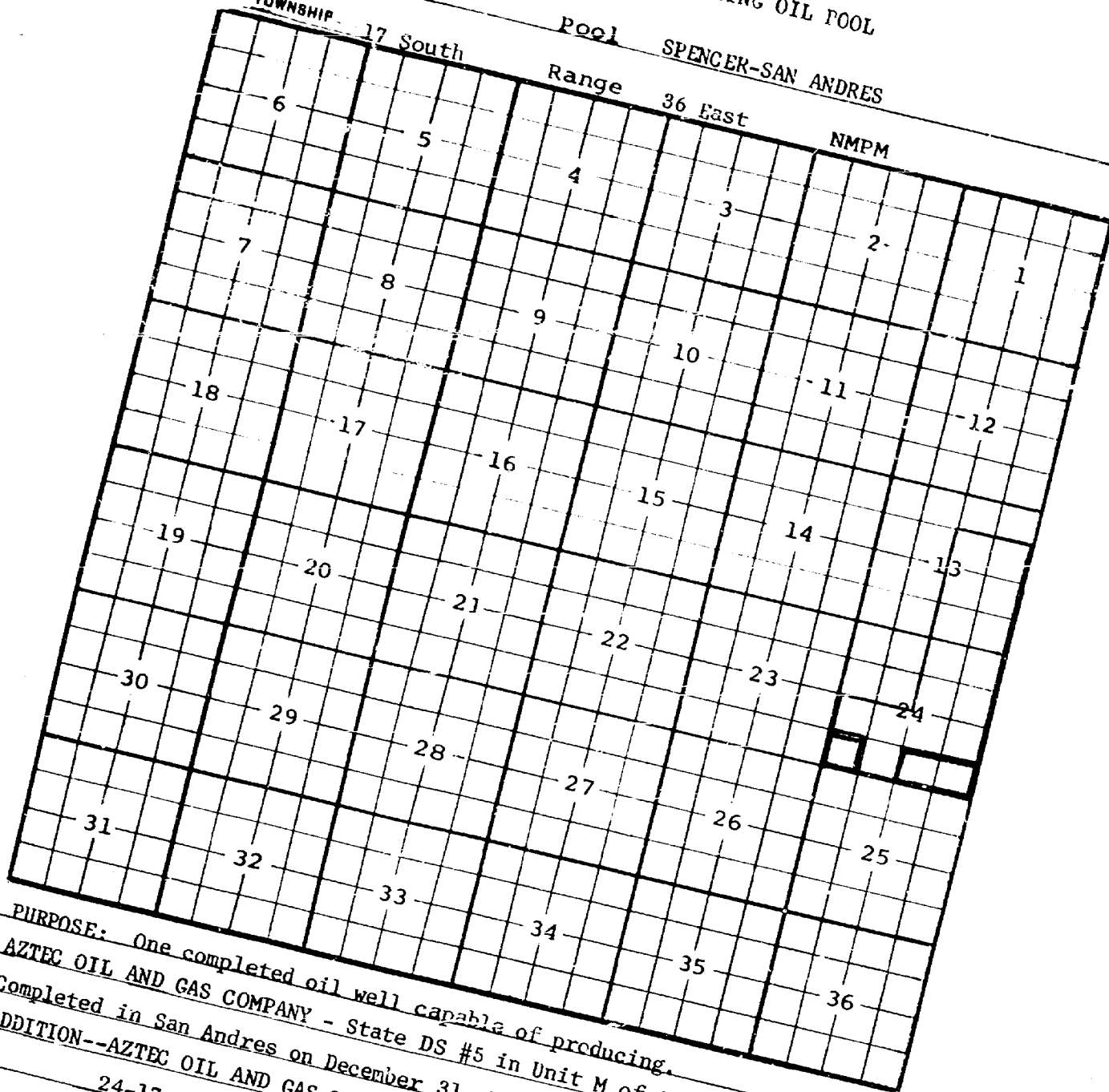
Pool

SPENCER-SAN ANDRES

Range

36 East

NMPM



PURPOSE: One completed oil well capable of producing.

AZTEC OIL AND GAS COMPANY - State DS #5 in Unit M of Section 24-17-36. Completed in San Andres on December 31, 1969. Top of Perforations 5006'.

ADDITION--AZTEC OIL AND GAS COMPANY - State DS #6 in Unit O of Section 24-17-36. Completed in San Andres on January 10, 1970. Top of Perforations 4940'.

Pool boundary colored in red.

Proposed pool extensions colored in green.

SECTION 24: SW/4 SW/4

ADDITION----SECTION 24: S/2 SE/4

NOMENCLATURE ADVERTISEMENT FOR FEBRUARY, 1970

CASE 1307

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of new pools in Chaves and Eddy Counties, New Mexico, the abolishment of an existing pool in Eddy County, New Mexico, and the extension of certain existing pools in Chaves, Eddy, and Lea Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to appear and show cause why such creations, abolishments, and extensions should not be made.

a) CREATE A new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the South Carlsbad-Strawn Gas Pool. The discovery well is The Superior Oil Company, Collatt Estate Com No. 1 located in Unit J of Section 1, Township 23 South, Range 26 East, NMPM. Said pool described as:

✓ TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
SECTION 1: E/2

b) CREATE A new pool in Chaves County, New Mexico, classified as an oil pool for Queen production and designated as the Round Tank-Queen Pool. The discovery well is Elk Oil Company, J. W. State No. 1 located in Unit K of Section 30, Township 15 South, Range 29 East, NMPM. Said pool described as:

✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 30: NE/4 SW/4

c) ABOLISH the Forest-San Andres Pool in Eddy County, New Mexico, described as:

✓ TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
SECTION 26: S/2
SECTION 27: S/2
SECTION 34: All
SECTION 35: W/2 and SW/4 SE/4

d) EXTEND the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
SECTION 27: S/2 SE/4
SECTION 34: All
SECTION 35: W/2 and SW/4 SE/4

e) EXTEND the Blinebry Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
SECTION 8: NE/4

f) EXTEND the Gato-San Andres Pool in Chaves County, New Mexico, to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
SECTION 6: SE/4

February, 1970 Nomenclature

g) EXTEND the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 8: SE/4

h) EXTEND the Lusk-Delaware Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
SECTION 28: SW/4

i) EXTEND the Shugart Yates Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 24: SE/4 SW/4

j) EXTEND the Spencer-San Andres Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
SECTION 24: SW/4 SW/4

(4) That there is need for the consolidation of the Forest-San
Andres Pool and the Square Lake Pool, both in Eddy County,
New Mexico, ~~inasmuch~~ inasmuch as both pools are producing from
one ~~a~~ common source of supply. Said consolidation to be
accomplished by the abolishment of the Forest-San Andres
Pool and the extension of the Square Lake Pool.

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 4307
ORDER NO. R- 3922

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on February 18, 1970, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this ___ day of February, 1970, 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 Strawn formation, said pool to bear the designation of South Carlsbad-Strawn Gas Pool. Said South Carlsbad-Strawn Gas Pool was discovered by the Superior Oil Company Collat Estate Com Well No. 1, located in Unit J of Section 1, Township 23 South, Range 26 East, NMPM. It was completed in the Strawn formation on November 27, 1969. The top of the perforations is at 10,453 feet.

✓ (3) That there is need for the creation of a new oil pool in Chaves County, New Mexico, for the production of oil from the Queen formation, said pool to bear the designation of Round Tank-Queen Pool. Said Round Tank-Queen Pool was discovered by the Elk Oil Company JW State Well No. 1, located in Unit K of Section 30, Township 15 South, Range 29 East, NMPM. It was completed in the Queen formation on November 30, 1969. The top of the perforations is at 1506 feet.

(4) That there is need for the abolishment of the Forest-San Andres Pool in Eddy County, New Mexico, in order to place all of an operator's wells in one pool and to place cooperating waterflood projects in one pool. The abolished acreage is to be placed in the Square Lake Grayburg-San Andres Pool.

✓ (5) That there is need for certain extensions to the Cato-San Andres Pool in Chaves County, New Mexico, the Shugart Yates Seven Rivers Queen-Grayburg Pool ~~and the Square Lake Grayburg-San Andres Pool, both~~ in Eddy County, New Mexico, the Blinebry Pool, the Cerca-Upper Pennsylvanian Pool, the Lusk-Delaware Pool, and the Spencer-San Andres 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 Strawn production, is hereby created and designated as the South Carlsbad-Strawn Gas Pool, consisting of the following described area:

✓ TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
SECTION 1: E/2

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

✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM
SECTION 30: NE/4 SW/4

(c) That the Forest-San Andres Pool in Eddy County, New Mexico, consisting of the following described area:

✓ TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
SECTION 26: S/2
SECTION 27: S/2
SECTION 34: All
SECTION 35: W/2 and SW/4 SE/4

is hereby abolished.

(d) That the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
SECTION 27: S/2 SE/4
SECTION 34: All
SECTION 35: W/2 and SW/4 SE/4

(e) That the Blinebry 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 8: NE/4

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

✓ TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
SECTION 6: SE/4

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

✓ TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
SECTION 8: SE/4

(h) That the 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 28: SW/4

(i) That the Shugart Yates Seven Rivers Queen-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
SECTION 24: SE/4 SW/4

(j) That the Spencer-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
SECTION 24: SW/4 SW/4 and S/2 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 ob-

tain 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, and extensions included herein shall be March 1, 1970.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

DAVID F. CARGO, Chairman

ALEX ARMIJO, Member

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

S E A L

CASE 4308: Application of BILL J.
GRAHAM FOR SALT WATER DISPOSAL,
LEA COUNTY, NEW MEXICO.