

CASE 4414:

SOUTHEASTERN NEW MEXICO  
NOMENCLATURE

Case Number

4414

Application  
Transcripts.

Small Exhibits

ETC.

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

209 SIMMS BLDG. • P.O. BOX 1092 • PHONE 243-6691 • ALBUQUERQUE, NEW MEXICO



BEFORE THE  
NEW MEXICO OIL CONSERVATION COMMISSION  
Santa Fe, New Mexico  
August 19, 1970

EXAMINER HEARING

IN THE MATTER OF:

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

Case No. 4414

BEFORE: Daniel S. Nutter, Examiner

TRANSCRIPT OF HEARING

MR. HATCH: Case No. 4414.

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

(a) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designation as the Townsend-Morrow Gas Pool. The discovery well is the Advance Oil & Gas Company State ETA No. 2 located in Unit I of Section 8, Township 16 South, Range 35 East, NMPM. Said Pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

SECTION 8: SE/4

(b) Extend the Allison-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM

SECTION 12: S/2

(c) Extend the Baum-Uppor Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM

SECTION 36: NW/4

(d) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM

SECTION 24: E/2NE/4

(e) Extend the EK Yates-Seven Rivers-Queen Pool in Lea

County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM

SECTION 19: SE/4

SECTION 20: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM

SECTION 19: S/2

(g) Extend the Indian Basin-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM

SECTION 21: N/2 and N/2 N/2 N/2 S/2

(h) Extend the Paduca-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM

SECTION 1: W/2

SECTION 12: W/2

(i) Extend the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM

SECTION 3: Lots 1, 2, 7, 8, 9, 10,  
15 and 16

(j) Extend the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

SECTION 26: SW/4 NE/4

(k) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

SECTION 33: NW/4

(l) Extend the Northwest Vacuum-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

SECTION 5: SW/4

JAMES E. KAPTEINA

the witness, having been first duly sworn upon his oath, according to law testified as follows:

DIRECT EXAMINATION

BY MR. HATCH:

Q Would you state your name and position for the record:

A James E. Kapteina; Petroleum Engineer for the New Mexico Oil Conservation Commission.

Q Are you prepared to make recommendations to the Examiner concerning the creation and extension of certain pools in Lea, Chaves and Eddy Counties, New Mexico?

A Yes, Sir.

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

A Yes, Sir. They are prepared as Exhibit 1, Paragraphs (a) through (l).

Q     Alright. Would you refer to Paragraphs (a) through (1) of the docket and of your exhibit and point out any corrections that need to be made in the docket.

A     The docket and the exhibit are the same for the exception of Paragraph (c). Paragraph (c), there are two additions. The first, Township 13 South, Range 33 East, Section 31: NW/4. Township 14 South, Range 32 East, Section 2: NE/4.

Q     The rest of it is correct?

A     The rest is the same as the docket and exhibit are the same.

Q     Alright. Do you recommend the pools in Paragraphs (a) through (1) then be created and extended as shown on the docket as you have corrected it in this hearing?

A     Yes, Sir. That is my recommendation.

Q     Alright. Was Exhibit 1 prepared by you or someone working for the Commission?

A     This was prepared by employees in the Hobbs District.

MR. HATCH: Alright. I'd like to introduce Exhibit 1.

MR. NUTTER: Oil Conservation Staff Exhibit 1 will be admitted in evidence.

(Exhibit 1 marked in evidence.)

MR. NUTTER: Do you have anything further, Mr. Hatch?

MR. HATCH: No.

MR. NUTTER: Does anyone have anything they wish to

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offer in Case No. 4414? Any questions of Mr. Kapteina ?

You may be excused. This case will be taken under advisement.



STATE OF NEW MEXICO     )  
                              ) ss.  
COUNTY OF BERNALILLO    )

I, Peter A. Lumia, Court Reporter, 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.

Peter A. Lumia  
Peter A. Lumia, C.S.R.

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the Zandbar hearing of Case No. 4414,  
heard by me on 8/19, 1970.

Christina, Secretary  
New Mexico Oil Conservation Commission

I N D E X

WITNESS:

PAGE

Mr. James E. Kapteina

Direct Examination by Mr. Hatch

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EXHIBIT

MARKED

OFFERED AND  
ADMITTED

Oil Conservation  
Commission Staff  
Exhibit 1

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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. 4414  
Order No. R-4014

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION UPON ITS OWN MOTION FOR AN  
ORDER CREATING 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 9:30 a.m. on August 19, 1970,  
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 21st day of August, 1970, 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 Lea County, New Mexico, for the production of gas from the  
Morrow formation, said pool to bear the designation of Townsend-  
Morrow Gas Pool. Said Townsend-Morrow Gas Pool was discovered  
by the Avance Oil & Gas Company State ETA Well No. 2, located in  
Unit I of Section 8, Township 16 South, Range 35 East, NMPM. It  
was completed in the Morrow formation on September 9, 1969. The  
top of the perforations is at 11,770 feet.

(3) That there is need for certain extensions to the  
Sulimar-Queen Pool in Chaves County, New Mexico, the Indian  
Basin-Upper Pennsylvanian Gas Pool, the Paduca-Morrow Gas Pool,  
and the Springs-Upper Pennsylvanian Gas Pool, all in Eddy County,

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CASE No. 4414  
Order No. R-4014

New Mexico, the Allison-Pennsylvanian Pool, the Baum-Upper Pennsylvanian Pool, the Drinkard Pool, the EK Yates-Seven Rivers-Queen Pool, the Hobbs-Blinbry Pool, the Tres Papalotes-Pennsylvanian Pool, and the Northwest Vacuum-Wolfcamp Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
Section 8: SE/4

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

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM  
Section 12: S/2

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

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM  
Section 36: NW/4

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM  
Section 31: NW/4

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM  
Section 2: NE/4

(d) 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 24: E/2 NE/4

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CASE No. 4414

Order No. R-4014

(e) That the EK Yates-Seven Rivers-Queen 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 19: SE/4

Section 20: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM

Section 19: S/2

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

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM

Section 21: N/2 and N/2 N/2 N/2 S/2

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

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM

Section 1: W/2

Section 12: W/2

(i) That the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM

Section 3: Lots 1, 2, 7, 8, 9, 10,  
15 and 16

(j) That the Sulimar-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM

Section 26: SW/4 NE/4

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CASE No. 4414  
Order No. R-4014

(k) That the Tres Papalotes-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 33: NW/4

(l) That the Northwest Vacuum-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

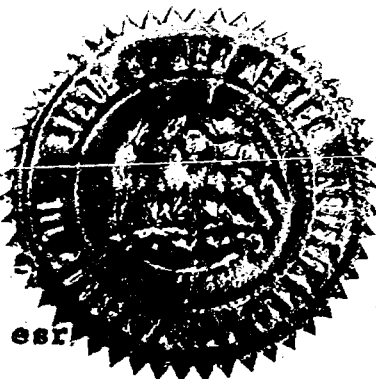
TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
Section 5: SW/4

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 and extensions included herein shall be September 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. ARMIJO, Member

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

Docket No. 19-70

DOCKET: REGULAR HEARING - WEDNESDAY - AUGUST 19, 1970

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

- ALLOWABLE:
- (1) Consideration of the oil allowable for September and October, 1970;
  - (2) Consideration of the allowable production of gas for September, 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, September, 1970.

THE FOLLOWING CASES WILL BE HEARD BEFORE DANIEL S. NUTTER, EXAMINER, OR ELVIS A. UTZ, ALTERNATE EXAMINER, IN THE OIL CONSERVATION COMMISSION CONFERENCE ROOM ON THE SECOND FLOOR OF SAID BUILDING AT 9:30 a.m.

CASE 4414: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Lea, Chaves, and Eddy Counties, New Mexico:

(a) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Townsend-Morrow Gas Pool. The discovery well is the Avance Oil & Gas Company State ETA No. 2 located in Unit I of Section 8, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
SECTION 8: SE/4

(b) Extend the Allison-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM  
SECTION 12: S/2

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

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM  
SECTION 36: NW/4

(d) Extend the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
SECTION 24: E/2 NE/4

(e) Extend the EK Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM  
SECTION 19: SE/4  
SECTION 20: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM  
SECTION 19: S/2

(g) Extend the Indian Basin-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM  
SECTION 21: N/2 and N/2 N/2 N/2 S/2

(h) Extend the Paduca-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM  
SECTION 1: W/2  
SECTION 12: W/2

(i) Extend the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM  
SECTION 3: Lots 1, 2, 7, 8, 9, 10,  
15 and 16

(j) Extend the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM  
SECTION 26: SW/4 NE/4



August 19, 1970 - Regular Hearing

Docket No. 19-70

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(k) Extend the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM  
SECTION 33: NW/4

(l) Extend the Northwest Vacuum-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
SECTION 5: SW/4

CASE 4413: In the matter of the hearing called by the Oil Conservation Commission upon its own motion to permit Stanley Leonard Jones dba Francisca Corporation and all other interested parties to appear and show cause why the Francisca Corporation Beeman Well No. 1 located 1980 feet from the South and West lines of Section 2, Township 24 South, Range 28 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 4172: (Reopened)

In the matter of Case No. 4172 being reopened pursuant to the provisions of Order No. R-3816, which order established 80-acre spacing units for the Northeast Lovington-Pennsylvanian Pool, Lea County, New Mexico. All interested parties may appear and show cause why the said pool should not be developed on 40-acre spacing units.

CASE 4399: Application of Pan American Petroleum Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle in the wellbore production from the Blinebry, Tubb, and Drinkard Oil Pools in its Southland Royalty "A" Well No. 8 located in Unit O of Section 4, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 4400: Application of David C. Collier for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves and Roosevelt Counties, New Mexico. Said exception would be for applicant's Southern Federal Lease in Units A, C, E, G, I, K, and M of Section 30, Township 19 South, Range 31 East, North Hackberry Yates-Seven Rivers Pool, Eddy County, New Mexico.

- CASE 4401: Application of Read and Stevens, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen, San Andres, Glorieta, and Delaware formations in the open-hole interval between the 8 5/8 inch casing shoe at 3998 feet and the top of the cement at 6109 feet in its Getty State "B.G." Well No. 1 located in Unit K of Section 12, Township 19 South, Range 34 East, Quail-Queen Pool, Lea County, New Mexico.
- CASE 4402: Application of Reserve Oil and Gas Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Cooper-Jal Unit Area comprising 2581 acres, more or less, of Federal and fee lands in Township 24 South, Ranges 36 and 37 East, Lea County, New Mexico.
- CASE 4403: Application of Reserve Oil and Gas Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by water injection through 26 wells into the Lower Seven-Rivers and Queen formations underlying its Cooper-Jal Unit Area, Langlie-Mattix Pool, Lea County, New Mexico.
- CASE 4404: Application of Reserve Oil and Gas Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by water injection through 23 wells into the Tansill, Yates, and Upper and Middle Seven-Rivers formations underlying its Cooper-Jal Unit Area, Jalmat Pool, Lea County, New Mexico.
- CASE 4405: Application of Reserve Oil and Gas Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the South Langlie-Jal Unit Area comprising 1080 acres, more or less, of fee lands in Township 25 South, Range 37 East, Lea County, New Mexico.
- CASE 4406: Application of Reserve Oil and Gas Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by water injection through 13 wells into the Seven Rivers and Queen formations underlying its South Langlie-Jal Unit Area, Langlie-Mattix Oil Pool, Lea County, New Mexico.
- CASE 4407: Application of Tenneco Oil Company for an unorthodox oil well location, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox Dakota oil well location 1980 feet from the South and East lines of Section 13, Township 17 North, Range 9 West, Hospah Field, McKinley County, New Mexico, said location being closer than 330 feet to an inner boundary line.

August 19, 1970 - Regular Hearing

Docket No. 19-70

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- CASE 4408: Application of Keohane and Westall for an exception to Order No. R-3221, as amended, Eddy County, New Mexico. Applicants, in the above-styled cause, seek an exception to Order No. R-3221, as amended, which order prohibits the disposal of water produced in conjunction with the production of oil on the surface of the ground in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico. Said exception would be for applicants' State Well No. 1, located in Unit D of Section 2, Township 19 South, Range 31 East, Shugart Pool, Eddy County, New Mexico.
- CASE 4409: Application of Anadarko Production Company for two waterflood expansions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the expansion of its Federal Q Waterflood Project by the conversion to water injection of three additional wells in Units J, L, and P of Section 3, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico. Applicant further seeks the expansion of the Stallworth Oil and Gas Company Parke Waterflood Project by the conversion to water injection of one additional well in Unit H of said Section 3.
- CASE 4410: Application of Major, Giebel & Forster for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SE/4 of Section 28, Township 25 South, Range 37 East, Crosby-Devonian Pool, Lea County, New Mexico, said acreage to be dedicated to a well to be drilled in said quarter section. Also, to be considered will be the cost of drilling said well, a charge for the risk involved, a provision for the allocation of actual operating costs, and the establishment of charges for supervision of said well.
- CASE 4411: Application of Continental Oil Company for an exception to Rule 104 C I, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C I of the Commission Rules and Regulations to permit the completion within 660 feet of another producing well in the same formation of its State H-35 Well No. 10 located 2030 feet from the North line and 1780 feet from the East line of Section 35, Township 17 South, Range 34 East, Vacuum Pool, Lea County, New Mexico.
- CASE 4412: Application of Continental Oil Company for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project by the injection of water into the Yates and Seven Rivers formations through two wells on its McCallister "A" lease in Section 24, Township 26 South, Range 36 East, Scarborough Yates-Seven Rivers Pool, Lea County, New Mexico.

NEW POOLS

- a) It is recommended that a new gas pool be created and designated as the TOWNSEND-MORROW GAS Pool.

Vertical limits to be the Morrow formation and the horizontal limits should be as follows: As shown in Paragraph (a), Exhibit I

Discovery well was Avance Oil & Gas Company - State ETA #2 located in Unit I Section 8 Township 16 Range 35 and was completed on September 9, 1969. Top of perforations is at 11,770 feet.

It is recommended that a new \_\_\_\_\_ pool be created and designated as the \_\_\_\_\_ Pool.

Vertical limits to be the \_\_\_\_\_ formation and the horizontal limits should be as follows: \_\_\_\_\_

Discovery well was \_\_\_\_\_ located in Unit \_\_\_\_\_ Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_ and was completed on \_\_\_\_\_. Top of perforations is at \_\_\_\_\_ feet.

It is recommended that a new \_\_\_\_\_ pool be created and designated as the \_\_\_\_\_ Pool.

Vertical limits to be the \_\_\_\_\_ formation and the horizontal limits should be as follows: \_\_\_\_\_

Discovery well was \_\_\_\_\_ located in Unit \_\_\_\_\_ Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_ and was completed on \_\_\_\_\_. Top of perforations is at \_\_\_\_\_ feet.

CASE 4414: (a) CREATION OF A NEW GAS POOL  
County LEA Pool TOWNSEND-MORROW GAS

TOWNSHIP 16 South Range 35 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

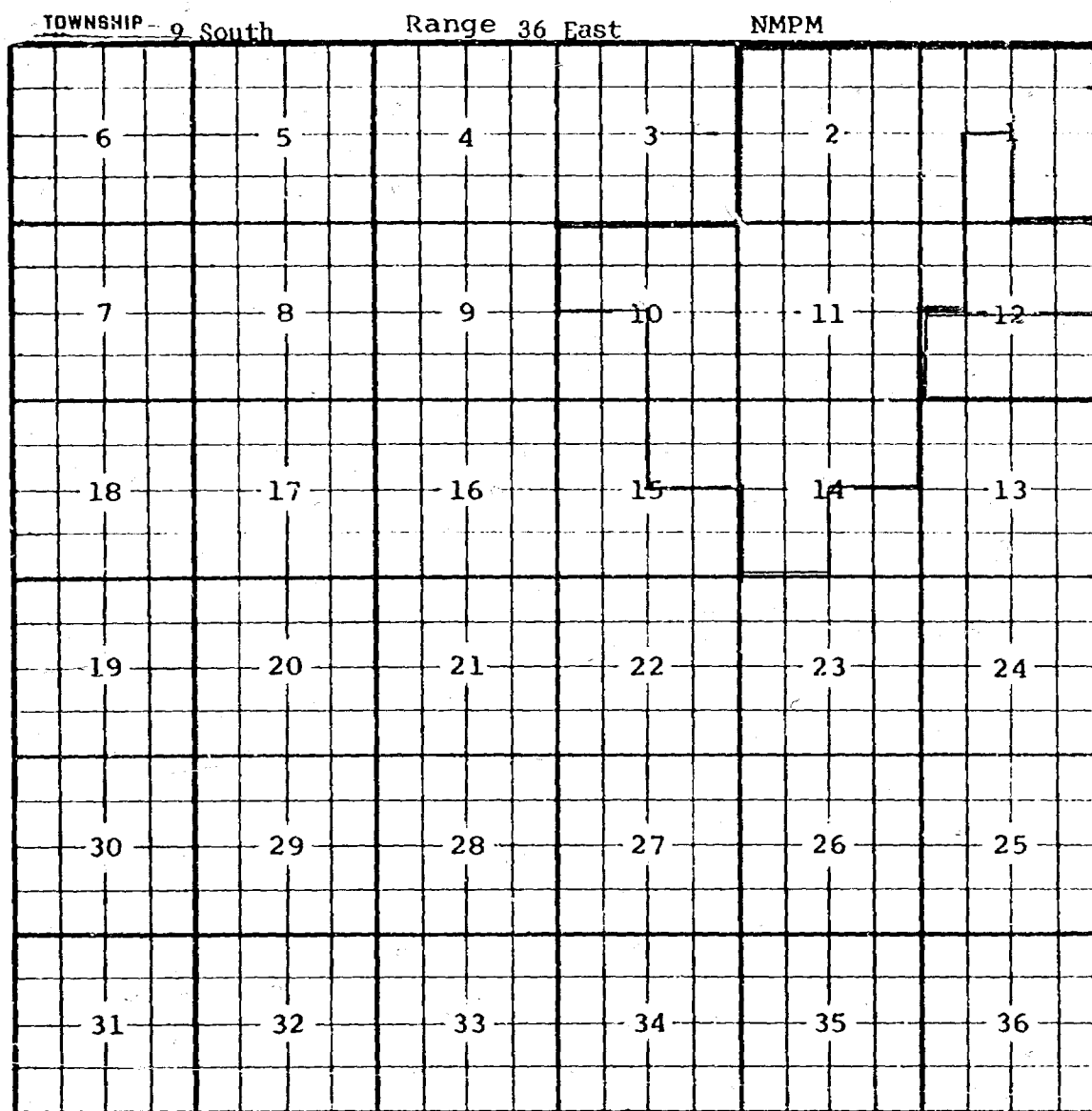
PURPOSE: One completed gas well capable of producing.

AVANCE OIL & GAS COMPANY - State ETA #2 in Unit I of Section 8-16-35.

Completed in Morrow on September 9, 1969. Top of Perforations 11,770'.

Proposed pool boundary colored in red. SECTION 8: SE/4

CASE 4414: (b) EXTENSION OF AN EXISTING OIL POOL  
 County LEA Pool ALLISON-PENNSYLVANIAN



PURPOSE: One completed oil well capable of producing.

ROGER C. HANKS - Marco Federal #1 in Unit P of Section 12-9-36. Completed in Bough C on June 6, 1970. Top of Perforations 9719'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 12: S/2

CASE 4414: (c) EXTENSION OF AN EXISTING OIL POOL (Continued on next  
County LEA Pool BAUM-UPPER PENNSYLVANIAN page)

TOWNSHIP 13 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.

COASTAL STATES GAS PRODUCING COMPANY - State "36" #2 in Unit F of Section  
36-13-32. Completed in Upper Pennsylvanian on June 12, 1970. Top of  
Perforations 7808'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 36: NW/4

CASE 4414: (c) EXTENSION OF AN EXISTING OIL POOL (Continued on next  
 County LEA Pool BAUM-UPPER PENNSYLVANIAN page)

TOWNSHIP 13 South						Range 33 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: As stated on preceding page, paragraph (c), Exhibit I.

ADDITION--COASTAL STATES GAS PRODUCING COMPANY - State "31" #3 in Unit E  
 of Section 31-13-33. Completed in Upper Pennsylvanian on July  
 20, 1970. Top of Perforations 9888'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 31: NW/4



CASE 4414: (c) EXTENSION OF AN EXISTING OIL POOL (Continued)  
County LEA Pool BAUM-UPPER PENNSYLVANIAN

TOWNSHIP		14 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: As stated on preceding page, paragraph (c), Exhibit I.

ADDITION--BTA OIL PRODUCERS - Baum 704 JV-D #1 in Unit A of Section 2-14-32. Completed in Upper Pennsylvanian on July 10, 1970. Top of Perforations 9852'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 2: NE/4

CASE 4414: (d) EXTENSION OF AN EXISTING OIL POOL  
County LEA Pool DRINKARD

TOWNSHIP		21 South		Range		36 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.

THE FUNDAMENTAL OIL CORPORATION - Gulf Leonard #1 in Unit H of Section  
24-21-36. Completed in Drinkard on May 25, 1970. Top of Perforations  
6631'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 24: E/2 NE/4

CASE 4414: (a) EXTENSION OF AN EXISTING OIL POOL  
County LEA Pool EK QUEEN YATES-SEVEN RIVERS

TOWNSHIP -- 18 South      Range    34 East      NMPM

PURPOSE: One completed oil well capable of producing.

W. O. HARRINGTON - Scharbauer Cattle Co. #2 in Unit L of Section 20-18-34.

Completed in Queen on September 28, 1969. Top of Perforations 4526'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 19: SE/4

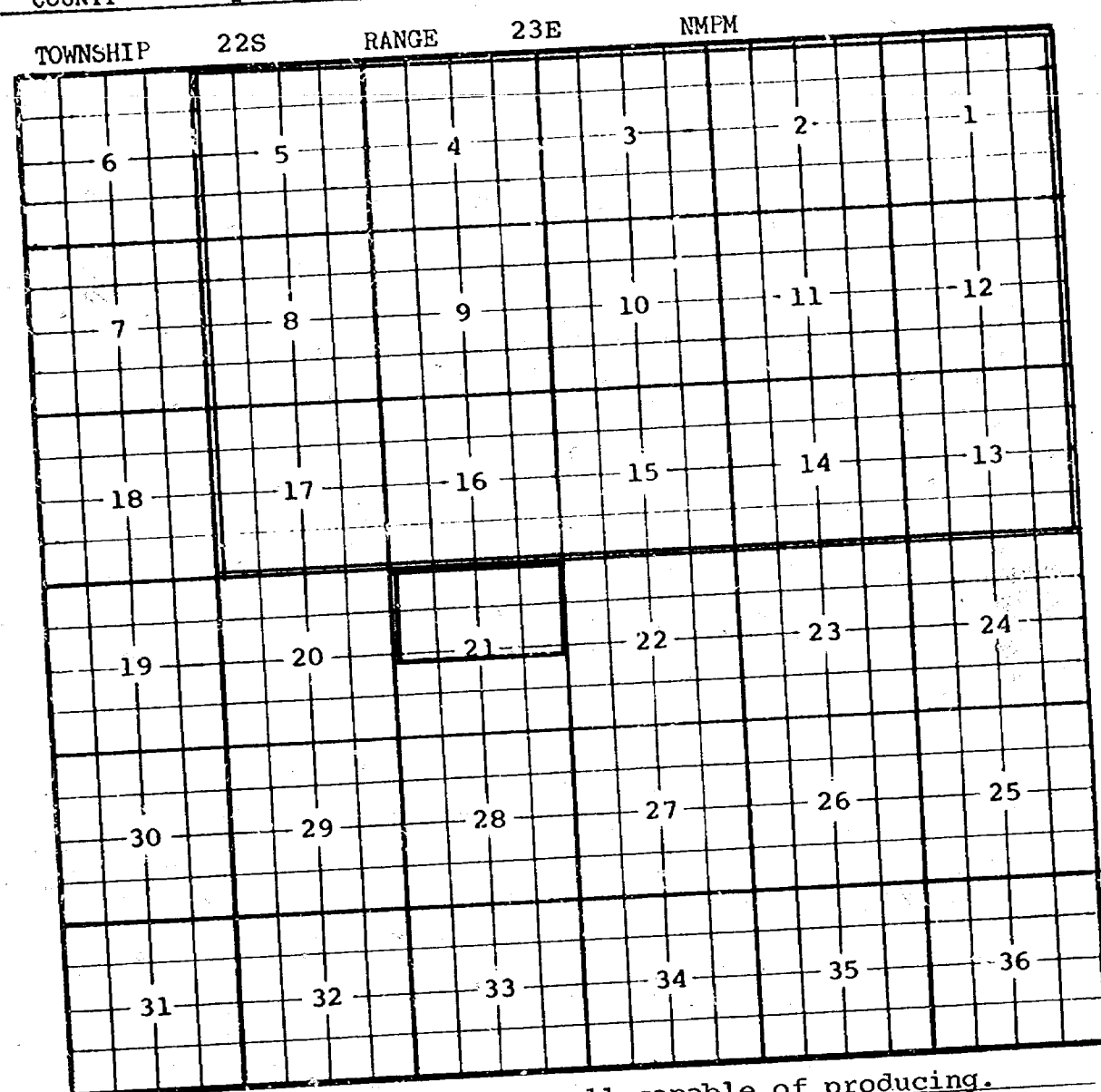
SECTION 20: SW/4

CASE 4414: (F) EXTENSION OF AN EXISTING OIL POOL

County LEA Pool HOBBS-BLINEBRY

TOWNSHIP		18 South		Range		38 East		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	

CASE 4414: (g) EXTENSION OF AN EXISTING GAS POOL  
COUNTY Eddy POOL Indian Basin-Upper Pennsylvanian Gas



Purpose: One completed gas well capable of producing.

Southwestern Natural Gas Inc. Mershon Gas Com well No. 1 in  
Unit A of Section 21-22-23. Completed in Upper Pennsylvanian  
September 22, 1969, through perforations 7461' to 7611.

Pool boundary colored in red.

Proposed extension colored in green.

Section 21. N/2 & N/2 N/2 N/2 S/2

CASE 4414: (h) EXTENSION OF AN EXISTING GAS POOL

COUNTY	Eddy		POOL	Paduca-Morrow Gas	
TOWNSHIP	25S		RANGE	31E	NMPM
6	5	4	3	2	
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 gas well capable of producing.

Texaco Inc. Cotton Draw Unit well No. 68 in unit F of Section 12-25-31. Completed in Morrow June 9, 1970, through perforations 14731' to 14763'.

Pool boundary colored in red.

Proposed extension colored in green. Section 1: W/2  
Section 12: W/2

CASE 4414: (i) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL Springs-Upper Pennsylvanian Gas

TOWNSHIP 21S RANGE 25E NMPM

A 6x6 grid with numbers 1 through 36. The numbers are arranged in a boustrophedon pattern, starting from the top right (1) and ending at the bottom left (36). A 2x2 area of cells, containing numbers 3, 2, 10, and 11, is highlighted with a thick black border. The grid is composed of thin lines, while the highlighted area has a thicker border.

Purpose: One completed gas well capable of producing.

Cities Service Oil Co. Springs Unit Com Well No.4 in unit H of section 3-21-25. Completed in Upper Pennsylvanian June 8, 1970, through perforations 8090' to 8100'.

Pool boundary colored in red.

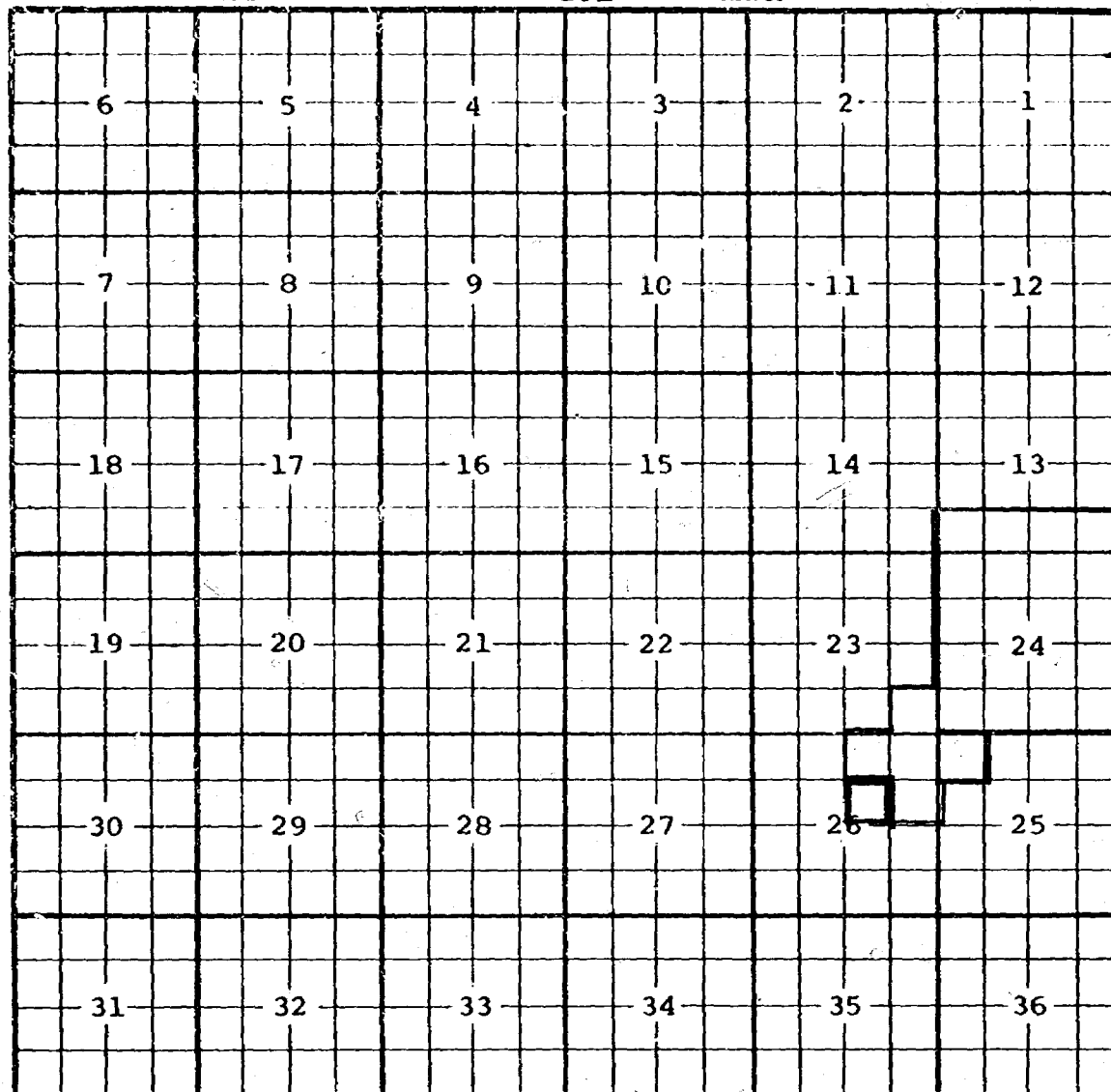
Proposed extension colored in green.

Section 3: lots 1,2,7,8,9,10,15 & 16

CASE 4414: (j) EXTENSION OF AN EXISTING OIL POOL

COUNTY Chaves POOL Sulimar-Queen

TOWNSHIP 15S RANGE 29E NMPM



Purpose: One completed oil well capable of producing.

Cities Service Oil Co., Snyder Federal Well No.2 in Unit G of Section 26-15-29. Completed in Queen June 9, 1970, through perforations 1954' to 1963'.

Pool boundary colored in red.

Proposed extension colored in green. Section 26: SW/4 NE/4



CASE 4414: (k) EXTENSION OF AN EXISTING OIL POOL  
 County LEA Pool TRES PAPALOTES-PENNSYLVANIAN

TOWNSHIP 14 South						Range 34 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.

LONE STAR PRODUCING COMPANY - New Mexico (86) State #1 in Unit F of Sec-  
 tion 33-14-34. Completed in Saunders Lime on June 7, 1970. Top of  
 Perforations 10,402'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 33: NW/4

CASE 4414: (1) EXTENSION OF AN EXISTING OIL POOL  
 County LEA Pool NORTHWEST VACUUM-WOLFCAMP

TOWNSHIP 17 South						Range 34 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.  
 KING RESOURCES COMPANY - Lea-Mex State #1 in Unit L of Section 5-17-34.  
 Completed in Wolfcamp on June 1, 1970. Top of Perforations 10,867'.  
 Pool boundary colored in red.  
 Proposed pool extension colored in green. SECTION 5: SW/4

CASE 4414: (a) CREATION OF A NEW GAS POOL  
County LEA Pool TOWNSEND-MORROW GAS

TOWNSHIP 16 South						Range 35 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												

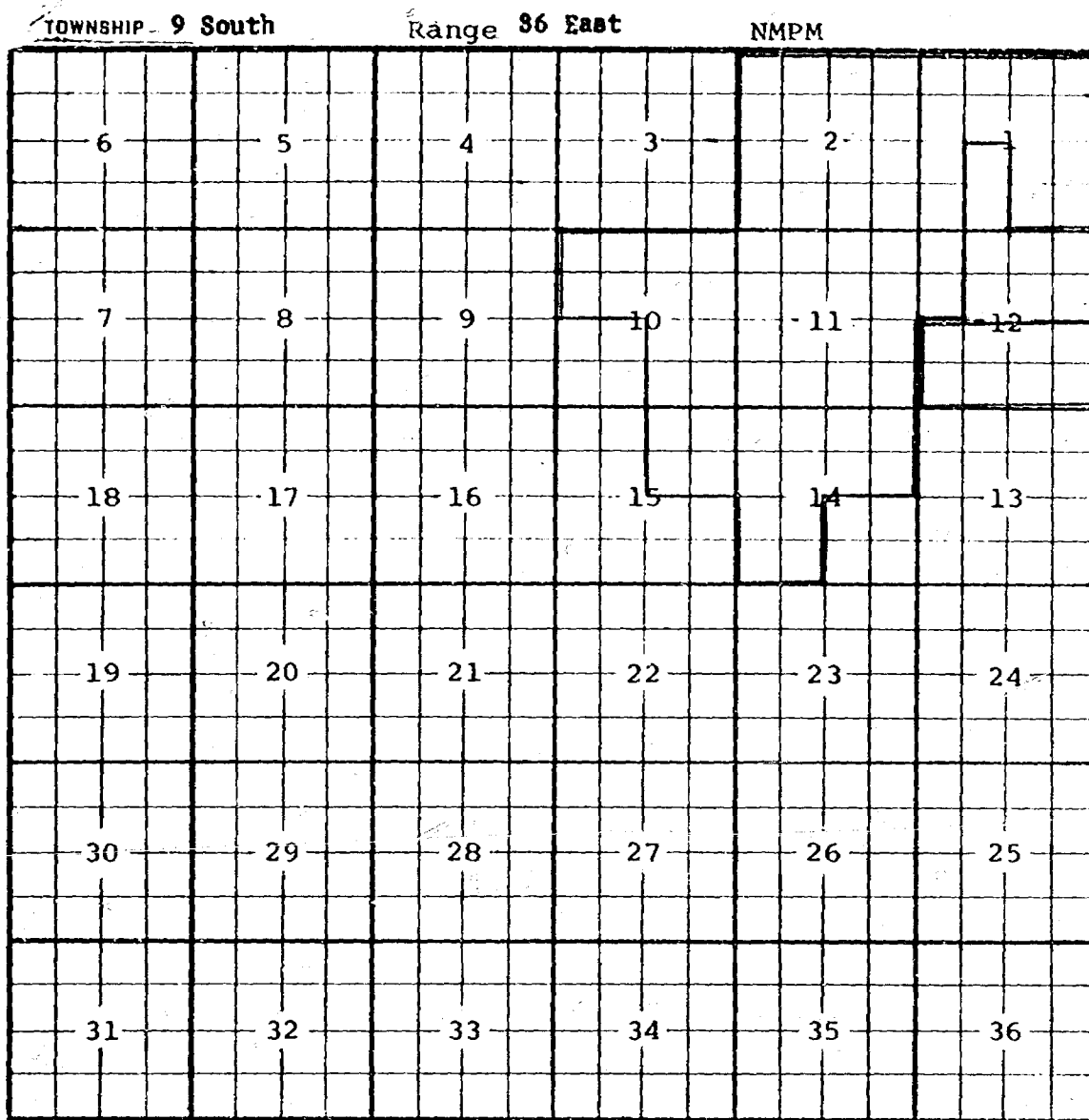
PURPOSE: One completed gas well capable of producing.

AVANCE OIL & GAS COMPANY - State ETA #2 in Unit I of Section 8-16-35.

Completed in Morrow on September 9, 1969. Top of Perforations 11,770'.

Proposed pool boundary colored in red. SECTION 8: SE/4

CASE 4414 (b) EXTENSION OF AN EXISTING OIL POOL  
County LEA Pool Allison-Pennsylvanian



PURPOSE: One completed oil well capable of producing.

ROGER C. HANKS - Marco Federal #1 in Unit P of Section 12-9-36. Completed in Bough C on June 6, 1970. Top of Perforations 9719'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 12: 8/2

CASE 4414: (c) EXTENSION OF AN EXISTING OIL POOL (Continued on next  
 County LEA Pool BAUM-UPPER PENNSYLVANIAN page)

TOWNSHIP		13 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.

COASTAL STATES GAS PRODUCING COMPANY - State "36" #2 in Unit F of Section  
 36-18-32. Completed in Upper Pennsylvanian on June 12, 1970. Top of  
 Perforations 7808'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 36: NW/4

CASE 4414: (c) EXTENSION OF AN EXISTING OIL POOL (Continued on next  
 County LEA POOL BAUM-UPPER PENNSYLVANIAN page)

TOWNSHIP 13 South						Range 33 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: As stated on preceding page, paragraph (c), Exhibit I.

ADDITION--COASTAL STATES GAS PRODUCING COMPANY - State "31" #3 in Unit E  
 of Section 31-13-33. Completed in Upper Pennsylvanian on July  
 20, 1970. Top of Perforations 9388'.

pool boundary colored in red.

proposed pool extension colored in green. SECTION 31: NW/4

CASE 4414: (c) EXTENSION OF AN EXISTING OIL POOL (Continued)

County LEA

Pool BAUM-UPPER PENNSYLVANIAN

TOWNSHIP 14 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: As stated on preceding page, paragraph (c), Exhibit I.

ADDITION--BTA OIL PRODUCERS - Baum 704 JV-D #1 in Unit A of Section 2-14-32. Completed in Upper Pennsylvanian on July 10, 1970. Top of Perforations 9852'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 2: NE/4

CASE 4414: (d) EXTENSION OF AN EXISTING OIL POOL  
 County LEA Pool DRINKARD

TOWNSHIP		21 South		Range		36 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.

THE FUNDAMENTAL OIL CORPORATION - Gulf Leonard #1 in Unit H of Section 24-21-36. Completed in Drinkard on May 25, 1970. Top of Perforations 6631'.

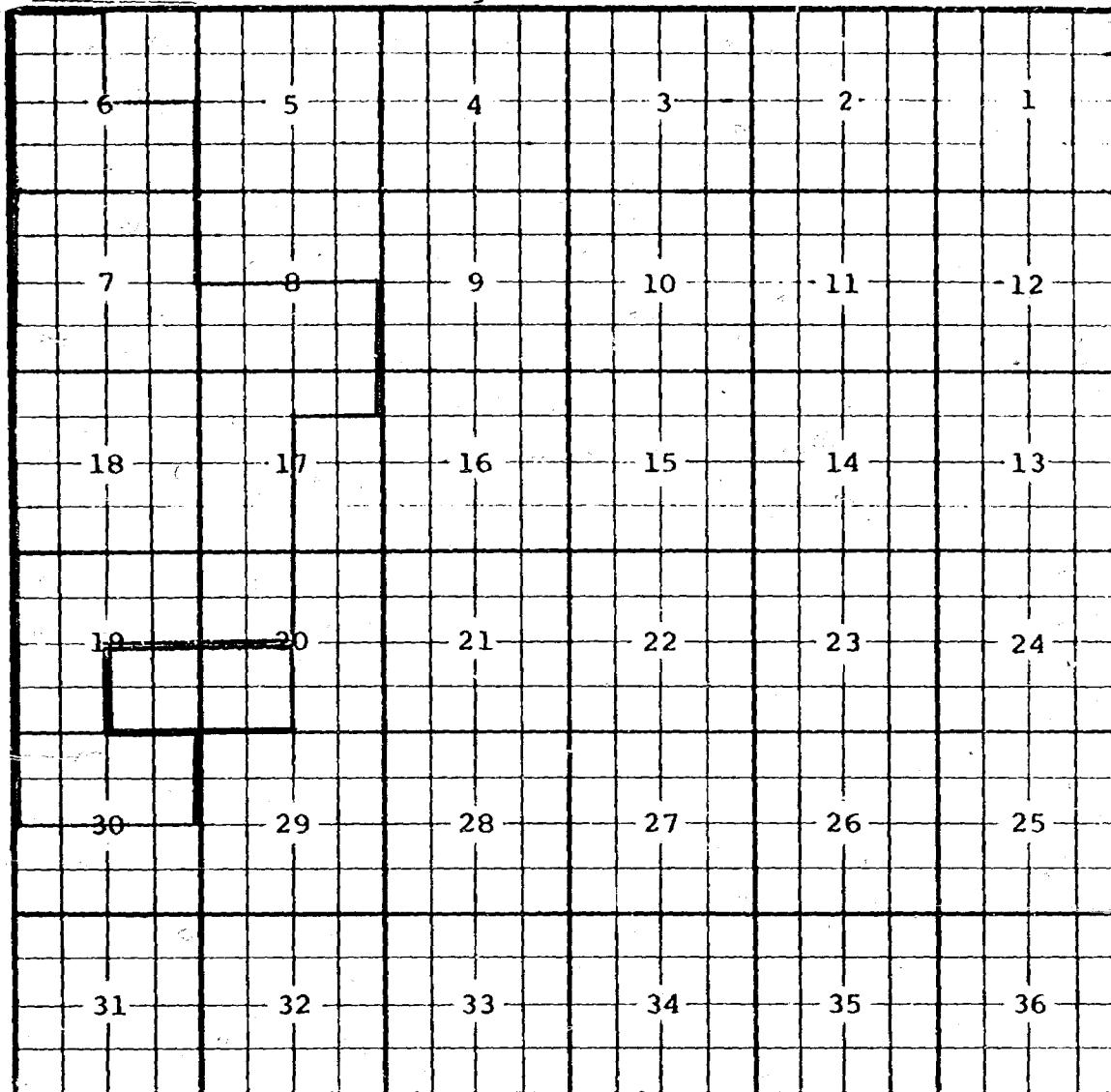
Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 24: E/2 NE/4



CASE 4414: (a) EXTENSION OF AN EXISTING OIL POOL  
 County LEA Pool EK QUEEN YATES-SEVEN RIVERS

TOWNSHIP - 18 South Range 34 East NMPM



PURPOSE: One completed oil well capable of producing.

W. O. HARRINGTON - Scharbauer Cattle Co. #2 in Unit L of Section 20-18-34.

Completed in Queen on September 28, 1969. Top of Perforations 4526'.

Pool boundary colored in red.

Proposed pool extensions colored in green. SECTION 19: SE/4

SECTION 20: SW/4

CASE 4414: (f) EXTENSION OF AN EXISTING OIL POOL  
County LEA Pool HOBBS-BLINEBRY

TOWNSHIP 18 South Range 38 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.

SHELL OIL COMPANY - McKinley A #11 in Unit N of Section 19-18-38. Completed in Blinebry on May 26, 1970. Top of Perforations 6080'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 19: S/2

CASE 4414: (g) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL Indian Basin-Upper Pennsylvanian Gas

TOWNSHIP 22S RANGE 23E 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 gas well capable of producing.

Southwestern Natural Gas Inc. Merston Gas Com well No. 1 in Unit A of Section 21-22-23. Completed in Upper Pennsylvanian September 22, 1969, through perforations 7461' to 7611.

Pool boundary colored in red.

Proposed extension colored in green.

Section 21. N/2 & N/2 N/2 N/2 S/2

CASE 4414: (h) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL Paduca-Morrow Gas

TOWNSHIP 25S RANGE 31E NMPM

6	5	4	3	2	
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 gas well capable of producing.

Texaco Inc. Cotton Draw Unit well No. 68 in unit F of Section 12-25-31. Completed in Morrow June 9, 1970, through perforations 14731' to 14763'.

Pool boundary colored in red.

Proposed extension colored in green. Section 1: W/2  
Section 12: W/2

CASE 4414: (1) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy POOL Springs-Upper Pennsylvanian Gas  
TOWNSHIP 21S RANGE 25E 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 gas well capable of producing.

Cities Service Oil Co. Springs Unit Com Well No.4 in unit H  
of section 3-21-25. Completed in Upper Pennsylvanian June 8,  
1970, through perforations 8090' to 8100'.

Pool boundary colored in red.

Proposed extension colored in green.

Section 3: lots 1,2,7,8,9,10,15 & 16

CASE 4414: (J) EXTENSION OF AN EXISTING OIL POOL

COUNTY Chaves POOL Sulimar-Queen

TOWNSHIP 158 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.

Cities Service Oil Co., Snyder Federal Well No.2 in Unit G of Section 26-15-29. Completed in Queen June 9, 1970, through perforations 1954' to 1963'.

Pool boundary colored in red.

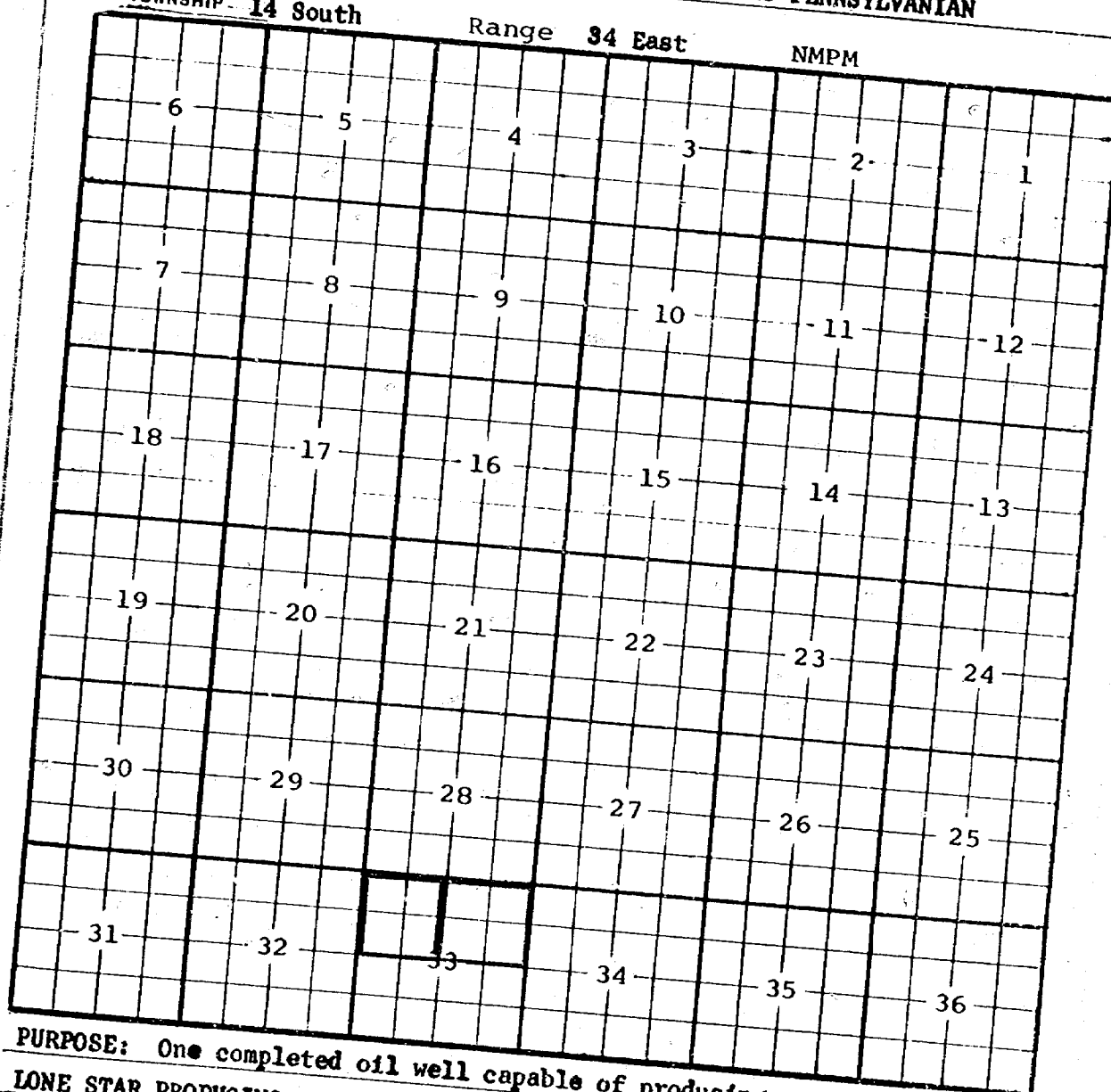
Proposed extension colored in green. Section 26: SW/4 NE/4

CASE 4414: (k) EXTENSION OF AN EXISTING OIL POOL  
County LEA Pool TRES PAPALOTES-PENNSYLVANIAN

TOWNSHIP 14 South

Range 34 East

NMPM



PURPOSE: One completed oil well capable of producing.  
LONE STAR PRODUCING COMPANY - New Mexico (86) State #1 in Unit F of Sec-  
tion 33-14-34. Completed in Saunders Lime on June 7, 1970. Top of  
Perforations 10,402'.  
Pool boundary colored in red.  
Proposed pool extension colored in green. SECTION 33: NW/4

CASE 4414: (1) EXTENSION OF AN EXISTING OIL POOL  
County LEA Pool NORTHWEST VACUUM-WOLFCAMP

TOWNSHIP - 17 South Range 34 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.

KING RESOURCES COMPANY - Lea-Mex State #1 in Unit L of Section 5-17-34.

Completed in Wolfcamp on June 1, 1970. Top of Perforations 10,867'.

Pool boundary colored in red.

Proposed pool extension colored in green. SECTION 5: 8W/4



NOMENCLATURE ADVERTISEMENT FOR AUGUST, 1970  
CASE 4414

70 JUL 13 AM 8 08

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 a new pool in Lea County, New Mexico, the contraction of an existing pool in Lea 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, contractions, and extensions should not be made.

a) CREATE A new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Townsend-Morrow Gas Pool. The discovery well is Avance Oil & Gas Company, State ETA No. 2 located in Unit I of Section 8, Township 16 South, Range 35 East, NMPM. Said pool described as:

✓ TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
SECTION 8: SE/4

b) CONTRACT the Bagley-Pennsylvanian Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM  
SECTION 3: S/2 SW/4  
SECTION 4: S/2  
SECTION 5: S/2

*Unit  
To be  
included  
with north  
nomenclature*

c) EXTEND the North Bagley-Lower Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM  
SECTION 4: E/2

d) EXTEND the North Bagley-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM  
SECTION 3: S/2 SW/4  
SECTION 4: S/2  
SECTION 5: S/2

b e) EXTEND the Allison-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM  
SECTION 12: S/2

c 1) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

✓ TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM  
SECTION 36: NW/4

August, 1970 Nomenclature

d) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:  
✓ TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
SECTION 24: E/2 NE/4 ✓

e) EXTEND the EK ~~Queen~~ Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:  
✓ TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM  
SECTION 19: SE/4  
SECTION 20: SW/4 ✓

f) EXTEND the Hobbs-Blinbry Pool in Lea County, New Mexico, to include therein:  
✓ TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM  
SECTION 19: S/2 ✓

g) EXTEND the Indian Basin-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:  
✓ TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM  
SECTION 21: N/2 and N/2 N/2 N/2 S/2 ✓  
See R 3757A

h) EXTEND the Paduca-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
✓ TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM  
SECTION 1: W/2  
SECTION 12: W/2 ✓

i) EXTEND the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:  
✓ TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM  
SECTION 3: Lots 1, 2, 7, 8, 9, 10, 15 and 16 ✓

j) EXTEND the Sulimar-Queen Pool in Chaves County, New Mexico, to include therein:  
✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM  
SECTION 26: SW/4 NE/4 ✓

k) EXTEND the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:  
✓ TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM  
SECTION 33: NW/4 ✓

l) EXTEND the Northwest Vacuum-Wolfcamp Pool in Lea County, New Mexico, to include therein:  
✓ TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
SECTION 5: SW/4 ✓

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. 4414  
ORDER NO. R- 4014

THE APPLICATION OF THE OIL CONSERVATION  
COMMISSION UPON ITS OWN MOTION FOR AN  
ORDER CREATING 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 August 19, 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 August, 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 Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Townsend-Morrow Gas Pool. Said Townsend-Morrow Gas Pool was discovered by the Avance Oil & Gas Company State ETA Well No. 2, located in Unit I of Section 8, Township 16 South, Range 35 East, NMPM. It was completed in the Morrow formation on September 9, 1969. The top of the perforations is at 11,770 feet.

(3) That there is need for certain extensions to the Sulimar-Queen Pool in Chaves County, New Mexico, the Indian Basin-Upper Pennsylvanian Gas Pool, the Paduca-Morrow Gas Pool, and the Springs-Upper Pennsylvanian Gas Pool, all in Eddy County, New Mexico, the Allison-Pennsylvanian Pool, the Baum-Upper Pennsylvanian Pool, the Drinkard Pool, the EK Yates-Seven Rivers-Queen Pool, the Hobbs-Blaine Pool, the Tres Papalotes-Pennsylvanian Pool, and the Northwest Vacuum-Wolfcamp Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

✓ TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM  
SECTION 8: SE/4

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

✓ TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM  
SECTION 12: S/2

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

✓ TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM  
SECTION 36: NW/4

✓ TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM  
SECTION 31: NW/4

✓ TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM  
SECTION 2: NE/4

(d) 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 24: E/2 NE/4

(e) That the EK Yates-Seven Rivers-Queen 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 19: SE/4  
SECTION 20: SW/4

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

✓ TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM  
SECTION 19: S/2

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

✓ TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM  
SECTION 21: N/2 and N/2 N/2 N/2 S/2

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

✓ TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM  
SECTION 1: W/2  
SECTION 12: W/2

(i) That the Springs-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM  
SECTION 3: Lots 1, 2, 7, 8, 9, 10,  
15 and 16

(j) That the Sulimar-Queen Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPM  
SECTION 26: SW/4 NE/4

(k) That the Tres Papalotes-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 33: NW/4

(l) That the Northwest Vacuum-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

✓ TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM  
SECTION 5: SW/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 and extensions included herein shall be September 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 4415: Application of DEPCO,  
INC. FOR A WATERFLOOD PROJECT,  
EDDY COUNTY, NEW MEXICO.