

CASE NO.

7609

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
9 June 1982

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conserva-
tion Division on its own motion for an
order creating and extending certain
pools in Chaves, Eddy, and Lea Counties,
New Mexico.

CASE
7609

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

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I N D E X

ROY JOHNSON

Direct Examination by Mr. Pearce

E X H I B I T S

Division Exhibit One, Documents

1
2 MR. STAMETS: The hearing will please come
3 to order.

4 We'll take next Case 7609.

5 In the matter of the hearing
6 called by the Oil Conservation Division on its own motion for
7 an order creating, extending certain pools in Chaves, Eddy,
8 and Lea Counties, New Mexico.

9 MR. PEARCE: May it please the Examiner,
10 I am W. Perry Pearce, appearing in this matter on behalf of
11 the New Mexico Oil Conservation Division.

12 I have one witness who needs to be sworn.

13
14 (Witness sworn.)

15
16 ROY JOHNSON

17 being called as a witness and being duly sworn upon his oath,
18 testified as follows, to-wit:

19
20 DIRECT EXAMINATION

21 BY MR. PEARCE:

22 Q For the record, sir, would you please state
23 your name and your position of employment?

24 A My name is Roy Johnson. I'm a petroleum
25 geologist for the Oil Conservation Division in Santa Fe.

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Q. Mr. Johnson, are you prepared to make recommendations to the Commission concerning the nomenclature of certain pools in Chaves, Eddy, and Lea Counties, New Mexico?

A. I am.

Q. And are your recommendations prepared in the form of an exhibit to this proceeding?

A. They are.

Q. Mr. Johnson, if you would, please, refer to that exhibit, to the docket that has been prepared and distributed at this hearing, and point out any substantial differences between the two?

A. There are no differences between the exhibit and the docket.

Q. Do you have anything further to add in this matter?

A. I do not.

MR. PEARCE: We have nothing further to add at this time, Mr. Examiner. We move the admission of Exhibit One to this proceeding.

MR. STAMETS: The exhibit will be admitted. Any questions of the witness? He may be excused.

Anything further in this case?

The case will be taken under advisement.

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 2609,
heard by me on 6-9 1982.

Richard L. Stum, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7609
Order No. R-7009

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 9, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 16th day of June, 1982, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Middle Bell Canyon formation, said pool to bear the designation of Brushy Draw-Middle Bell Canyon Gas Pool. Said Brushy Draw-Middle Bell Canyon Gas Pool was discovered by the J. C. Williamson EP-USA Well No. 2 located in Unit 0 of Section 26, Township 26 South, Range 29 East, NMPM. It was completed in the Middle Bell Canyon formation on March 18, 1982. The top of the perforations is at 3,481 feet.

(3) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Bone Spring formation, said pool to bear the designation of Legg-Bone Spring Pool. Said Legg-Bone Spring Pool was discovered by the Amoco Production Company State 11 Well No. 1 located in Unit K of Section 32, Township 21 South, Range 33 East, NMPM. It was completed in the Bone Spring formation on February 3, 1982. The top of the perforations is at 9,295 feet.

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Order No. R-7009

(4) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of White Ranch-Atoka Gas Pool. Said White Ranch-Atoka Gas Pool was discovered by the Depco, Inc. White Ranch Unit Well No. 1 located in Unit F of Section 8, Township 13 South, Range 30 East, NMPM. It was completed in the Atoka formation on February 28, 1981. The top of the perforations is at 9,312 feet.

(5) That there is need for certain extensions to the Elkins-San Andres Pool and the Tom-Tom San Andres Pool, both in Chaves County, New Mexico, and the Burton Flat-Morrow Gas Pool, the East Burton Flat-Morrow Gas Pool, the Cedar Lake-Morrow Gas Pool, the Crooked Creek-Morrow Gas Pool, the Empire-Pennsylvanian Gas Pool, the Hoag Tank-Morrow Gas Pool, the North Loving-Atoka Gas Pool, the North Loving-Morrow Gas Pool, the Shugart-Morrow Gas Pool, the Travis-Upper Pennsylvanian Pool, the North Turkey Track-Morrow Gas Pool, and the White City-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, and the Austin-Mississippian Gas Pool, the Baum-Upper Pennsylvanian Pool, the EK Yates-Seven Rivers-Queen Pool, the East Grama Ridge-Morrow Gas Pool, the House-Drinkard Pool, the South Kemnitz Atoka-Morrow Gas Pool, the East LaRica-Morrow Gas Pool, the Maljamar-Atoka Gas Pool, the South Salt Lake-Morrow Gas Pool, the Sand Hills Grayburg-San Andres Pool, and the North Young-Bone Spring 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 Middle Bell Canyon production is hereby created and designated as the Brushy Draw-Middle Bell Canyon Gas Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 26: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM
Section 32: SW/4

(c) That a new pool in Chaves County, New Mexico, classified as a gas pool for Atoka production is hereby created and

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Order No. R-7009

designated as the White Ranch-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 13 SOUTH, RANGE 30 EAST, NMPM
Section 8: W/2

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

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM
Section 5: N/2 and SW/4

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 18: NE/4

(f) 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 23 EAST, NMPM
Section 8: S/2

(g) That the East 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 29 EAST, NMPM
Section 6: S/2

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

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 34: N/2
Section 35: N/2

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

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 3: S/2
Section 10: N/2

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(j) 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 9: SW/4

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

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM
Section 22: S/2 NW/4

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 20: N/2

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

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 31: S/2

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 34: N/2

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 35: SE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 2: NE/4

(p) That the South Kemnitz Atoka-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and

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described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 19: S/2

(q) That the East LaRica-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 35: S/2

(r) That the North Loving-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 5: All

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

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 6: S/2

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

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 26: E/2

(u) That the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 6: Lots 1, 2, 3, 4, 5, 6, 7,
and 8

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

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
Section 31: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 4: N/2

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 35: NE/4

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

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 13: N/2 NW/4

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

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 27: E/2

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

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 13: All

(bb) That the North Young-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 4: SE/4
Section 11: W/2

IT IS FURTHER ORDERED:

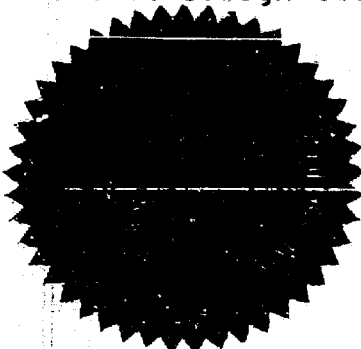
(1) That pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which by virtue of any of the above pool extensions, is subject to pool rules providing

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Order No. R-7009

for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of the allowable.

(2) That the effective date of this order and all creations and extensions included therein shall be July 1, 1982.

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY
Director

fd/

NEW POOLS

It is recommended that a new GAS pool be created and designated as the BRUSHY DRAW-MIDDLE BELL CANYON GAS Pool.

Vertical limits to be the MIDDLE BELL CANYON formation and the horizontal limits should be as follows: As shown in paragraph (a) Exhibit I

Discovery well was J.C. Williamson EP-USA #2 located in Unit 0 Section 26 Township 26 Range 29 and was completed on March 18, 1982. Top of perforations is at 3481 feet.

It is recommended that a new OIL pool be created and designated as the LEGG-BONE SPRING Pool.

Vertical limits to be the BONE SPRING formation and the horizontal limits should be as follows: As shown in paragraph (b) Exhibit I

Discovery well was Amoco Production Company State LT #1 located in Unit K Section 32 Township 21 Range 33 and was completed on February 3, 1982. Top of perforations is at 9,295 feet.

It is recommended that a new GAS pool be created and designated as the WHITE RANCH-ATOKA GAS Pool.

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

Discovery well was Depco Inc. White Ranch Unit #1 located in Unit F Section 8 Township 13 Range 30 and was completed on February 28, 1981. Top of perforations is at 9312 feet.

CASE NO. 7609 (a) CREATION OF A NEW GAS POOL

COUNTY	Eddy		POOL	Brushy Draw - Middle Bell Canyon Gas		
TOWNSHIP	26S		RANGE	29E	BMM	
	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.

Disc. Well: J.C. Williamson - EP-USA #2-0-26-26-29
Comp. 3-18-82 thru Middle Bell Canyon perfs 3481'-85'

Proposed pool boundary outlined in blue.

Section 26: SE/4

CASE NO. 7609 (b) CREATION OF A NEW OIL POOL

COUNTY	LEA	POOL	LEGG-BONE SPRING		
TOWNSHIP	21 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: One completed oil well capable of producing.

DISCOVERY WELL: Amoco Production Co. State LT #1-K in Sec 32, T21S, R33E completed Feb, 3, 1982, in the Bone Spring formation. Top perf 9,295 ft.

Proposed pool outlined in red. SECTION 32: SW/4

CASE NO. 7609 (c) CREATION OF A NEW GAS POOL

COUNTY CHAVES POOL WHITE RANCH-ATOKA GAS

TOWNSHIP 13 South RANGE 30 East NMIM

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.

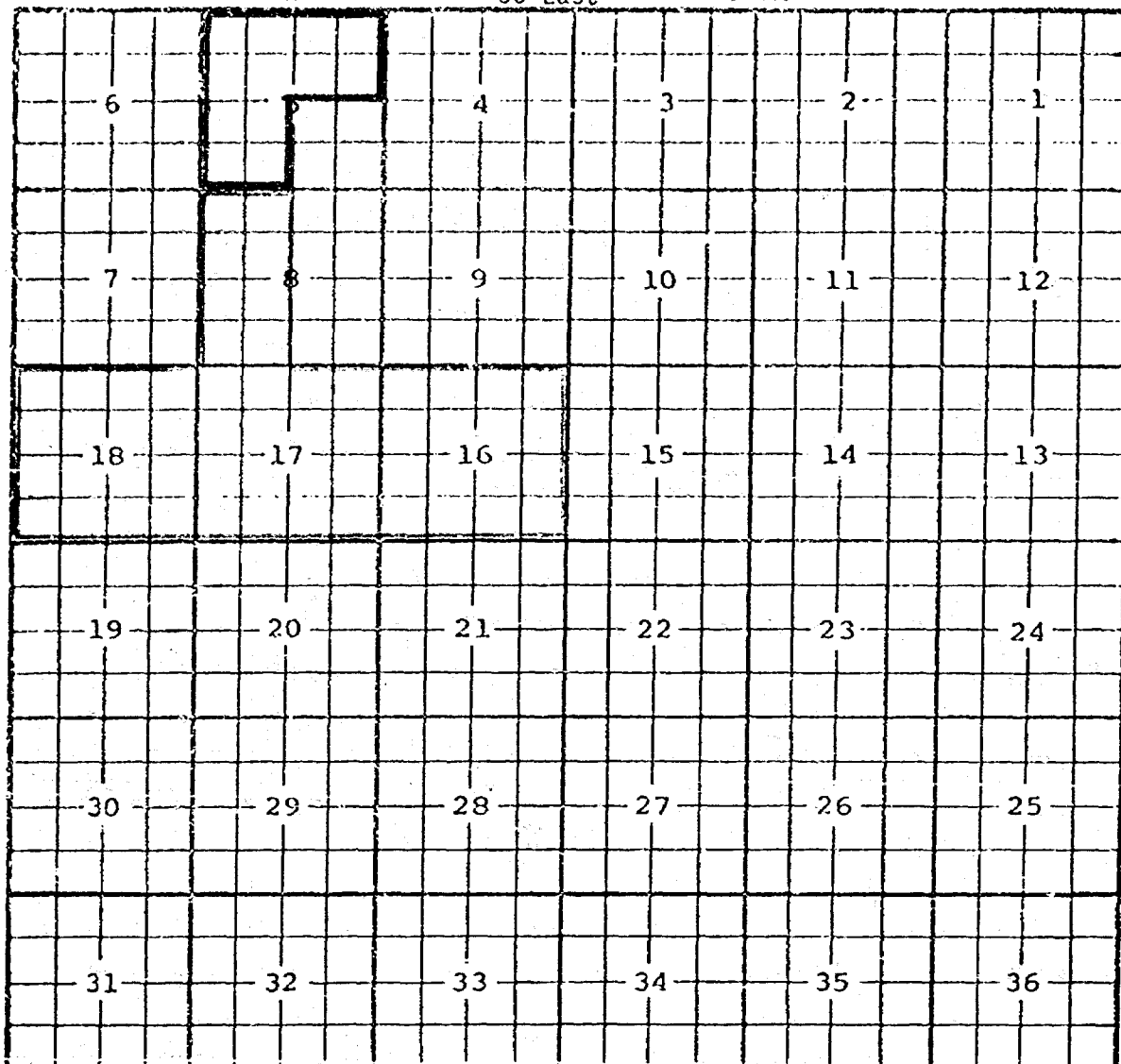
DISCOVERY WELL: Depco, Inc. White Ranch Unit Well #1-F in Sec 8, T13S, R30E, completed February 28, 1981, in the Atoka formation. Top perf 9,312 ft.

Proposed pool boundary outlined in red. SECTION 8: W/2

CASE NO. 7609 (d) EXTENSION OF AN EXISTING GAS POOL

COUNTY LEA POOL AUSTIN MISSISSIPPIAN GAS

TOWNSHIP 14 South RANGE 36 East RMIM



PURPOSE: One completed gas well capable of producing.

Harvey E. Yates Co. Richardson Unit #1-C in Sec. 5, T14S, R36E, completed Feb. 20, 1982, in the Mississippian formation. Top perf 13,393 ft.

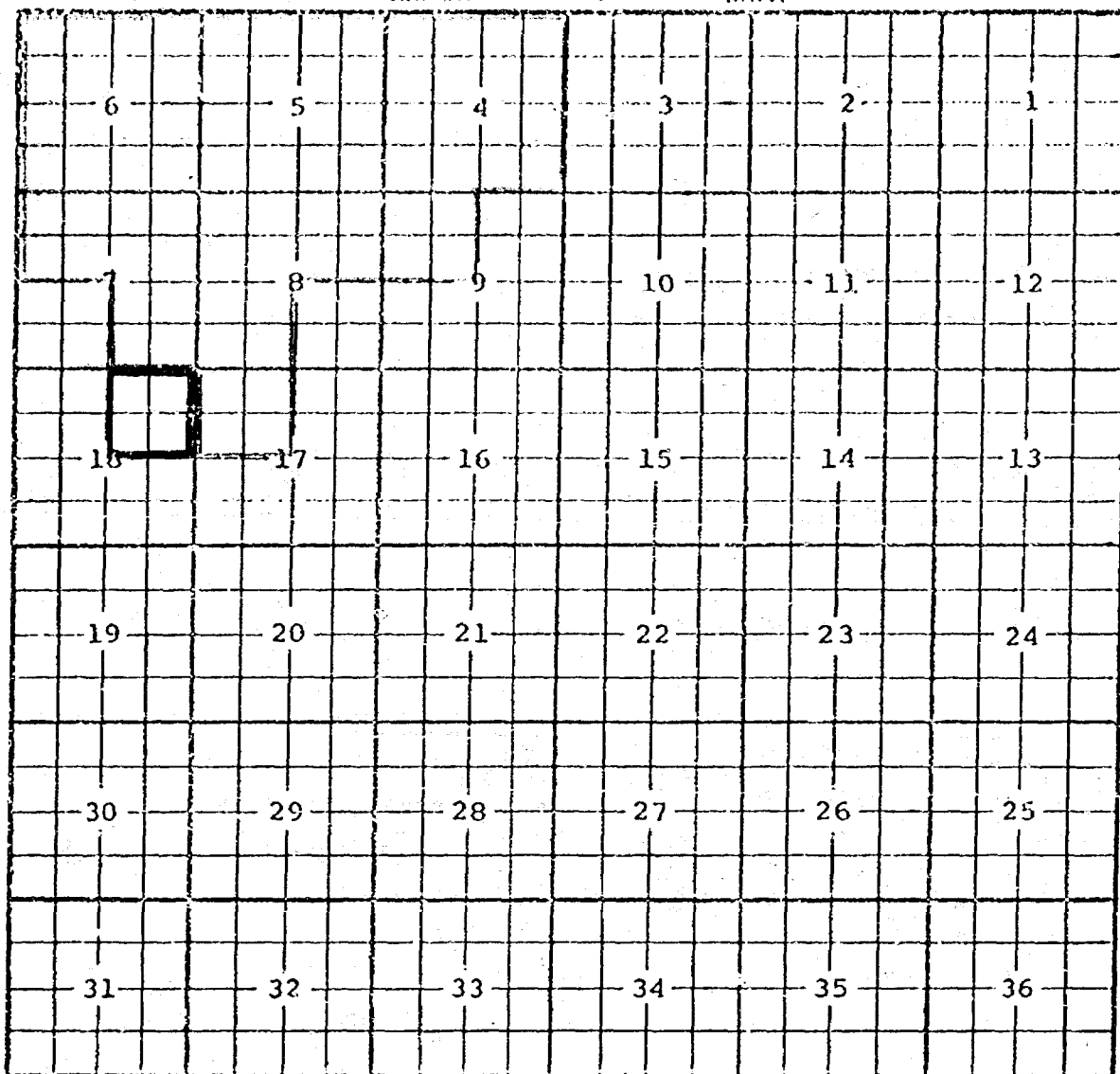
Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 5: N/2 and SW/4

CASE NO. 7609 (e) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA TOWN BAUM-UPPER PENNSYLVANIAN

TOWNSHIP 14 South RANGE 33 East MMIM



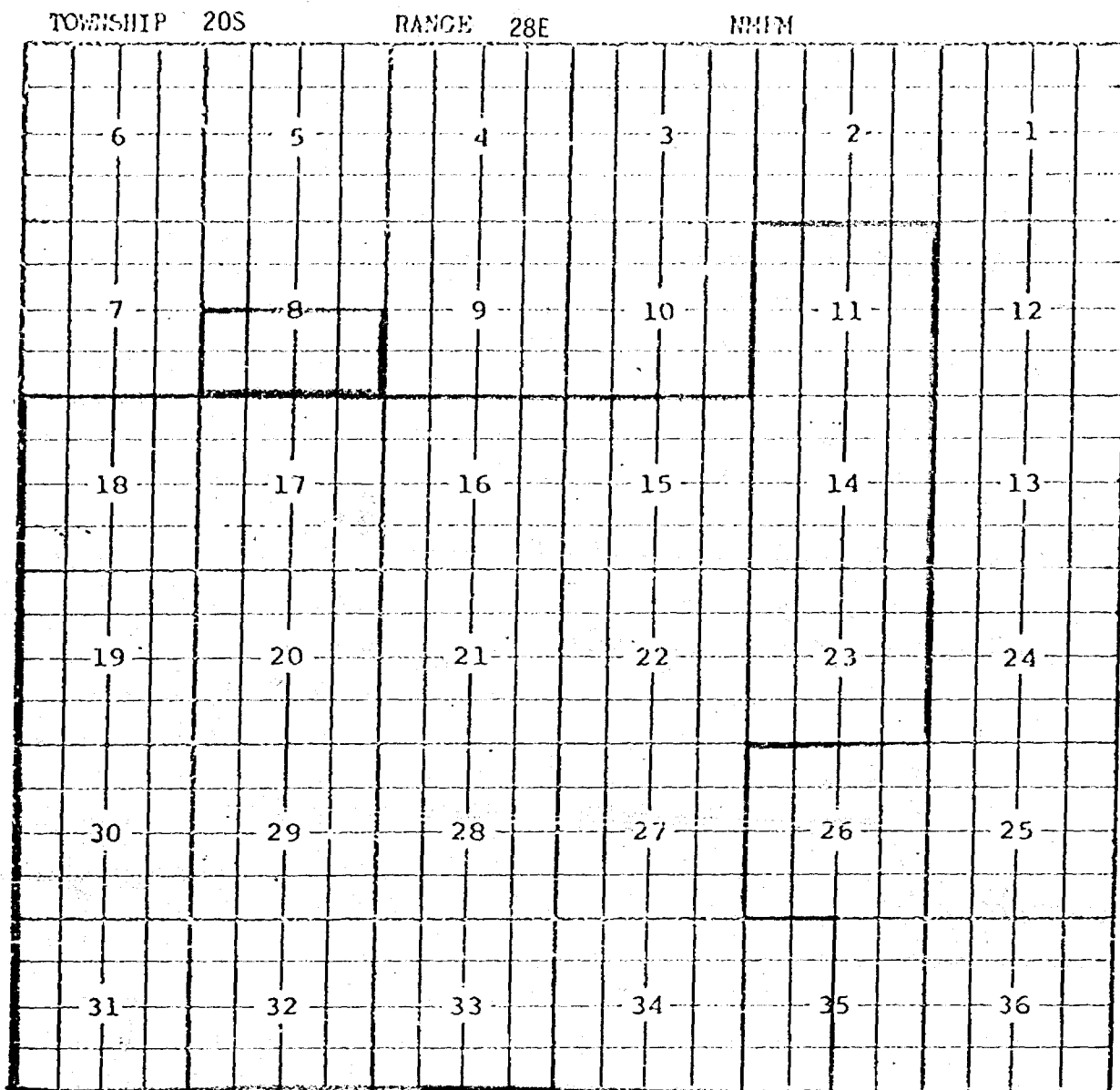
PURPOSE: One completed oil well capable of producing.

MWJ Prod. Co. Baum 18 State #1-A in Sec 18, T14S, R33E, completed March 17, 1982, in the Upper Pennsylvanian formation. Top perf 9,906 ft.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 18: NE/4

CASE NO. 7609 (f) EXTENSION OF AN EXISTING GAS POOL
COUNTY Eddy POOL Burton Flat - Morrow Gas



Purpose: One completed gas well capable of producing.

Opr.	Lease	#&Ut.	STR	Comp.	Form.	TOP
Cities Service Co.	Government AO Com	1-N	8-20-28	4-8-82	Morrow	10870

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 8: S/2.

CASE NO. 7609 (g) EXTENSION OF AN EXISTING GAS POOL

COUNTY Eddy

POOL

East Burton Flat - Morrow Gas

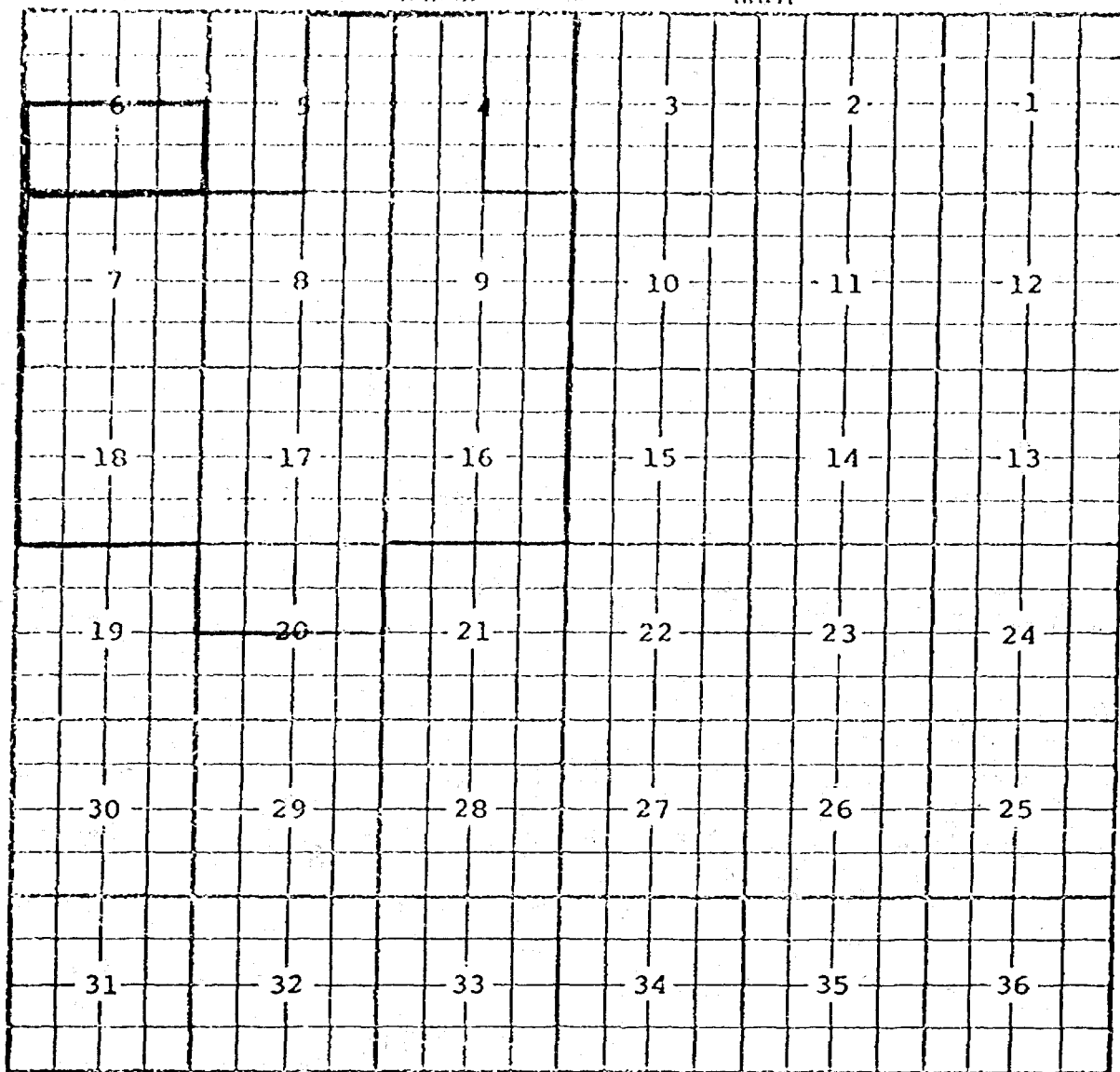
TOWNSHIP

20S

RANGE

29E

MM



Purpose: One completed gas well capable of producing.

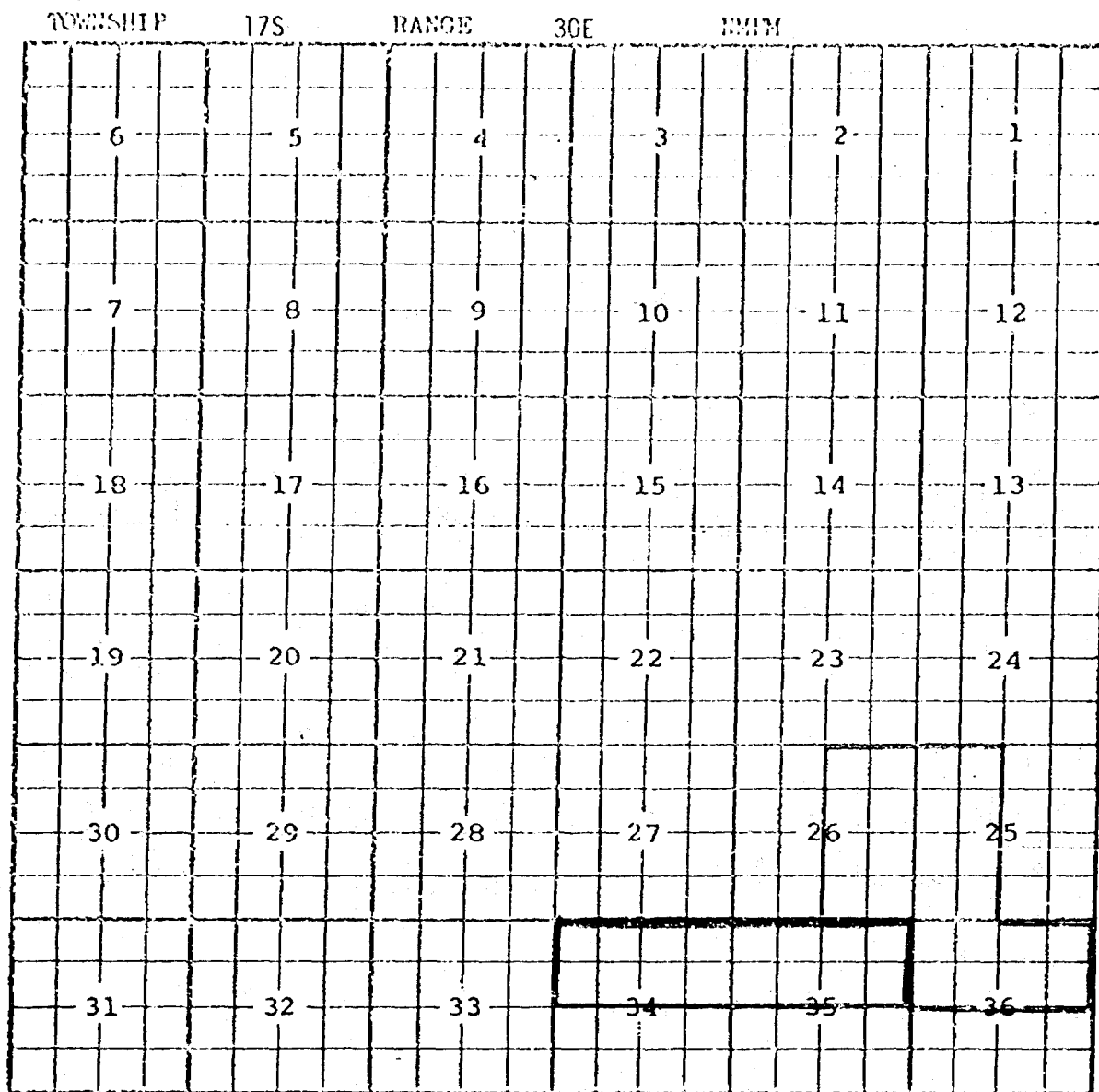
Opr.	Lease	#&Ut.	STR	Comp.	Fmtn.	Top
The Petroleum Corp.	Superior Fed.	6-N	6-20-29	4-1-82	Morrow	11,177

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 6: S/2

CASE NO. 7609 (h) EXTENSION OF AN EXISTING GAS POOL
COUNTY Eddy POOL Cedar Lake - Morrow Gas



Purpose: One completed gas well capable of producing.

Opr.	Lease	#&Ut.	STR	Comp.	Fmtn.	Top
Anadarko Prod. Co.	Arnold Fed. Com	1-G	34-17-30	2-27-82	Morrow	11,398

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 34: N/2

Section 35: N/2

COUNTY Eddy

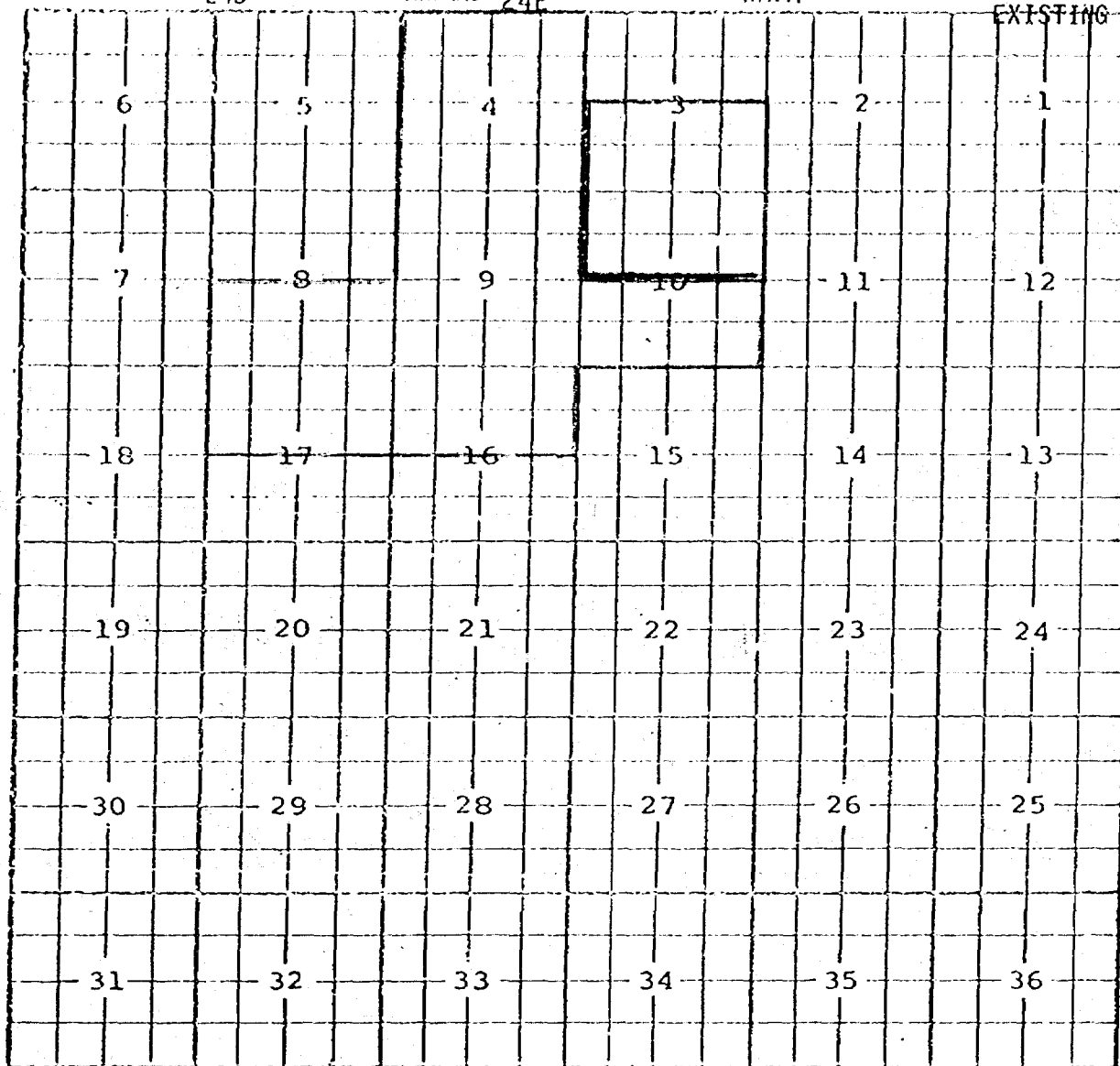
POOL Crooked Creek - Morrow Gas

TOWNSHIP 24S

RANGE 24E

BMIM

CASE NO. 7609 (i) EXTENSION OF AN
EXISTING GAS POOL



Purpose: One completed gas well capable of producing.

Opr.	Lease	#&Ut.	STR	Comp.	Fmtn.	Top
Yates Pet. Corp.	Lechuguilla Canyon Ut.	9-J	3-24-24	4-16-82	Morrow	10105

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 3: S/2

Section 10: N/2

CASE NO. 7609 (j) EXTENSION OF AN EXISTING OIL POOL

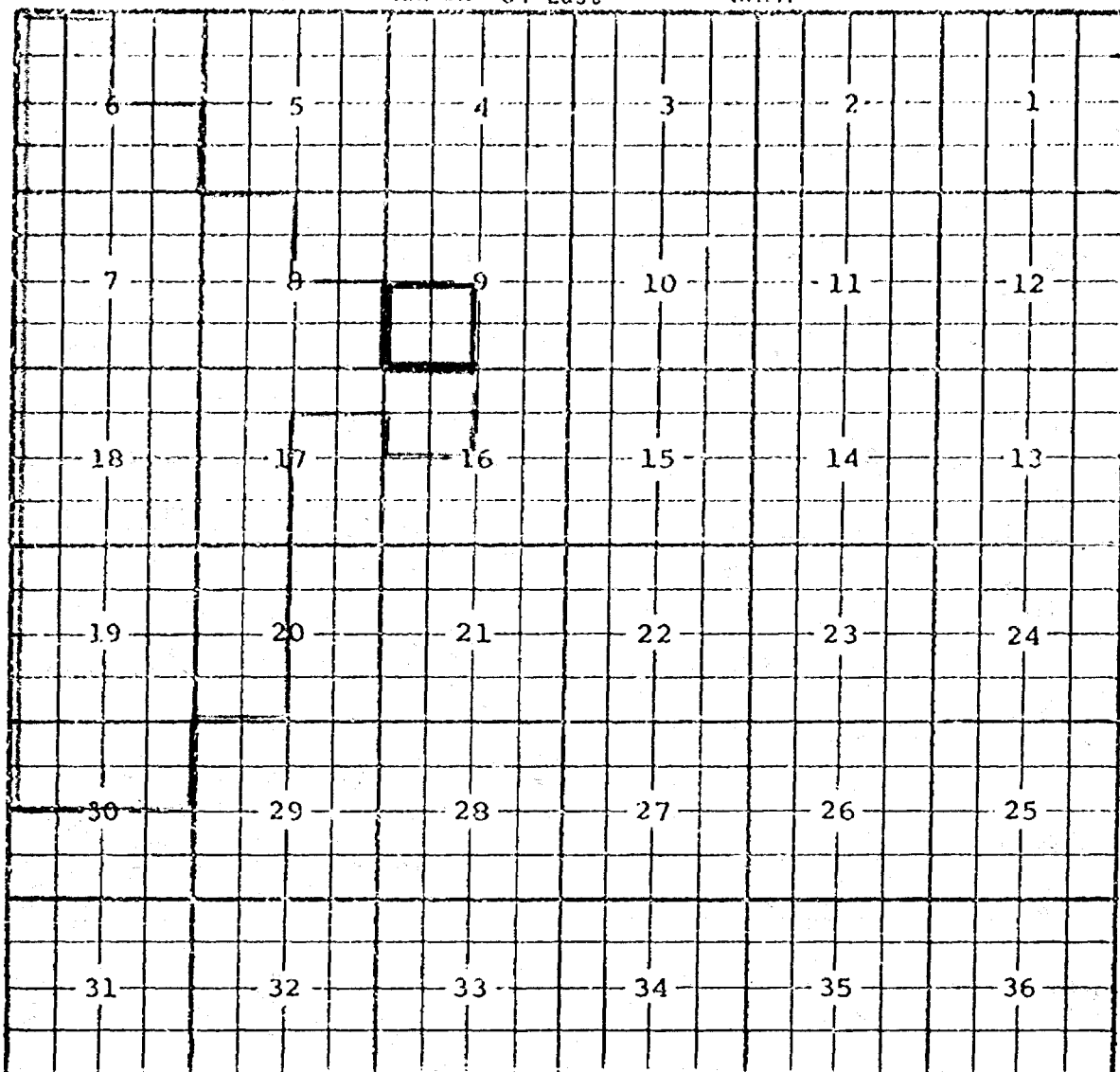
COUNTY LEA

POOL EK-YATES-SEVEN RIVERS-QUEEN

TOWNSHIP 18 South

RANGE 34 East

NMIM



PURPOSE: One completed oil well capable of producing
Grand Banks Energy Company Rhodes State Well #1-M in Sec. 9, T18S, R34E,
completed Aug. 27, 1981, in the Queen formation. Top perforations 4387 ft.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 9: SW/4

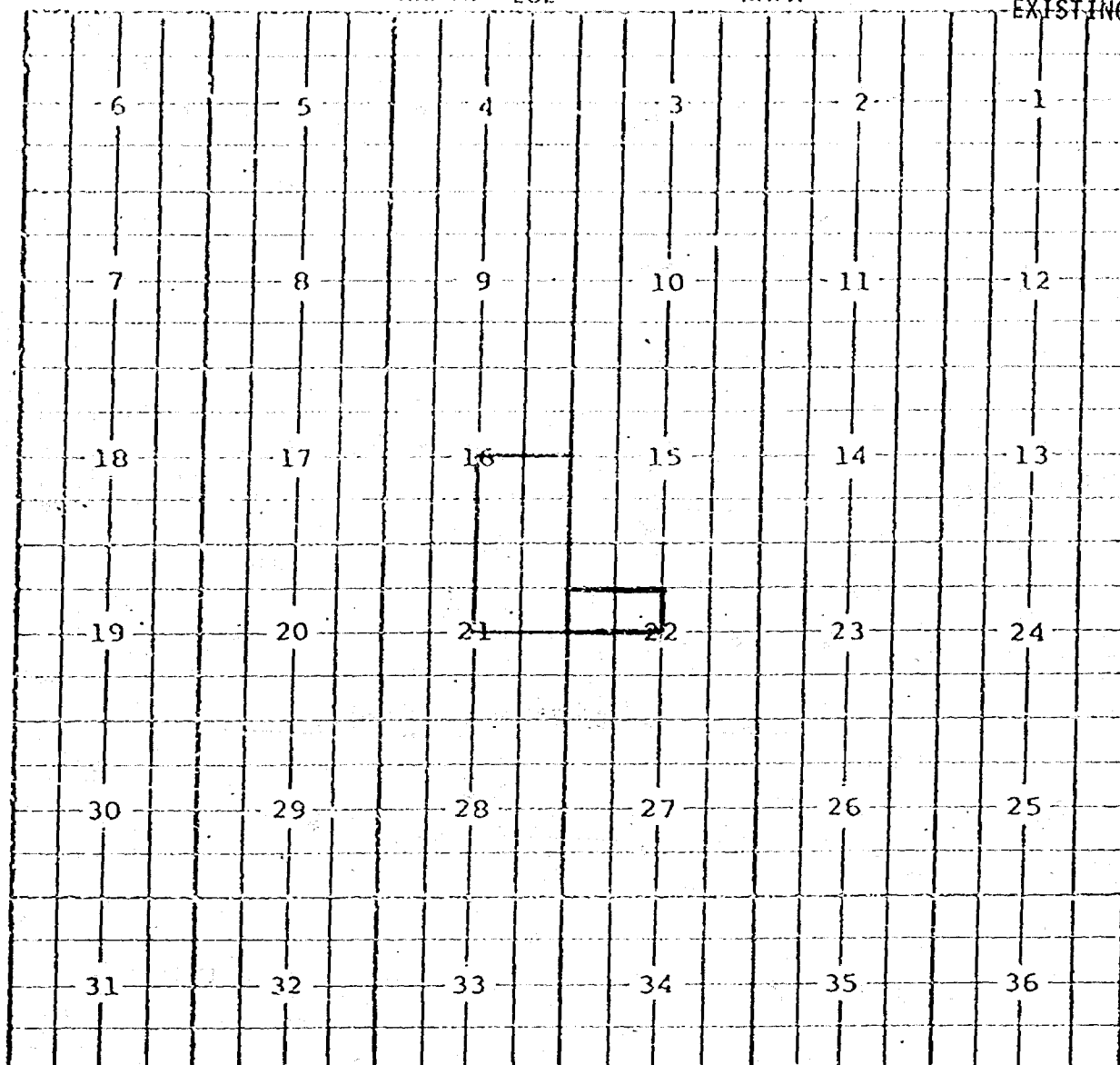
COUNTY Chaves

POOL Elkins - San Andres

TOWNSHIP 7S

RANGE 28E

NHFM CASE NO. 7609 (k) EXTENSION OF AN
EXISTING OIL POOL



Purpose: One completed oil well capable of producing.

Opr.	Lease	#&Ut.	STR	Comp.	Fmtn.	Top
Tom L. Ingram	Lusk	1-E	22-7-28	4-20-82	SA	2303

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 22: S/2 NW/4.

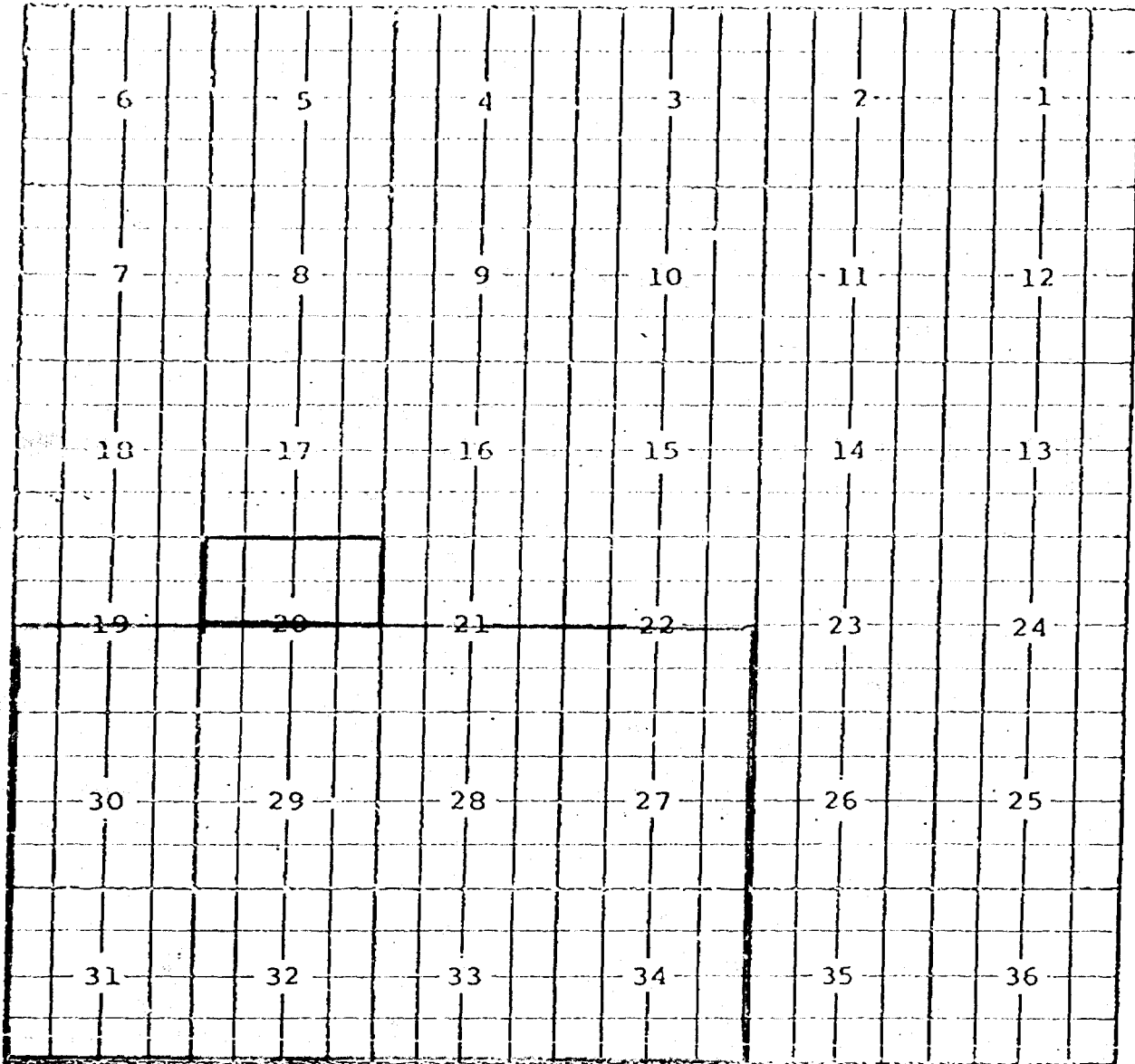
COUNTY Eddy

POOL Empire - Penn. Gas

TOWNSHIP 17S

RANGE 28E

MEM CASE NO. 7609 (1) EXTENSION OF AN EXISTING GAS POOL



Purpose: One completed gas well capable of producing,

Opr.	Lease	#&Ut.	STR	Comp.	Fmtn.	Top
TXO Prod. Co.	Empire St.	1-M	20-17-28	3-16-82	Morrow	9876

Pool boundary outlined in red.

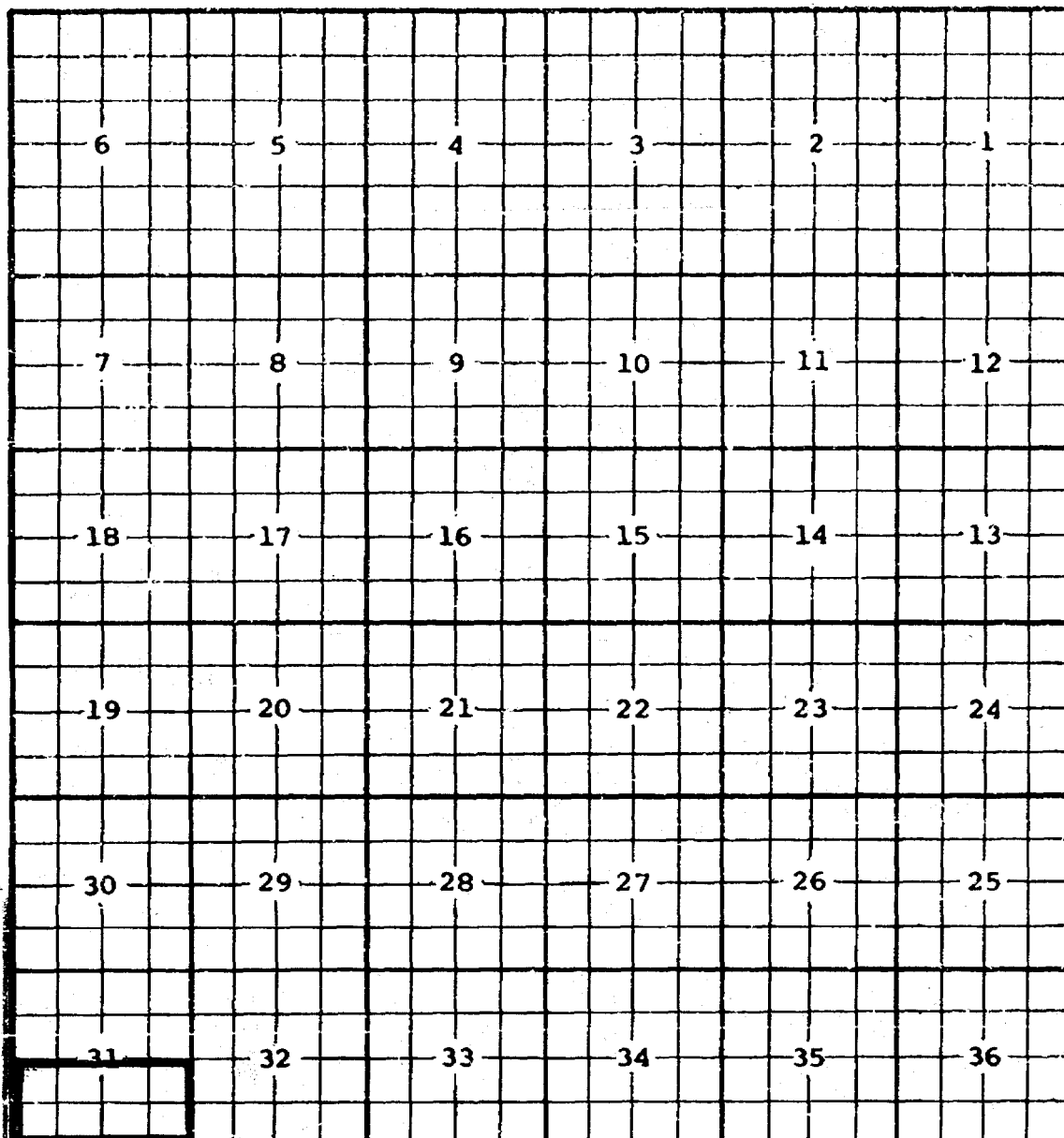
Proposed extension outlined in blue.

Section 20: N/2

CASE NO. 7609 (m) EXTENSION OF AN EXISTING GAS POOL

COUNTY LEA POOL EAST GRAMA RIDGE-MORROW GAS

TOWNSHIP 21 South RANGE 35 East NMFM



PURPOSE: One completed gas well capable of producing.

Exxon Corporation New Mexico DA State #1-N in Sec. 31, T21S, R35E, completed September 9, 1981, in the Morrow formation. Top perf 13,028 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 31: S/2

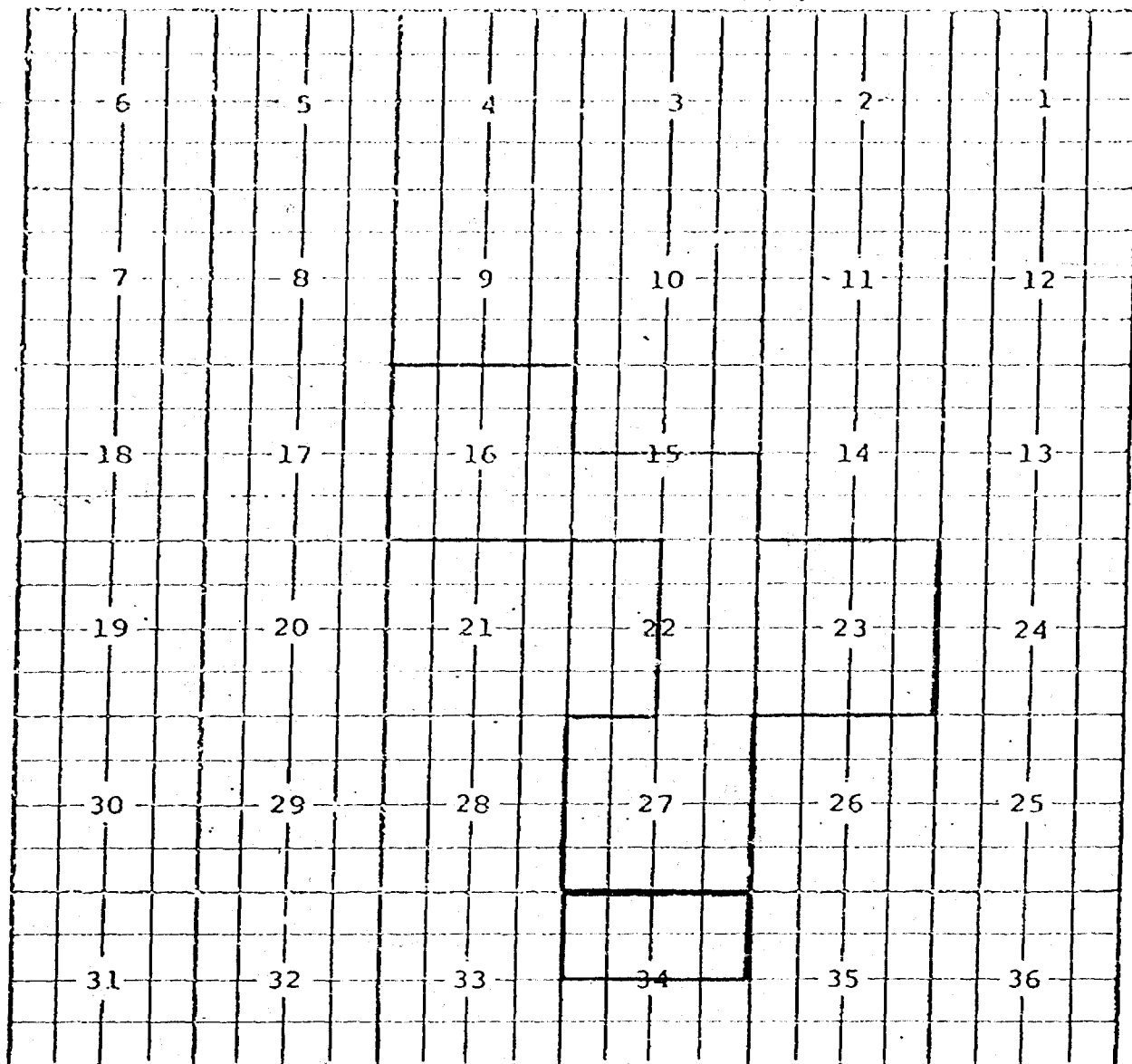
COUNTY Eddy

POOL Hoag Tank - Morrow Gas

TOWNSHIP 19S

RANGE 24E

CASE NO. 7609 (n) EXTENSION OF AN EXISTING
GAS POOL



Purpose: One completed gas well capable of producing,

Opr.	Lease	#&Ut.	STR	Comp.	Fmtn.	Top
Yates Pet. Co.	Oakson NV Fed.	3-6	34-19-24	4-15-82	Morrow	8905

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 34: N/2

CASE NO. 7609 (o) EXTENSION OF AN EXISTING OIL POOL (Page 1 of 2 pages)
COUNTY LEA POOL HOUSE-DRINKARD

TOWNSHIP 19 South						RANGE 38 East						NMIM					
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.
Alpha Twenty-One Production Company Werta Federal Well #1 located in Unit 0
of Section 35, T19S, R38E, completed March 8, 1982, in the Drinkard formation.
Top perf. 7008 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 35: SE/4

CASE NO. 7609 (o) EXTENSION OF AN EXISTING OIL POOL CONTD. (Page 2 of 2 pages)

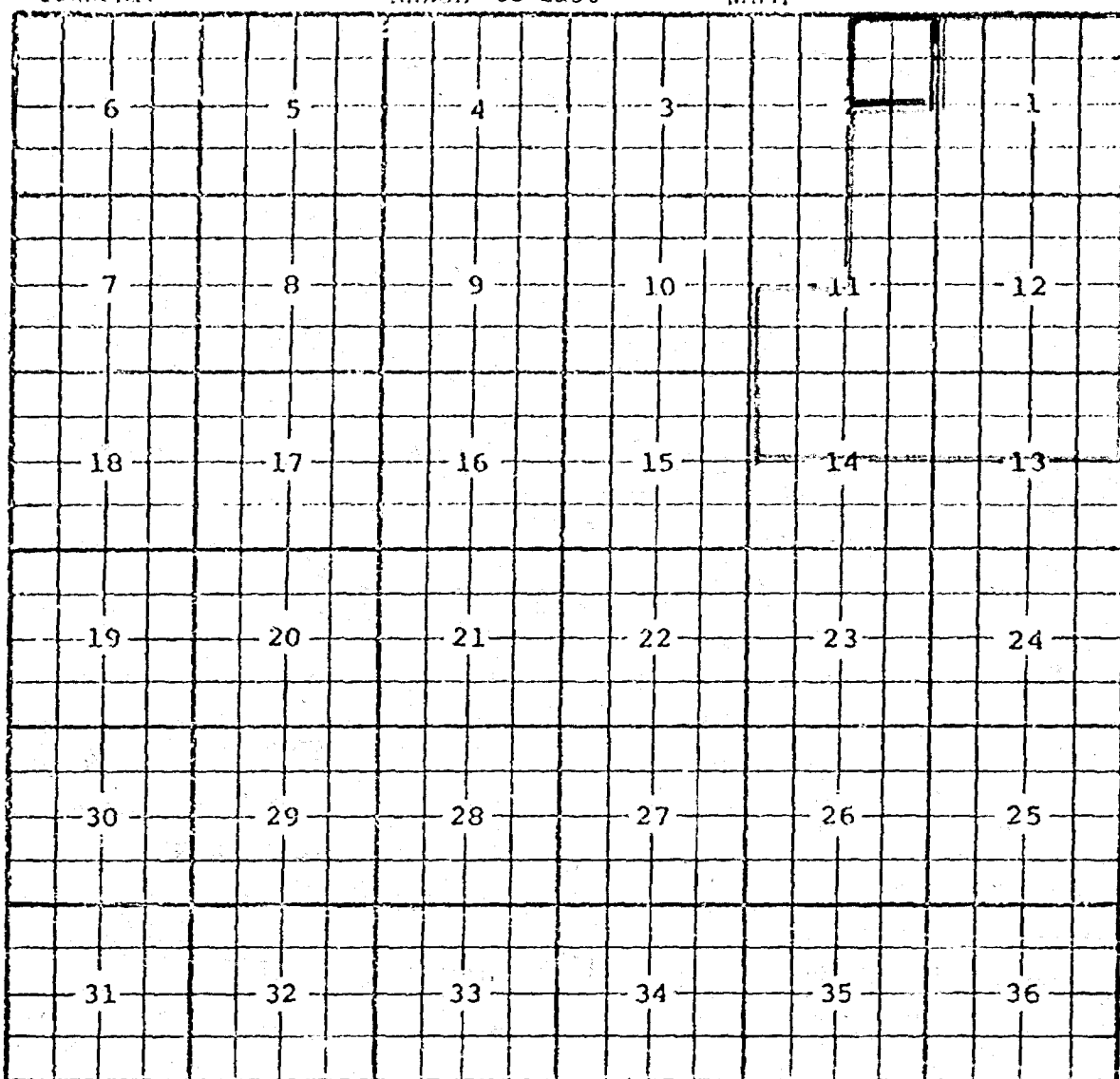
COUNTY LEA

POOL HOUSE-DRINKARD

TOWNSHIP 20 South

RANGE 38 East

MMMM

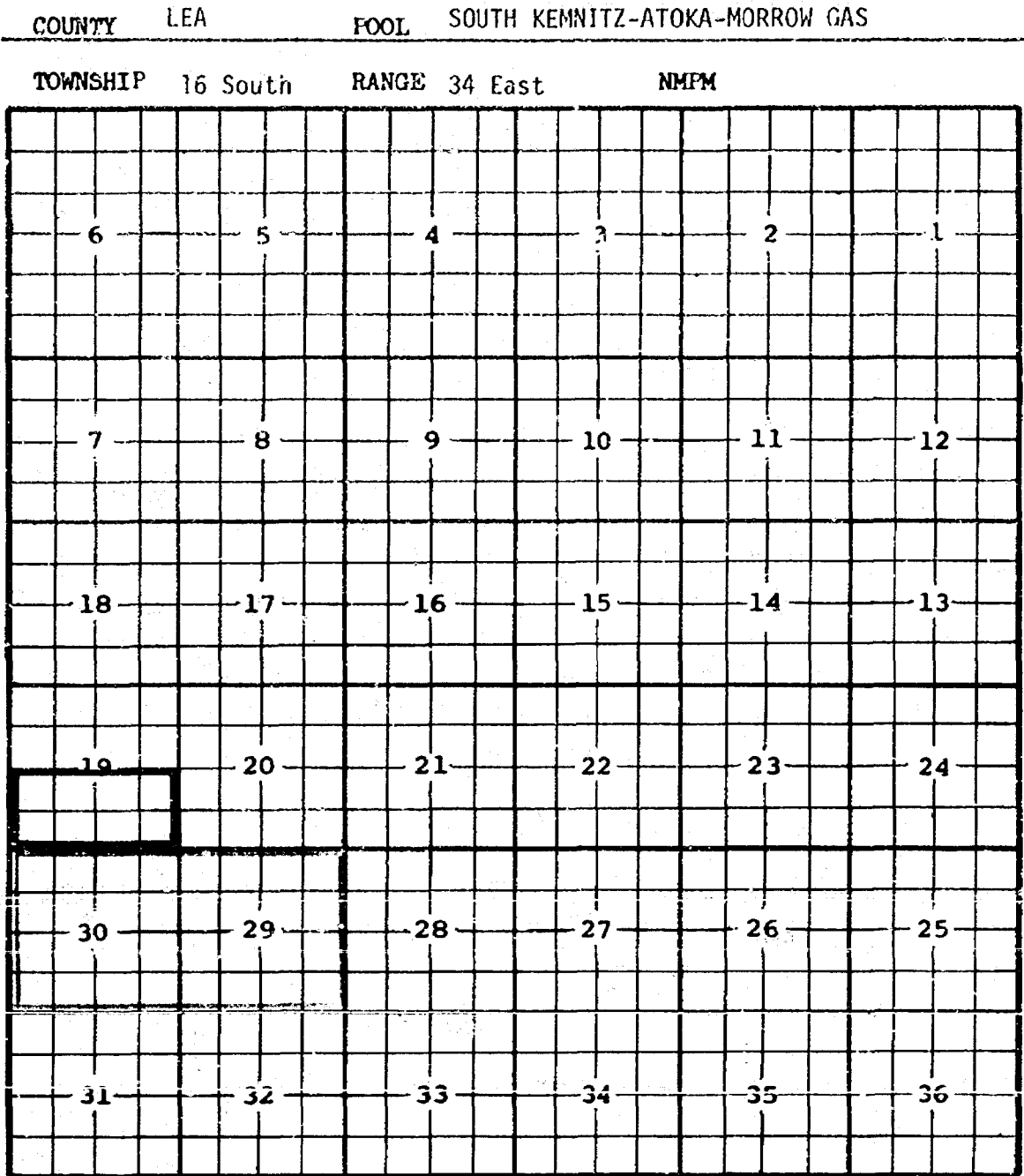


PURPOSE: See Page one of this exhibit

Pool boundary outlined in red.

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

CASE NO. 7609 (p) EXTENSION OF AN EXISTING GAS POOL



PURPOSE: One completed gas well capable of producing.

ARCO Oil & Gas Company State 19 #1-0 in Sec 19, T16S, R34E, completed March 24, 1982, in the Atoka formation. Top perf 12,615 feet.

Pool boundary outlined in red.

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

CASE NO. 7609 (q) EXTENSION OF AN EXISTING GAS POOL
COUNTY LEA POOL EAST La RICA-MORROW GAS

TOWNSHIP 18 South			RANGE 34 East			NMIM		
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.
MID AMERICA PETROLEUM INC. NEW MEXICO A STATE #1-0 in 35-18-34, completed
Feb. 15, 1982 in the Morrow formation. Top perf 13,238 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 35: S/2

COUNTY Eddy

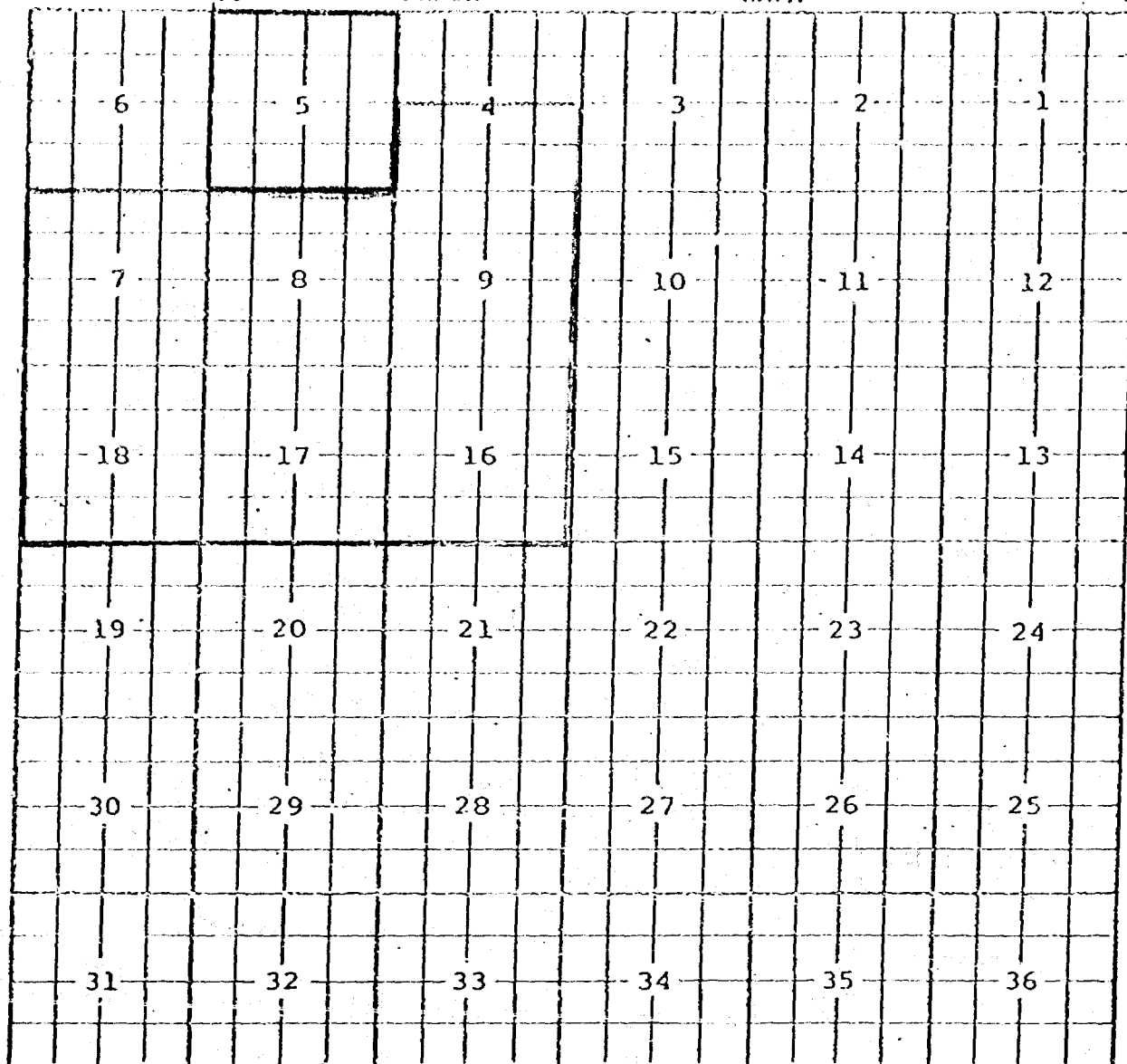
POOL North Loving- Atoka Gas

CASE NO. 7609 (R) EXTENSION OF AN EXISTING
GAS POOL

TOWNSHIP 23S

RANGE 28E

NMFM



Purpose: One completed gas well capable of producing.

Opr.	Lease	#&Ut.	STR	Comp.	Fmtn.	TOP
HNG Oil Co.	Kelly 5 Com.	1-B	5-23-28	2-16-82	Atoka	11122

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 5: All.

COUNTY Eddy

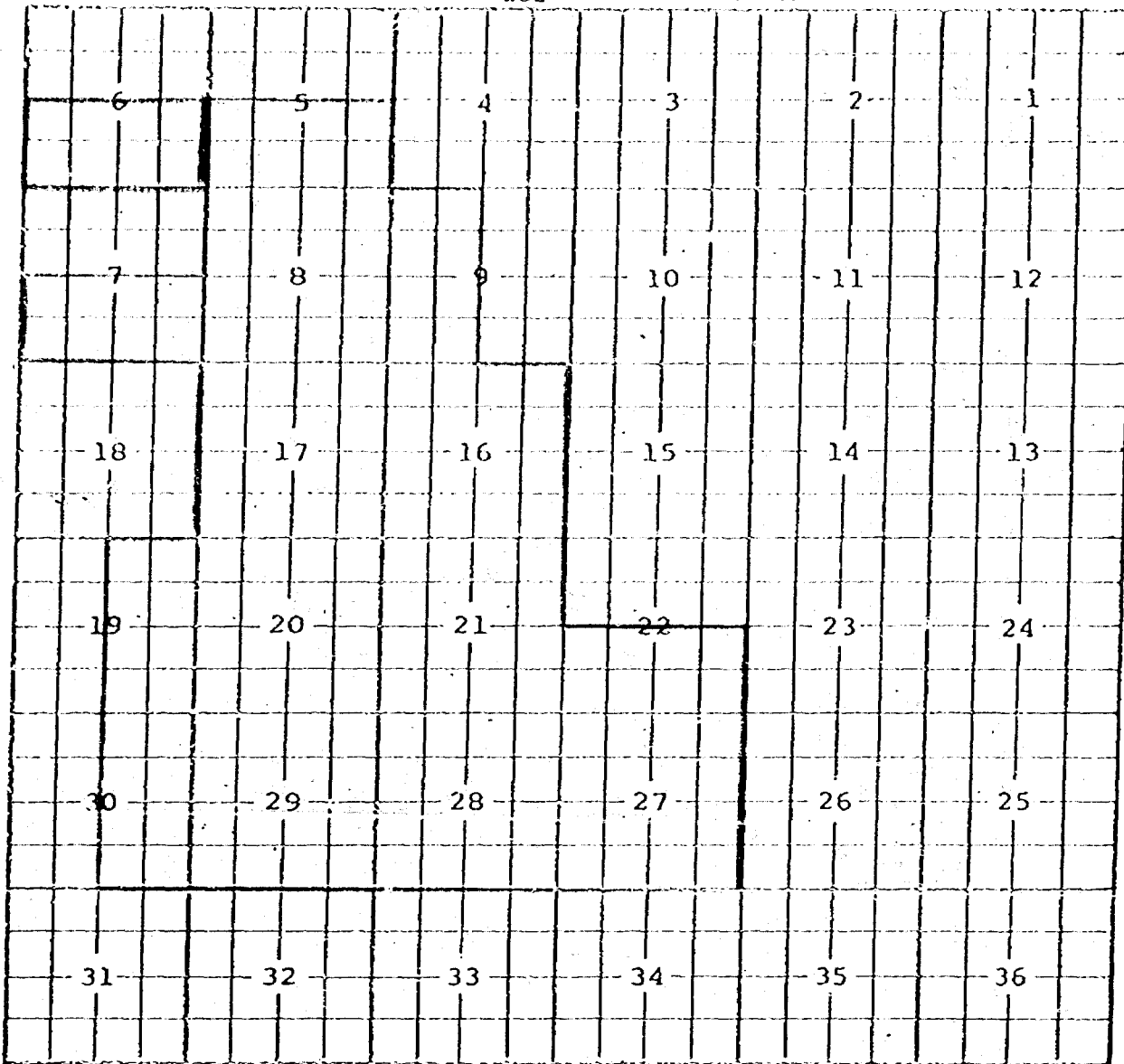
POOL North Loving - Morrow Gas

TOWNSHIP 23S

RANGE 28E

NMIM

CASE NO. 7609 (s) EXTENSION OF AN EXISTING GAS POOL



Purpose: One completed gas well capable of producing,

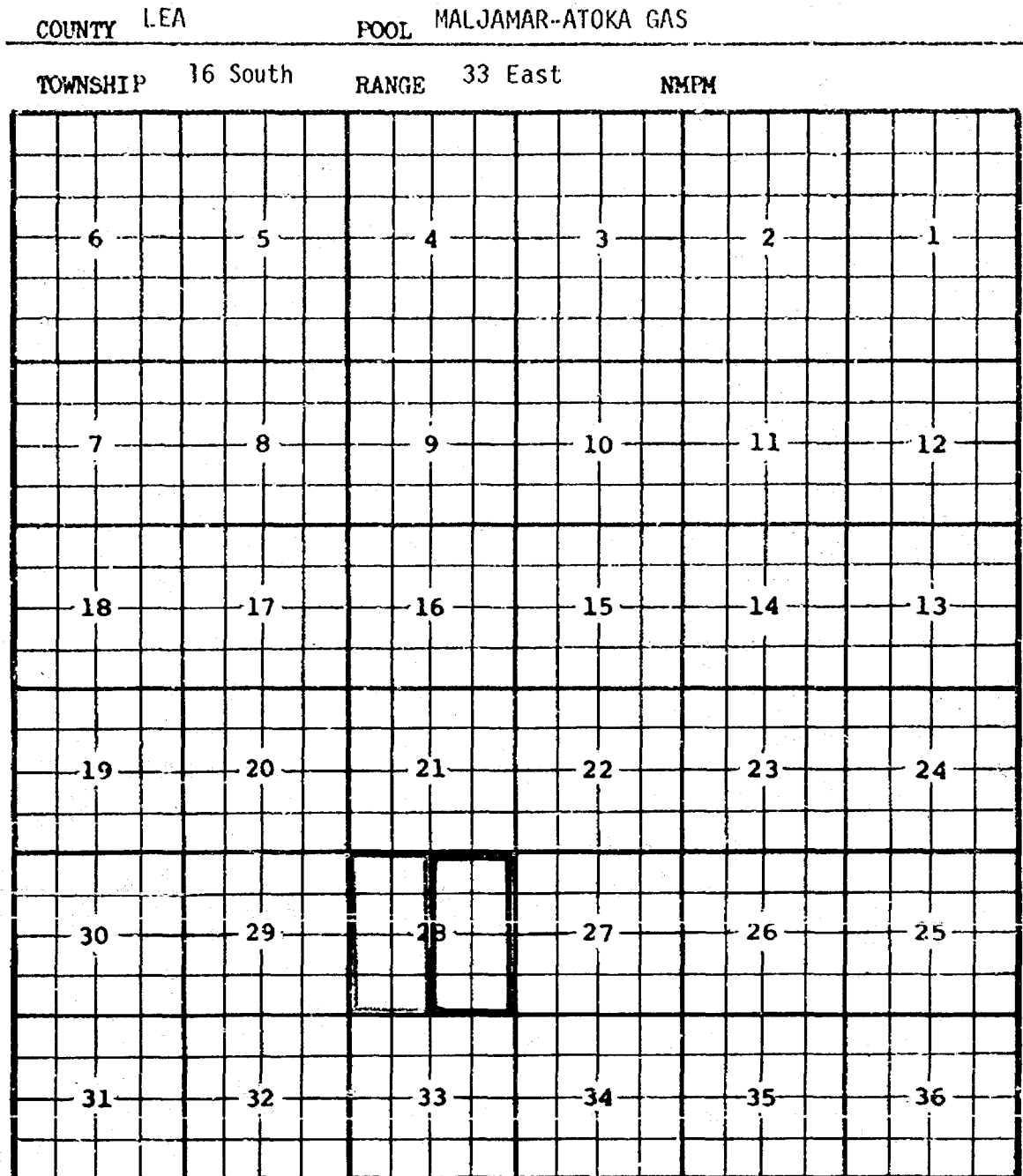
Opr.	Lease	#&Ut.	SIR	Comp.	Form.	Top
Read & Steyen	Carrasco	1-0	6-23-28	4-2-82	Morrow	12120

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 6: S/2

CASE NO. 7609 (t) EXTENSION OF AN EXISTING GAS POOL



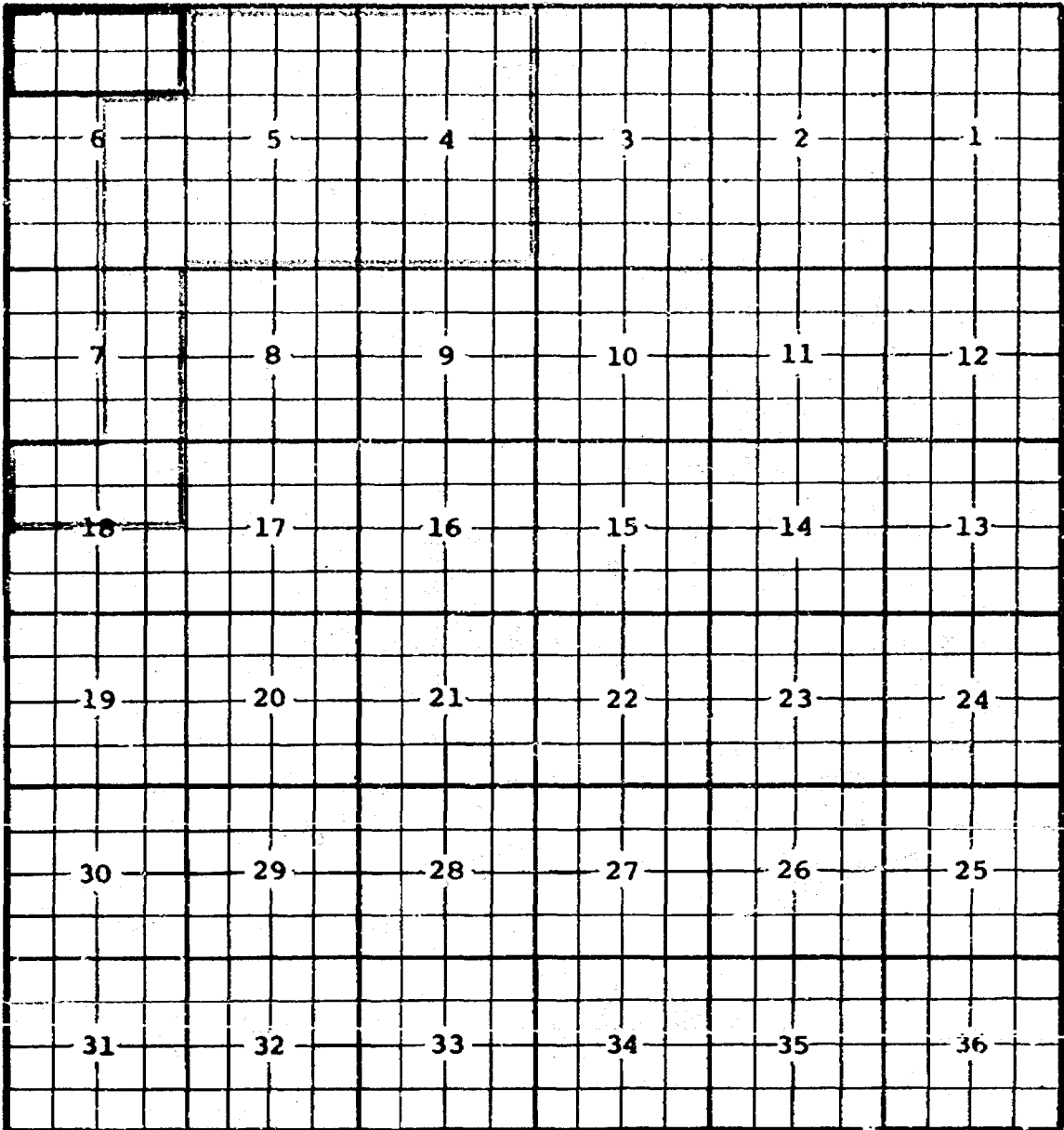
PURPOSE: One completed gas well capable of producing.
 Hexagon Oil & Gas, Inc. Hexagon NM 28 State #1-I in Sec 28, T16S,R33E,
 completed January 21, 1982, in the Atoka formation. Top perf 13,038 ft.

Pool boundary outlined in red.
 Proposed pool extension outlined in green. SECTION 28: E/2

CASE NO. 7609 (u) EXTENSION OF AN EXISTING GAS POOL

COUNTY LEA POOL SOUTH SALT LAKE-MORROW GAS

TOWNSHIP 21 South RANGE 32 East NMPM



PURPOSE: One completed gas well capable of producing.
Holly Energy, Inc. Salt Lake South Deep Well #1-H in Sec 6, T21S, R32E
(surface location 2189/N & 500/E and bottom hole location 2039.44/E &
657.58/N) completed February 19, 1982, in the Morrow formation. Top
perfs 14,120 feet.

Pool boundary outlined in red.
Proposed pool extension outlined in green.
SECTION 6: Lots 1, 2, 3, 4, 5, 6, 7, and 8

CASE NO. 7609 (v) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA

POOL SANDHILLS-GRAYBURG-SAN ANDRES

TOWNSHIP 20 South

RANGE 39 East

NNMM

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.

Minerals Inc. Llano Federal Well #1-I in Sec. 31, T20S, R39E, completed March 11, 1982, in the San Andres formation. Top perf 4332 ft.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 31: SE/4

COUNTY Eddy

POOL Shugart - Morrow Gas

TOWNSHIP 19S

RANGE 31E

CASE NO. 7609 (w) EXTENSION OF AN EXISTING
GAS POOL

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.

Opr.	Lease	#&Ut.	STR	Comp.	Form.	Top
Gulf Oil Corp.	S. Shugart Deep Ut.	1-C	4-12-31	4-5-82	Morrow	11823

Pool boundary outlined in red.

Proposed extension outlined in blue.

4; N/2.

CASE NO. 7609 (x) EXTENSION OF AN EXISTING OIL POOL

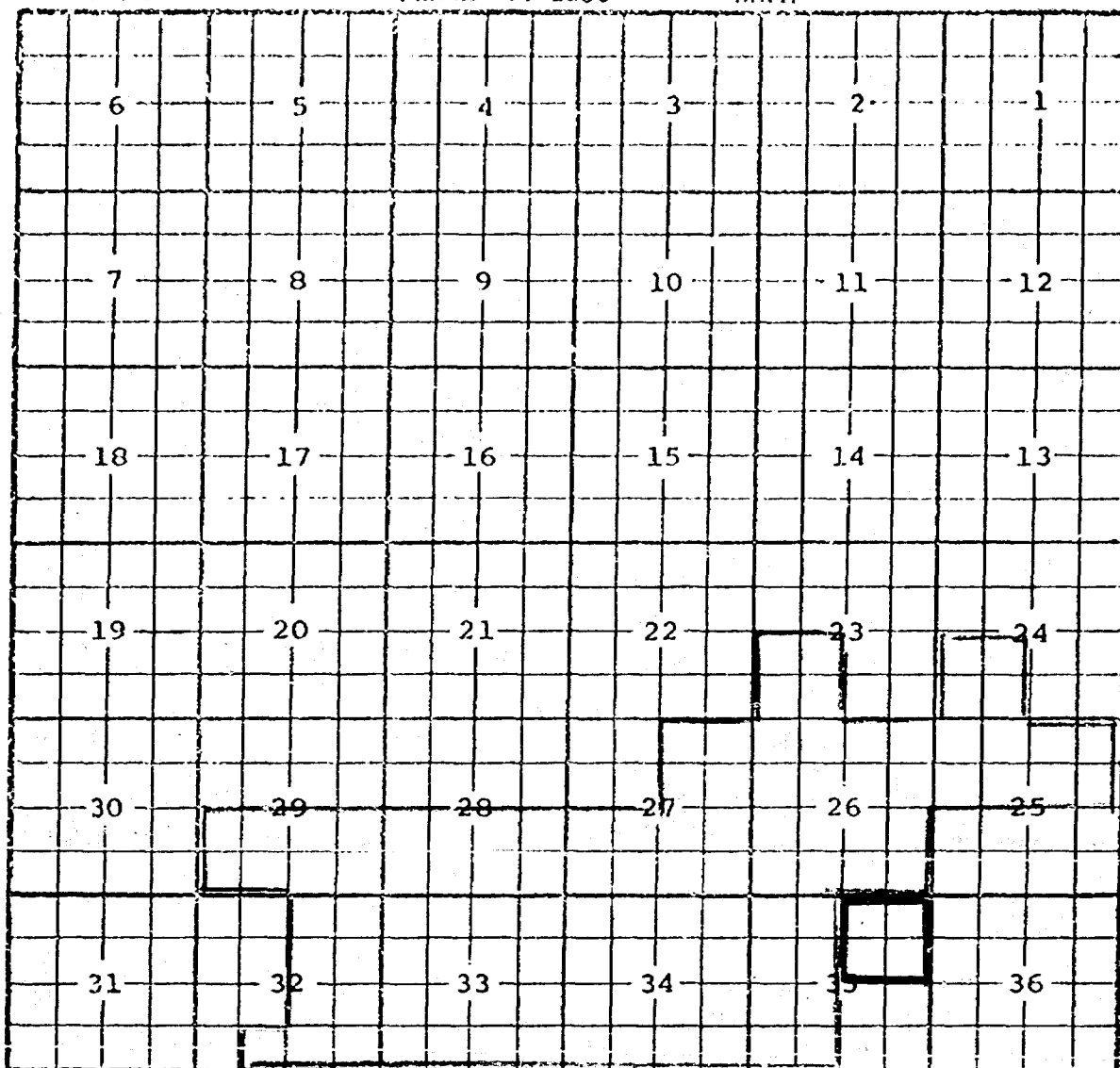
COUNTY CHAVES

POOL TOM TOM-SAN ANDRES

TOWNSHIP 7 South

RANGE 31 East

NE/4



PURPOSE: One completed oil well capable of producing.
Flag Redfern Oil Company Booher 35 Well #2-A in Sec 35, T7S, R31E,
completed February 15, 1982, in the San Andres formation. Top perf 4012 ft.

Pool boundary outlined in red.

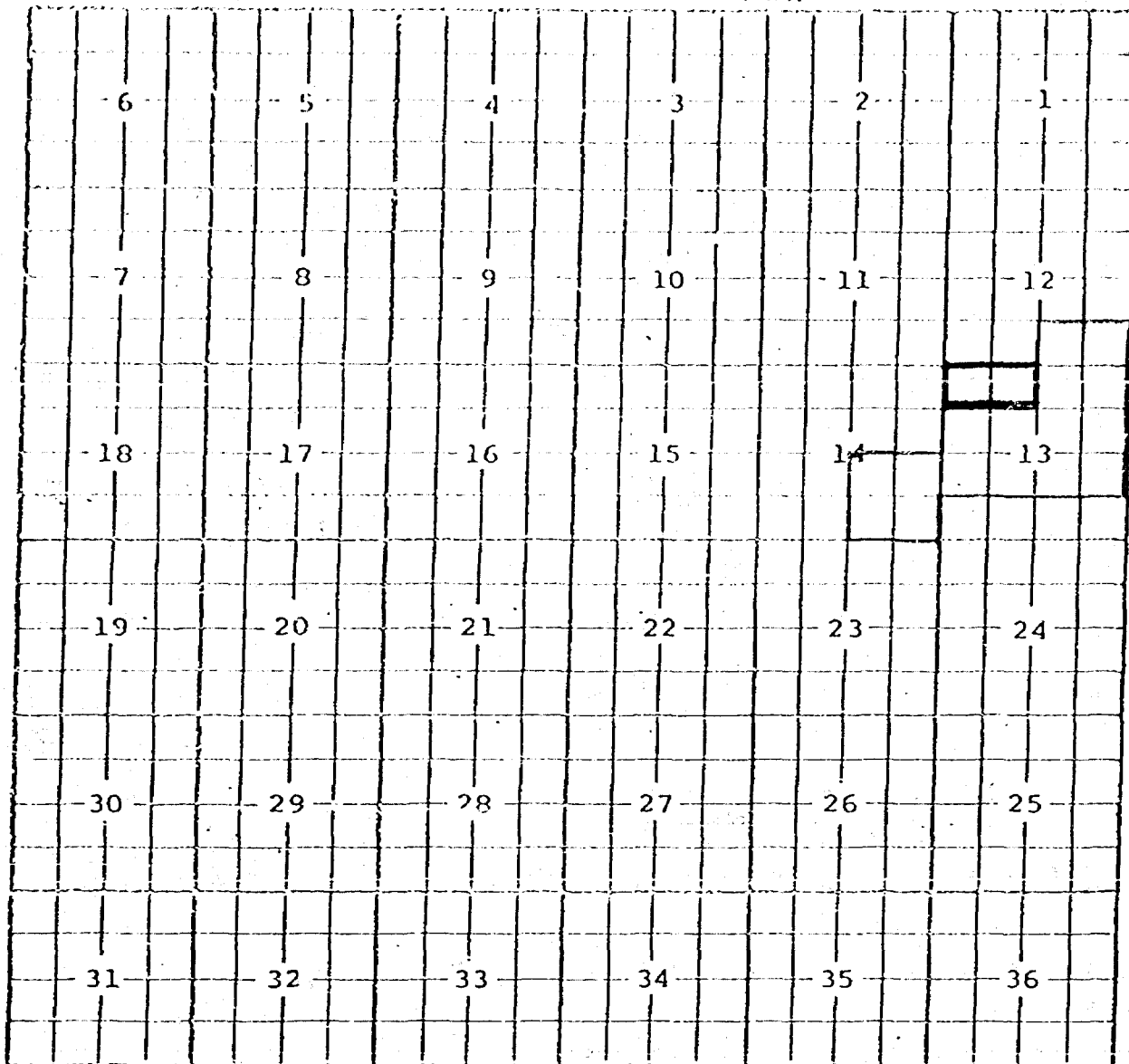
Proposed pool extension outlined in green. SECTION 35: NE/4

CASE NO. 7609 (y) EXTENSION OF AN EXISTING OIL POOL
COUNTY Paddy POOL Travis - U. Penn.

TOWNSHIP 18S

RANGE 28E

MEM



Purpose: One completed oil well capable of producing

Opr.	Lease	#&Ut.	STR	Comp.	Form.	Top
Harvey E. Yates Co.	Travis Penn, Ut.	6-C	13-18-28	2-24-82	U. Penn.	9827

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 13; N/2 NW/4

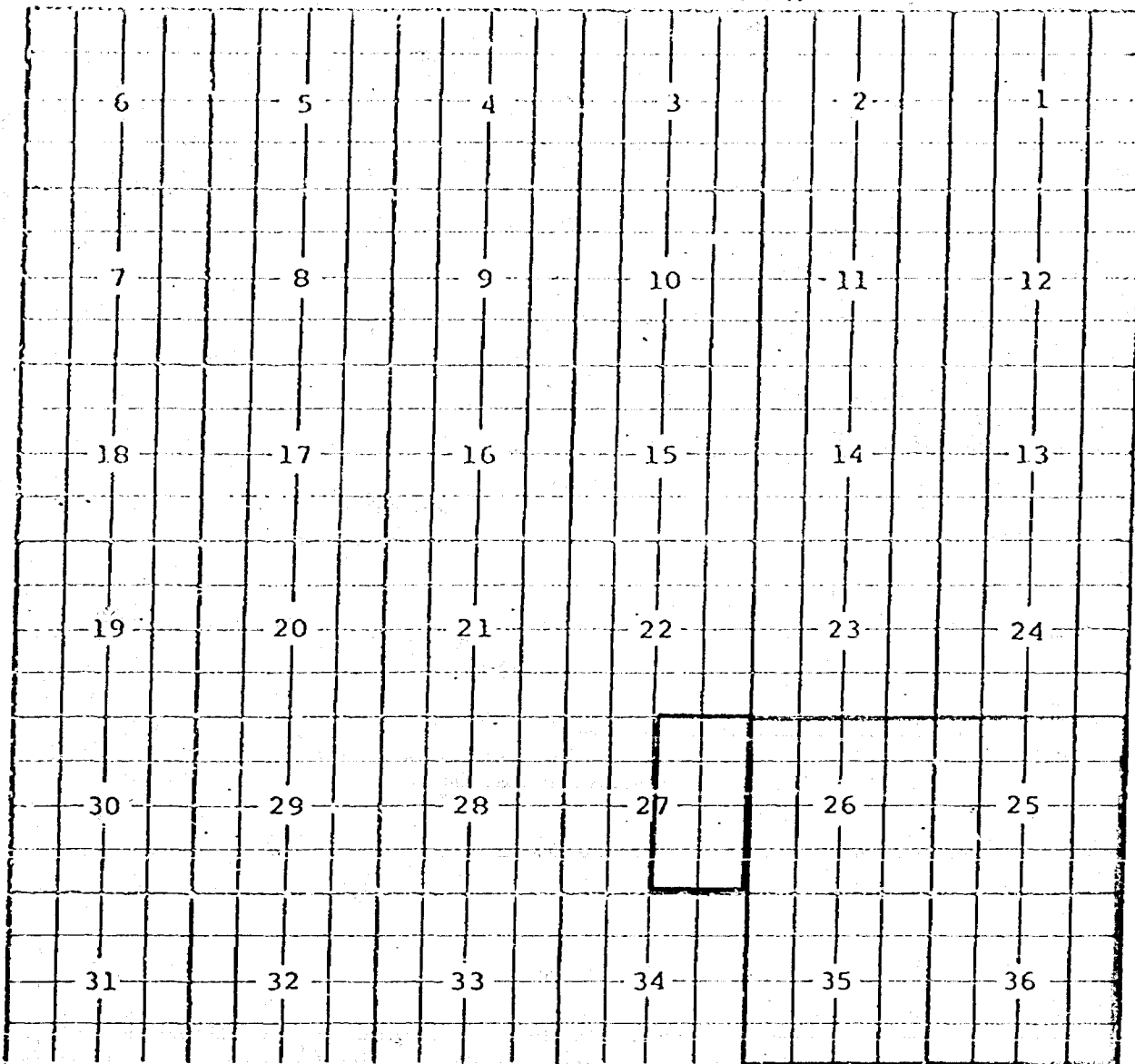
COUNTY Eddy

POOL N. Turkey Track - Morrow Gas

TOWNSHIP 18S

RANGE 28E

CASE NO. 7609 (z) EXTENSION OF AN EXISTING
GAS POOL



Purpose: One completed gas well capable of producing.

Opr.	Lease	#&Ut.	STR	Comp.	Form.	TOP
Hondo Oil & Gas	St. BW	1-H	27-18-28	3-9-82	Morrow	10852

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 27: E/2

COUNTY Eddy

POOL White City - Penn. Gas

CASE NO. 7609 (aa) EXTENSION OF AN EXIST
GAS POOL

TOWNSHIP 25S

RANGE 26E

MM

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,

Opr.	Lease	#&Ut.	STR	Comp.	Form.	TQP
Gulf Oil Co.	Fed. 13 Com.	1-F	13-25-26	1-29-82	Morrow	11472

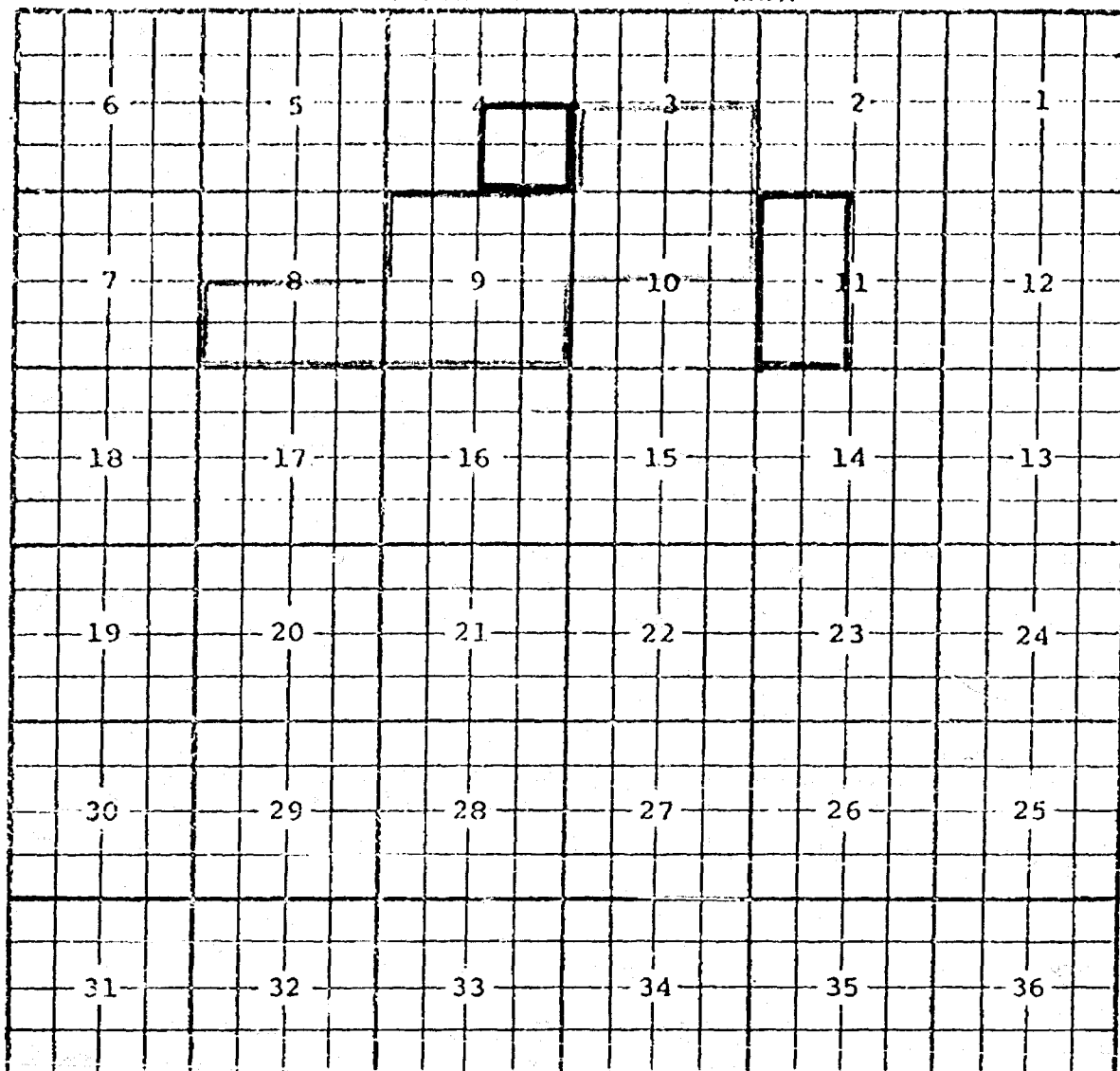
Pool boundary outlined in red.

Proposed extension outlined in blue,
Sec. 13; All

CASE NO. 7609 (bb) EXTENSION OF AN EXISTING OIL POOL

COUNTY LEA POOL NORTH YOUNG-BONE SPRING

TOWNSHIP 18 South RANGE 32 East NMIM



PURPOSE: Two completed oil wells capable of producing.
 Harvey E. Yates Company Young Deep 4 Fed #2-P in Sec 4-18-32, completed
 March 3, 1982, in the Bone Spring formation. Top perf 8412 feet.
 Amoco Production Co. Federal BS #1-K in Sec 11, T18S, R32E, completed
 February 5, 1982, in the Bone Spring formation.
 Top perf 6838 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 4: SE/4
 SECTION 11: W/2

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7609
ORDER NO. R-7009

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9:00 a.m. June 9, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of June, 1982, the Division Director having considered the testimony, the record, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Middle Bell Canyon formation. Said pool to bear the designation of Brushy Draw-Middle Bell Canyon Gas Pool. Said Brushy Draw-Middle Bell Canyon Gas Pool was discovered by the J. C. Williamson EP-USA Well No. 2 located in Unit O of Section 26, Township 26 South, Range 29 East, NMPM. It was completed March 18, 1982, in the Middle Bell Canyon formation. The top of the perforations is at 3481 feet.

(3) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Bone Spring formation. Said pool to bear the designation of Legg-Bone Spring Pool. Said Legg-Bone Spring was discovered by the Amoco Production Company State LT Well No. 1 located in Unit K of Section 32, Township 21 South, Range 33 East, NMPM. It was completed February 3, 1982, in the Bone Spring formation. The top of the perforations is at 9,295 feet.

(4) That there is need for the creation of a new pool in Chaves County, New Mexico, for the production of gas from the Atoka formation. Said pool to bear the designation of White Ranch-Atoka Gas Pool. Said White Ranch-Atoka Gas Pool was discovered by the Depco, Inc. White Ranch Unit Well No. 1 located in Unit F of Section 8, Township 13 South, Range 30 East, NMPM. It was completed February 28, 1981, in the Atoka formation. The top of the perforations is at 9,312 feet.

(5) That there is need for certain extensions to the Elkins-San Andres Pool and the Tom-Tom-San Andres Pool, both in Chaves County, New Mexico, and the Burton Flat-Morrow Gas Pool, the East Burton Flat-Morrow Gas Pool, the Cedar Lake-Morrow Gas Pool, the Crooked Creek-Morrow Gas Pool, the Empire-Pennsylvanian Gas Pool, the Hoag Tank-Morrow Gas Pool, the North Loving-Atoka Gas Pool, the North Loving-Morrow Gas Pool, the Shugart-Morrow Gas Pool, the Travis-Upper Pennsylvanian Pool, the North Turkey Track-Morrow Gas Pool, and the White City-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, and the Austin-Mississippian Gas Pool, the Baum-Upper Pennsylvanian Pool, the EK-Yates-Seven Rivers-Queen Pool, the East Grama Ridge-Morrow Gas Pool, the House-Drinkard Pool, the South Kemnitz-Atoka-Morrow Gas Pool, the East LaRica-Morrow Gas Pool, the Maljamar-Atoka Gas Pool, the South Salt Lake-Morrow Gas Pool, the Sandhills-Grayburg-San Andres Pool, and the North Young-Bone Spring 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 Middle Bell Canyon production is hereby created and designated as the Brushy Draw-Middle Bell Canyon Gas Pool, consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 26: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM
Section 32: SW/4

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

TOWNSHIP 13 SOUTH, RANGE 30 EAST, NMPM
Section 8: W/2

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

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM
Section 5: N/2 and SW/4

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 18: NE/4

(f) 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 8: S/2

(g) That the East 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 29 EAST, NMPM
Section 6: S/2

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

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 34: N/2
Section 35: N/2

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

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 3: S/2
Section 10: N/2

(j) 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 9: SW/4

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

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM
Section 22: S/2 NW/4

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 20: N/2

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

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 31: S/2

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

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 34: N/2

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 35: SE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 2: NE/4

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 19: S/2

(q) That the East 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 35: S/2

(r) That the North Loving-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 5: All

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

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 6: S/2

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

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 28: E/2

(u) That the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 6: Lots 1, 2, 3, 4, 5, 6, 7, and 8

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

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
Section 31: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 4: N/2

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 35: NE/4

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

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 13: N/2 NW/4

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

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 27: E/2

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

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 13: All

(bb) That the North Young-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 4: SE/4
Section 11: W/2

IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of the allowable.

(2) That the effective date of this order and all creations, and extensions included therein shall be July 1, 1982.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. RAMEY
Director

S E A L

Dockets Nos. 19-82 and 20-82 are tentatively set for June 23 and July 7, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - JUNE 2, 1982
OIL CONSERVATION COMMISSION - 9 A.M.
MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

CASE 7522: (DE NOVO - Continued from May 17, 1982, Commission Hearing)

Application of Santa Fe Exploration Co. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 660 feet from the North and West lines of Section 14, Township 20 South, Range 25 East, Permian-Penn, Strawn, Atoka and Morrow formations, the N/2 of said Section 14 to be dedicated to the well.

Upon application of Chama Petroleum Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7521: (DE NOVO)

Application of William B. Barnhill for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 660 feet from the South and West lines of Section 35, Township 19 South, Range 25 East, Permian-Penn, Strawn, Atoka and Morrow formations, the S/2 of said Section 35 to be dedicated to the well.

Upon application of Chama Petroleum Company and William B. Barnhill, this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 9, 1982
9 A.M. MORGAN HALL, STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nuttall, Alternate Examiner:

CASE 7599: Application of Barber Oil Inc. for an Exception to Rule 705-A Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Rule 705-A of the Division Rules and Regulations to permit 37 temporarily abandoned injection wells in its Russell Pool waterflood project to remain inactive for a period of up to three years without the required cement or bridge plugs being installed therein to isolate the injection zone.

CASE 7600: Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers and Queen formations in the perforated interval from 3338 feet to 3448 feet in its Arnett-Ramsay (NCT-B) Well No. 4 located in Unit D of Section 32, Township 25 South, Range 37 East, Langlie Mattix Pool.

CASE 7548: (Continued from April 14, 1982, Examiner Hearing)

Application of Tahoe Oil & Cattle Co. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4932 feet to 4992 feet in its Schwalbe Well No. 1, located in Unit F of Section 21, Township 9 South, Range 37 East, West Sawyer-San Andres Pool.

CASE 7601: Application of Claude Walker for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at its salt water disposal site in the NE/4 NE/4 of Section 11, Township 10 South, Range 35 East.

CASE 7602: Application of Riqueza, Inc. for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil in the NE/4 of Section 26, Township 22 South, Range 29 East.

CASE 7603: Application of Riqueza, Inc. for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit the commercial disposal of produced brine into an unlined surface pit located near its proposed oil treating plant in the NE/4 of Section 26, Township 22 South, Range 29 East.

CASE 7519: (Continued from May 26, 1982, Examiner Hearing)

Application of S & J Oil Company for special pool rules, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Seven Lakes-Menafee Oil Pool to provide for wells to be located not nearer than 25 feet to the quarter-quarter section line nor nearer than 165 feet to lands owned by an offset operator.

CASE 7604: Application of Rio Pecos Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pennsylvanian formation underlying the W/2 of Section 2, Township 19 South, Range 32 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7605: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation through the uppermost 100 feet of the Mississippian Chester Limestone underlying the W/2 of Section 35, Township 19 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7606: Application of MTS Limited Partnership Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the base of the Abo formation underlying the NW/4 of Section 5, Township 7 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7592: (Continued from May 26, 1982, Examiner Hearing)

Application of OXOCO for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Mesa Verde formation underlying the E/2 of Section 20, Township 32 North, Range 8 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7586: (Continued and Readvertised)

Application of Standard Resources Corp. for designation of a tight formation, Chaves and Eddy Counties, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Abo-Wolfcamp formation underlying all or portions of Township 15 South, Ranges 23 through 25 East, Township 19 South, Range 20 East, and Township 20 South, Range 20 East, all in Chaves County; in Eddy County: Township 16 South, Ranges 23 through 26 East, Township 17 South, Ranges 21, 23, 24, and 25 East, and Township 18 South, Ranges 21, 23, 24 and 25 East, Township 19 South, Ranges 21, 23 and 24 East, and Township 20 South, Ranges 21, 23 and 24 East, containing 460,800 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271. 701-705.

CASE 7607: Application of El Paso Natural Gas Company for the abolishment of the Blanco-Pictured Cliffs Pool and the expansion of the South Blanco-Pictured Cliffs Pool in Rio Arriba, Sandoval and San Juan Counties, New Mexico. Applicant, in the above-styled cause, seeks the abolishment of the Blanco-Pictured Cliffs Pool and the expansion of the horizontal limits of the South Blanco-Pictured Cliffs Pool to include the abolished acreage.

Also to be considered will be the appropriate method for institution of gas prorationing for wells effected by the change in pool designation.

CASE 7608: Application of Tenneco Oil Company for designation of a tight formation, San Juan County, New Mexico. Pursuant to Section 107 of the Natural Gas Policy Act of 1978 and 18 CFR Section 271. 701-705, applicant, in the above-styled cause, seeks the designation as a tight formation of the Dakota Producing Interval underlying the following described lands:

All of:

Sections 1 thru 5, Township 29 North, Range 8 West;

Sections 1 and 2, Township 29 North, Range 9 West;

Sections 1 thru 18 and Section 24, Township 30 North, Range 10 West;

Sections 7 thru 9, 16 thru 21 and 25 thru 36, Township 32 North, Range 7 West;

All sections, Township 32 North, Range 8 West; and

All sections, Township 32 North, Range 9 West;

Also:

All of Township 30 North, Range 8 West except Sections 3 thru 5 and Section 35;

All of Township 30 North, Range 9 West except Sections 31 thru 34;

All of Township 31 North, Range 8 West except Section 32; and

All of Township 31 North, Range 9 West except Sections 27 and 28

containing 149,760 acres, more or less.

CASE 7609: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Chaves, Eddy, and Lea Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Middle Bell Canyon production and designated as the Brushy Draw-Middle Bell Canyon Gas Pool. The discovery well is the J. C. Williamson EP-USA Well No. 2 located in Unit O of Section 26, Township 26 South, Range 29 East, NMPM. Said Pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 26: SE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Legg-Bone Spring Pool. The discovery well is the Amoco Production Company State LT Well No. 1 located in Unit K of Section 32, Township 21 South, Range 33 East, NMPM. Said Pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM
Section 32: SW/4

- (c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Atoka production and designated as the White Ranch-Atoka Gas Pool. The discovery well is the Depco, Inc. White Ranch Unit Well No. 1 located in Unit F of Section 8, Township 13 South, Range 30 East, NMPM. Said Pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 30 EAST, NMPM
Section 8: W/2

- (d) EXTEND the Austin-Mississippian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM
Section 5: N/2 and SW/4

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 18: NE/4

- (f) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 8: S/2

- (g) EXTEND the East Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 6: S/2

- (h) EXTEND the Cedar Lake-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 34: N/2
Section 35: N/2

- (i) EXTEND the Crooked Creek-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 3: S/2
Section 10: N/2

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 9: SW/4

- (k) EXTEND the Elkins-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM
Section 22: S/2 NW/4

- (l) EXTEND the Empire-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 20: N/2

- (m) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 31: S/2

- (n) EXTEND the Hoag Tank-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 34: N/2

- (o) EXTEND the House-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 35: SE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 2: NE/4

EXAMINER HEARING - WEDNESDAY - JUNE 9, 1982

EXAMINER HEARING WEDNESDAY-JUNE(

- (p) EXTEND the South Kemnitz Atoka-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 19: S/2

- (q) EXTEND the East LaRica-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 35: S/2

- (r) EXTEND the North Loving-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 5: All

- (s) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 6: S/2

- (t) EXTEND the Maljamar-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 28: E/2

- (u) EXTEND the South Salt Lake-Morrow Gas Pool in Lea County, New Mexico to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 6: Lots 1, 2, 3, 4, 5, 6, 7, and 8

- (v) EXTEND the Sand Hills Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
Section 31: SE/4

- (w) EXTEND the Shuyart-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM
Section 4: N/2

- (x) EXTEND the Tom-Fom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 35: NE/4

- (y) EXTEND the Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 13: N/2 NW/4

- (z) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 27: E/2

- (aa) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM
Section 13: All

- (bb) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 4: SE/4
Section 11: W/2

Docket No. 18-82

DOCKET: EXAMINER HEARING - THURSDAY- JUNE 17, 1982

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE
ROOM, STATE LAND OFFICE BUILDING, SANTA FE,
NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamet., Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for July, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for July, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

NOMENCLATURE ADVERTISEMENT FOR JUNE, 1982
CASE NO. 2009

In the matter of the application of the Oil Conservation Division of the Energy and Minerals Department upon its own motion for an order for the creation of new pools in Chaves, Eddy, and Lea Counties, 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 and extensions should not be made.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Middle Bell Canyon production and designated as the Brushy Draw-Middle Bell Canyon Gas Pool. The discovery well is the J. C. Williamson EP-USA Well No. 2 located in Unit O of Section 26, Township 26 South, Range 29 East, NMPM. Said pool would comprise:

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Section 26: SE/4

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Section 32: SW/4

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Section 34: N/2
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Section 22: S/2 NW/4

Nomenclature Advertisement for June, 1982

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Nomenclature Advertisement for June, 1982

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Section 4: SE/4
Section 11: W/2

DOCKET MAILED

Date 6/11/82