

CASE 6178: SOUTHEASTERN NEW MEX-
ICO NOMENCLATURE CASE FOR MARCH, *ture*
1978

Case NO.

6178

Application

Transcripts

Small Exhibits

ETC.

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico
March 8, 1978

EXAMINER HEARING

IN THE MATTER OF:

Application of the Oil Conservation) CASE
Commission of New Mexico upon its own) 6178
motion for an order creating and)
extending certain pools in Chaves, Eddy,)
Lea, and Roosevelt Counties, New)
Mexico.)

BEFORE: Daniel S. Nutter, Examiner.

TRANSCRIPT OF HEARING

For the New Mexico Oil	Lynn Teschendorf, Esq.
Conservation Commission:	Legal Counsel for the Commission
	State Land Office Building
	Santa Fe, New Mexico

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I N D E X

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

Page

1. Appearances	1
2. The Witness, Mr. Carl Ulvog	
Direct Examination by Ms. Teschendorf	3
Witness Excused	5
3. Reporter's Certificate	6

EXHIBIT INDEX

Commission's Exhibit No. 1, Plats	5
Exhibit No. 1, Admitted	5

sid morrish reporting service
General Court Reporting Service
 825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
 Phone (505) 982-9212

1 MR. NUTTER: Call Case 6178, which is in the matter
2 of the application of the Oil Conservation Commission of New
3 Mexico upon its own motion for an order creating and
4 extending certain pools in Chaves, Eddy, Lea, and Roosevelt
5 Counties, New Mexico, and the assignment of a discovery
6 allowable in Eddy County, New Mexico.

7 Call for appearances, please?

8 MS. TESCHENDORF: Lynn Teschendorf appearing on
9 behalf of the Commission and I have one witness.

10 (THEREUPON, the witness was sworn.)
11

12 CARL ULVOG

13 was called as a witness by the Commission, and having been
14 first duly sworn, testified upon his oath as follow, to-wit:
15

16 DIRECT EXAMINATION

17 BY MS. TESCHENDORF:

18 Q Please state your name and position?

19 A Carl Ulvog, Senior Geologist, Oil Conservation
20 Commission based in Santa Fe.

21 Q Are you prepared to make recommendations concerning
22 the nomenclature of certain pools in Chaves, Eddy, Lea,
23 and Roosevelt Counties, New Mexico.

24 A I am.

25 Q Are your recommendations prepared in the form of an

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 exhibit?

2 A They are as an exhibit and in the form of a series
3 of plats showing and describing the creations and extensions
4 proposed by this case.

5 The plats are identified in accordance with the
6 paragraphs shown on the docket from letters "A" through "Z"
7 and from "AA" through "JJ".

8 Q Would you please refer to your exhibit and to the
9 docket that has been prepared and point out any substantial
10 differences between the two?

11 A Yes, I will. There are no differences between the
12 advertisement and the docket but we are here proposing in
13 the case of paragraphs "FF" to add to that shown by the
14 docket the southwest quarter of Section 15, Township 14
15 South, Range 28 East; and in the case of paragraph "II" we
16 are proposing here to add the east half of Section 25,
17 Township 18 South, Range 28 East.

18 Those are the only differences between what we are
19 proposing and what is shown on the docket and what was in
20 the advertisement.

21 MR. NUTTER: What was that first one, Mr. Ulvog?

22 A In paragraph "FF" which is the Sams Ranch-Graburg
23 Gas Pool in Chaves County and in addition to that which is
24 on the docket we are proposing to add the southwest quarter
25 of Section 15, Township 14 South, Range 28 East.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

1 Q (Ms. Teschendorf continuing.) You are also proposing
2 an assignment of a discovery allowable in Eddy County in
3 this case?

4 A That's correct.

5 Q And what is your proposal?

6 A That is in the case of the Sanmal-Wolfcamp Pool
7 and we are proposing to assign forty-three thousand three
8 hundred barrels of discovery allowable to the discovery well
9 which is the Southland Royalty Company Palmillo State Well
10 No. 1 located in Unit G of Section 32, Township 18 South,
11 Range 29 East.

12 Q What paragraph is that?

13 A That is paragraph "C".

14 Q Do you have anything further to add?

15 A No ma'am.

16 MS. TESCHENDORF: At this time I'll offer Exhibit
17 One.

18 MR. NUTTER: The exhibit will be entered into
19 evidence.

20 Do you have anything further?

21 MS. TESCHENDORF: No, sir.

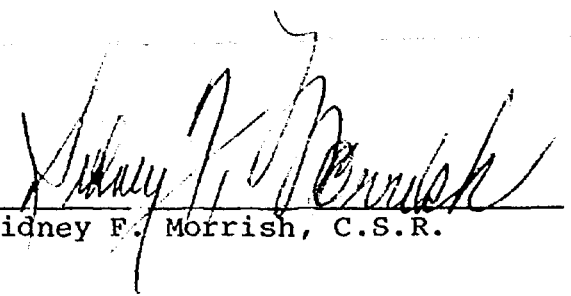
22 MR. NUTTER: Does anyone have anything the wish
23 to offer in this case? The witness may be excused. Take
24 the case under advisement and the hearing is adjourned.

25 (THEREUPON, the case was concluded.)

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

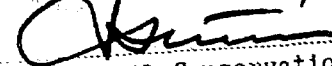
REPORTER'S CERTIFICATE

I, SIDNEY F. MORRISH, a Certified Shorthand Reporter,
do hereby certify that the foregoing and attached Transcript
of Hearing before the New Mexico Oil Conservation Commission
was reported by me, and the same is a true and correct record
of the said proceedings to the best of my knowledge, skill and
ability.


Sidney F. Morrish, C.S.R.

sid morrish reporting service
General Court Reporting Service
825 Calle Mejia, No. 122, Santa Fe, New Mexico 87501
Phone (505) 982-9212

I do hereby certify that the foregoing is
a true and correct record of the proceedings in
the hearing of Case No. 6178
held on 3/8, 1978.


Examiner
New Mexico Oil Conservation Commission

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. 6178
Order No. R-5667

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on March 8, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 14th day of March, 1978, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Alacran Hills-Atoka Gas Pool. Said Alacran Hills-Atoka Gas Pool was discovered by the Read & Stevens, Inc. W R State Com Well No. 1 located in Unit X of Section 6, Township 21 South, Range 27 East, NMPM. It was completed in the Atoka formation on June 6, 1977. The top of the perforations is at 10,382 feet.

(3) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of West Malaga-Atoka Gas Pool. Said West Malaga-Atoka Gas Pool was discovered by the HNG Oil Company Valdez 5 Com Well

-2-

Case No. 6178

Order No. R-5667

No. 1 located in Unit H of Section 5, Township 24 South, Range 28 East, NMPM. It was completed in the Atoka formation on October 4, 1977. The top of the perforations is at 11,936 feet.

(4) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Palmillo-Wolfcamp Pool. Further, that the discovery well for said pool, the Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 43,300 barrels to be assigned over a two-year period. Said discovery well was completed in the Wolfcamp formation on December 11, 1977. The top of the perforations is at 8,660 feet.

(5) That there is need for the creation of a new oil pool in Eddy County, New Mexico for the production of oil from the San Andres formation, said pool to bear the designation of Railroad Mountain-San Andres Pool. Said Railroad Mountain-San Andres Pool was discovered by The Harlow Corporation Graves Well No. 1 located in Unit F of Section 11, Township 8 South, Range 28 East, NMPM. It was completed in the San Andres formation on April 14, 1975. The top of the perforations is at 2,577 feet.

(6) That there is need for the extension of the vertical limits of the Daughterity-San Andres Pool in Eddy County, New Mexico, to include the Grayburg formation, the redesignation of said pool as the Daughterity-Grayburg-San Andres Pool, and the extension of the horizontal limits of said pool.

(7) That there is need for the certain extensions to the Buffalo Valley Pennsylvanian Gas Pool, the Cato-San Andres Pool, the East Chisum-San Andres Pool, and the Sams Ranch-Grayburg Gas Pool, all in Chaves County, New Mexico, and the Angell Ranch-Morrow Gas Pool, the Avalon-Strawn Gas Pool, the Bass-Morrow Gas Pool, the West Bubbling Springs-Morrow Gas Pool, the Burton Flat-Morrow Gas Pool, the East Burton Flat-Morrow Gas Pool, the Cabin Lake-Strawn Pool, the South Carlsbad-Cherry Canyon Pool, the South Carlsbad-Morrow Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the Cemetery-Morrow Gas Pool, the North Dagger Draw-Upper Pennsylvanian Pool, the East Eagle Creek-Atoka-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the Fordinkus-Cisco Gas Pool, the West Four Mile Draw-Morrow Gas Pool, the Kennedy Farms-Morrow Gas Pool,

-3-

Case No. 6178

Order No. R-5667

and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the South Brunson-Abo Pool, the South Corbin-Morrow Gas Pool, the Dickenson-San Andres Pool, the South Leonard-Queen Pool, the Reeves-Queen Pool, the Sanmal-Wolfcamp Pool, and the North Vacuum-Abo Pool, all in Lea County, New Mexico, and the Chaveroo-San Andres Pool and the Tomahawk-San Andres Pool, both in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 6: Lots 9, 10, 15, 16 and SE/4

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 5: E/2

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4

Further, that the discovery well for said Palmillo-Wolfcamp Pool, being Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM, is hereby assigned a bonus discovery allowable in the amount of 43,300 barrels to be produced over a two-year period.

(d) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Railroad Mountain-San Andres Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 11: NW/4

-4-

Case No. 6178
Order No. R-5667

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 31: All

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: S/2
Section 32: S/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 29: W/2

(h) That the South Brunson-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: S/2

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 25: All
Section 26: E/2

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

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 17: N/2

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 13: S/2
Section 23: All
Section 26: N/2

-5-

Case No. 6178
Order No. R-5667

(l) 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 28 EAST, NMPM
Section 12: E/2

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 7: All

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 1: S/2 SW/4
Section 2: SE/4 SE/4

(n) That the South Carlsbad Cherry Canyon Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 20: NW/4 SW/4

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

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 11: All
Section 12: S/2

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 7: W/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 8: E/2
Section 9: All
Section 16: All

(p) That the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 2: SE/4
Section 11: E/2

-6-

Case No. 6178
Order No. R-5667

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 5: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 24: N/2

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 6: S/2

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

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: E/2 W/2 and SE/4

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 34: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 20: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 16: NW/4

(w) That the vertical limits of the Daugherty-San Andres Pool in Eddy County, New Mexico, are hereby extended to include

-7-

Case No. 6178
Order No. R-5667

the Grayburg formation, and said Daugherty San Andres Pool is redesignated the Daugherty-Grayburg-San Andres Pool. Also, said Daugherty-Grayburg-San Andres Pool is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 10: N/2 NE/4

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

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 35: S/2

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

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 23: E/2

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 5: N/2
Section 7: N/2
Section 8: W/2

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

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 22: E/2
Section 23: All

(bb) That the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 5: S/2

-8-

Case No. 6178
Order No. R-5667

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

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 26: S/2
Section 35: N/2

(dd) That the South Leonard-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 13: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 22: SW/4

(ff) That the Sams Ranch-Grayburg Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM
Section 8: NE/4
Section 9: NW/4
Section 15: SW/4

(gg) That the Sanmal-Wolfcamp 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 33: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 31: NW/4

(ii) 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 25: E/2

-9-

Case No. 6178
Order No. R-5667

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 30: S/2

Section 32: S/2

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

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 30: NE/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 Form 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, discovery allowable assignment, and extensions included herein shall be April 1, 1978.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

dr/

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

Checked
OK - cu
de

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

CASE NO. 6178
ORDER NO. R-5667
R-5667

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on March 8, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 8th day of March, 1978, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Alacran Hills-Atoka Gas Pool. Said Alacran Hills-Atoka Gas Pool was discovered by the Read & Stevens, Inc. W R State Com Well No. 1 located in Unit X of Section 6, Township 21 South, Range 27 East, NMPM. It was completed in the Atoka formation on June 6, 1977. The top of the perforations is at 10,382 feet.

(3) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of West Malaga-Atoka Gas Pool. Said West Malaga-Atoka Gas Pool was discovered by the HNG Oil Company Valdez 5 Com Well No. 1 located in Unit H of Section 5, Township 24 South, Range 28 East, NMPM. It was completed in the Atoka formation on October 4, 1977. The top of the perforations is at 11,936 feet.

(4) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Palmillo-Wolfcamp Pool. Further, that the discovery well for said pool, the Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 43,300 barrels to be assigned over a two-year period. Said discovery well was completed in the Wolfcamp formation on December 11, 1977. The top of the perforations is at 8,660 feet.

(5) That there is need for the creation of a new oil pool in Eddy County, New Mexico for the production of oil from the San Andres formation, said pool to bear the designation of Railroad Mountain-San Andres Pool. Said Railroad Mountain-San Andres Pool was discovered by The Harlow Corporation Graves Well No. 1 located in Unit F of Section 11, Township 8 South, Range 28 East, NMPM. It was completed in the San Andres formation on April 14, 1975. The top of the perforations is at 2,577 feet.

(6) That there is need for the extension of the vertical limits of the Daugherty-San Andres Pool in Eddy County, New Mexico, to include the Grayburg formation, the redesignation of said pool as the Daugherty-Grayburg-San Andres Pool, and the extension of the horizontal limits of said pool.

CASE NO. 6178
ORDER NO. _____

(7) That there is need for the certain extensions to the Buffalo Valley Pennsylvanian Gas Pool the Cato-San Andres Pool, the East Chisum-San Andres Pool, and the Sams Ranch-Grayburg Gas Pool, all in Chaves County, New Mexico, and the Angell Ranch-Morrow Gas Pool, the Avalon-Strawn Gas Pool, the Bass-Morrow Gas Pool, the West Bubbling Springs-Morrow Gas Pool, the Burton Flat-Morrow Gas Pool, the East Burton Flat-Morrow Gas Pool, the Cabin Lake-Strawn Pool, the South Carlsbad-Cherry Canyon Pool, the South Carlsbad-Morrow Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the Cemetery-Morrow Gas Pool, the North Dagger Draw-Upper Pennsylvanian Pool, the East Eagle Creek-Atoka-Morrow Gas Pool, the South Empire-Morrow Gas Pool, the Fordinkus-Cisco Gas Pool, the West Four Mile Draw-Morrow Gas Pool, the Kennedy Farms-Morrow Gas Pool, and the North Turkey Track-Morrow Gas Pool, all in Eddy County, New Mexico, and the South Brunson-Abo Pool, the South Corbin-Morrow Gas Pool, the Dickenson-San Andres Pool, the South Leonard-Queen Pool, the Reeves-Queen Pool, the Sanmal-Wolfcamp Pool, and the North Vacuum-Abo Pool, all in Lea County, New Mexico, and the Chaveroo-San Andres Pool and the Tomahawk-San Andres Pool, both in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 6, Lots 9, 10, 15, 16 & SE/4

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 5: E/2

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4

Further, that the discovery well for said Palmillo-Wolfcamp Pool, being Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM, is hereby assigned a bonus discovery allowable in the amount of 43,300 barrels to be produced over a two-year period.

(d) That a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production, is hereby created and designated as the Railroad Mountain-San Andres Pool, consisting of the following described area:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 11: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 31: All

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: S/2
Section 32: S/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 29: W/2

CASE NO. 6178
ORDER NO. _____

(h) That the South Brunson-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 31: S/2

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 25: All
Section 26: E/2

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

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 17: N/2

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 13: S/2
Section 23: All
Section 26: N/2

(l) 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 28 EAST, NMPM
Section 12: E/2

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 7: All

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 1: S/2 SW/4
Section 2: SE/4 SE/4

(n) That the South Carlsbad Cherry Canyon Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 20: NW/4 SW/4

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

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 11: All
Section 12: S/2

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 7: W/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 8: E/2
Section 9: All
Section 16: All

(p) That the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 2: SE/4
Section 11: E/2

CASE NO. 6178
ORDER NO. _____

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 5: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 24: N/2

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 6: S/2

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

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: E/2 W/2 & SE/4

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 34: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 20: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 16: NW/4

(w) That the vertical limits of the Daugherty-San Andres Pool in Eddy County, New Mexico, are hereby extended to include the Grayburg formation, and said Daugherty San Andres Pool is redesignated the Daugherty-Grayburg-San Andres Pool. Also, said Daugherty-Grayburg-San Andres Pool is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 10: N/2 NE/4

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

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 35: S/2

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

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 23: E/2

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 5: N/2
Section 7: N/2
Section 8: W/2

CASE NO. 6178
ORDER NO. _____

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

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 22: E/2
Section 23: A11

(bb) That the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 5: S/2

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

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 26: S/2
Section 35: N/2

(dd) That the South Leonard-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

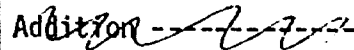
TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 13: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 22: SW/4

(ff) That the Sams Ranch-Grayburg Gas Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM
Section 8: NE/4
Section 9: NW/4
Section 15: SW/4

Addition 

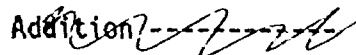
(gg) That the Sanmal-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 33: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 31: NW/4

(ii) 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:

Addition 

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 25: E/2

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 30: S/2
Section 32: S/2

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

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 30: NE/4

CASE NO. 6178
ORDER NO.

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 Form 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, discovery allowable assignment, and extensions included herein shall be April 1, 1978.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

PHIL R. LUCERO, Chairman

EMERY C. ARNOLD, Member

JOE D. RAMEY, Member & Secretary

S E A L

NEW POOLS

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

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

Discovery well was Read & Stevens, Inc. WR State Com #1 located in Unit X Section 6 Township 21 Range 27 and was completed on June 6, 1977. Top of perforations is at 10,382 feet.

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

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

Discovery well was HNG Oil Company Valdez 5 Com #1 located in Unit H Section 5 Township 24 Range 28 and was completed on October 4, 1977. Top of perforations is at 11,936 feet.

It is recommended that a new OIL pool be created and designated as the PALMILLO-WOLFCAMP Pool.

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

Discovery well was Southland Royalty Co. Palmillo State #1 located in Unit G Section 32 Township 18 Range 29 and was completed on December 11, 1977. Top of perforations is at 8660 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the RAILROAD MOUNTAIN-SAN ANDRES Pool.

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

Discovery well was The Harlow Corporation Graves #1 located in Unit F Section 11 Township 8 Range 28 and was completed on April 14, 1975. Top of perforations is at 2,577 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.

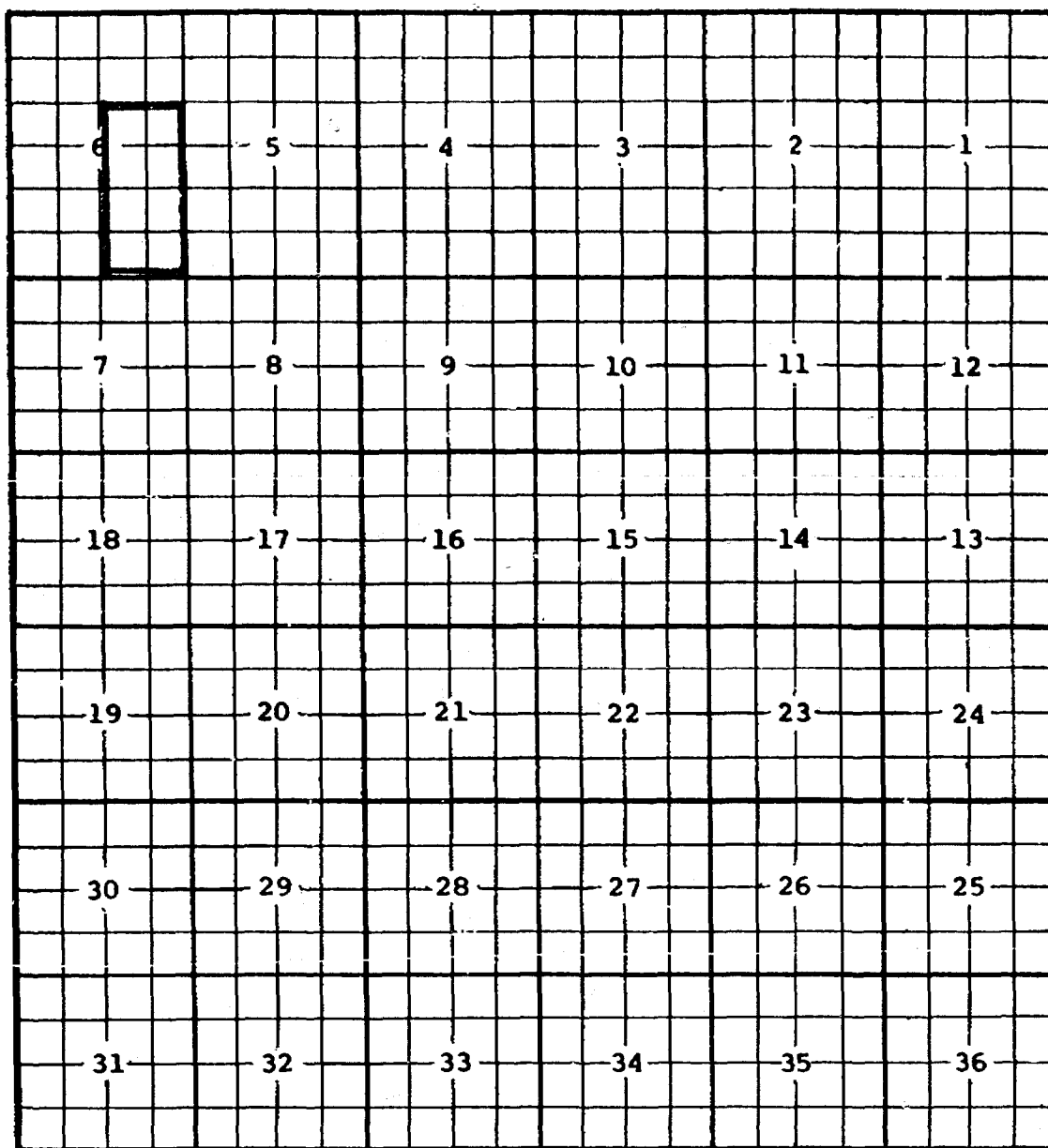
It is recommended that a new _____ pool be created and designated as the _____ Pool.

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.

COUNTY Eddy POOL Alacran Hills - Atoka Gas

TOWNSHIP 21 S RANGE 27 E NMPM



Purpose: One completed gas well capable of producing.

Disc. well: Read & Stevens, Inc. W R State Com. #1-X-6-21-27
Comp. 6-6-77 through Atoka perfs from 10382-390'

Proposed pool boundary outlined in blue.

Section 6: Lots 9,10,15,16 & SE/4

TOWNSHIP 24 S RANGE 28 E NM1M

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: HNG Oil Co. Valdez 5 Com. #1-H-5-24-28.

Comp. 10-4-77 through Atoka perms from 11936-941'.

Proposed pool boundary outlined in blue.

Section 5: E/2

COUNTY Eddy POOL Palmillo - Wolfcamp

TOWNSHIP 18 S RANGE 29 E 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.

Disc. well: Southland Royalty Co. Palmillo State #1-G-32-18-29.

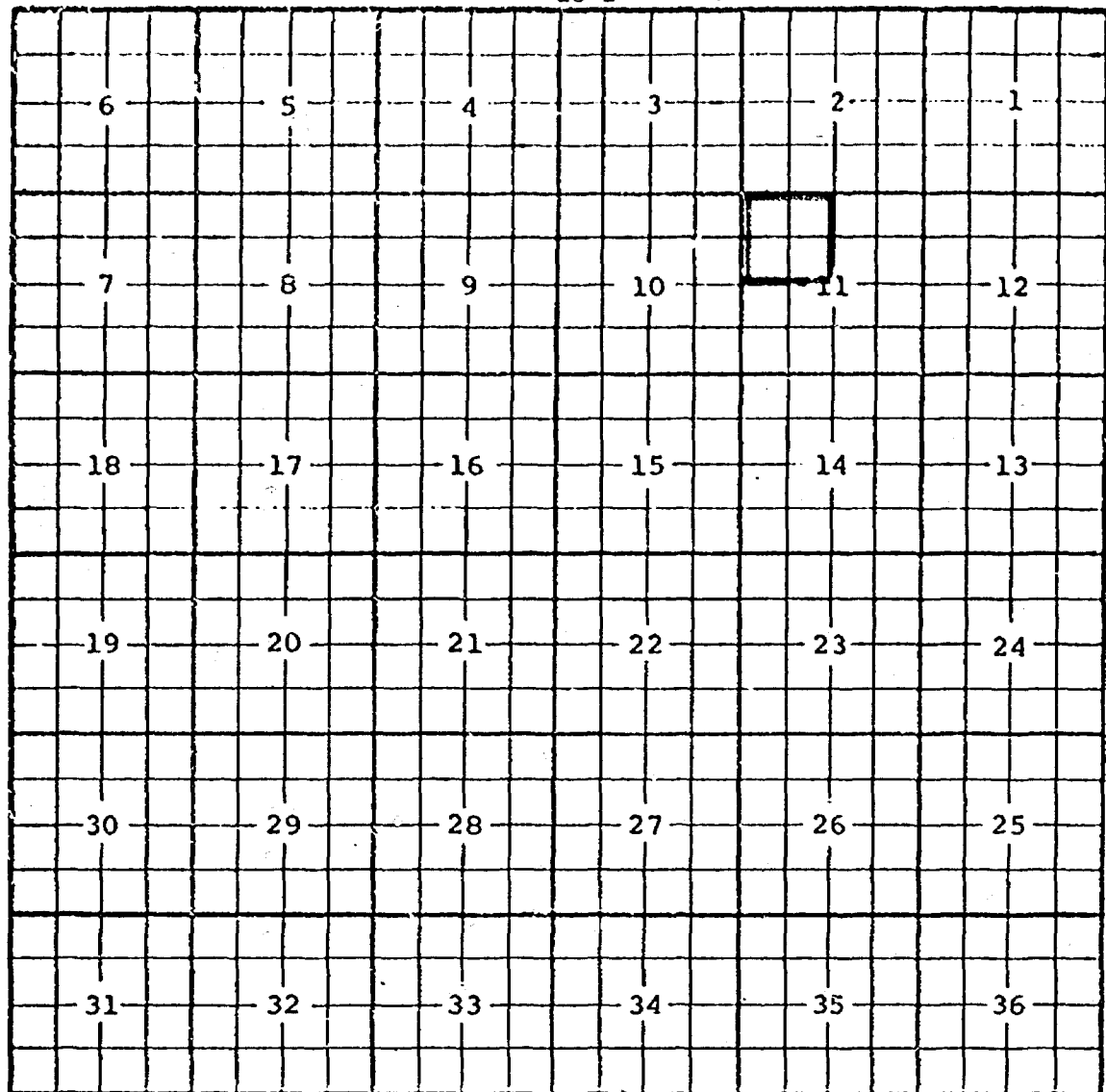
Comp. 12-11-77 through Wolfcamp perms from 8660-72'.

Further to assign approximately 43,300 barrels of discovery allowable.

Proposed pool boundary outlined in blue.

Section 32: NE/4

TOWNSHIP 8 S RANGE 28 E NMFM



Purpose: One completed oil well capable of producing.

Disc. well: The Harlow Corp. Graves #1-F-11-8-28

Comp. 4-14-75 through San Andres perms from 2577-94'.

Proposed pool boundary outlined in blue.

Section 11: NW/4

TOWNSHIP 19 S RANGE 28 E NM17M

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.

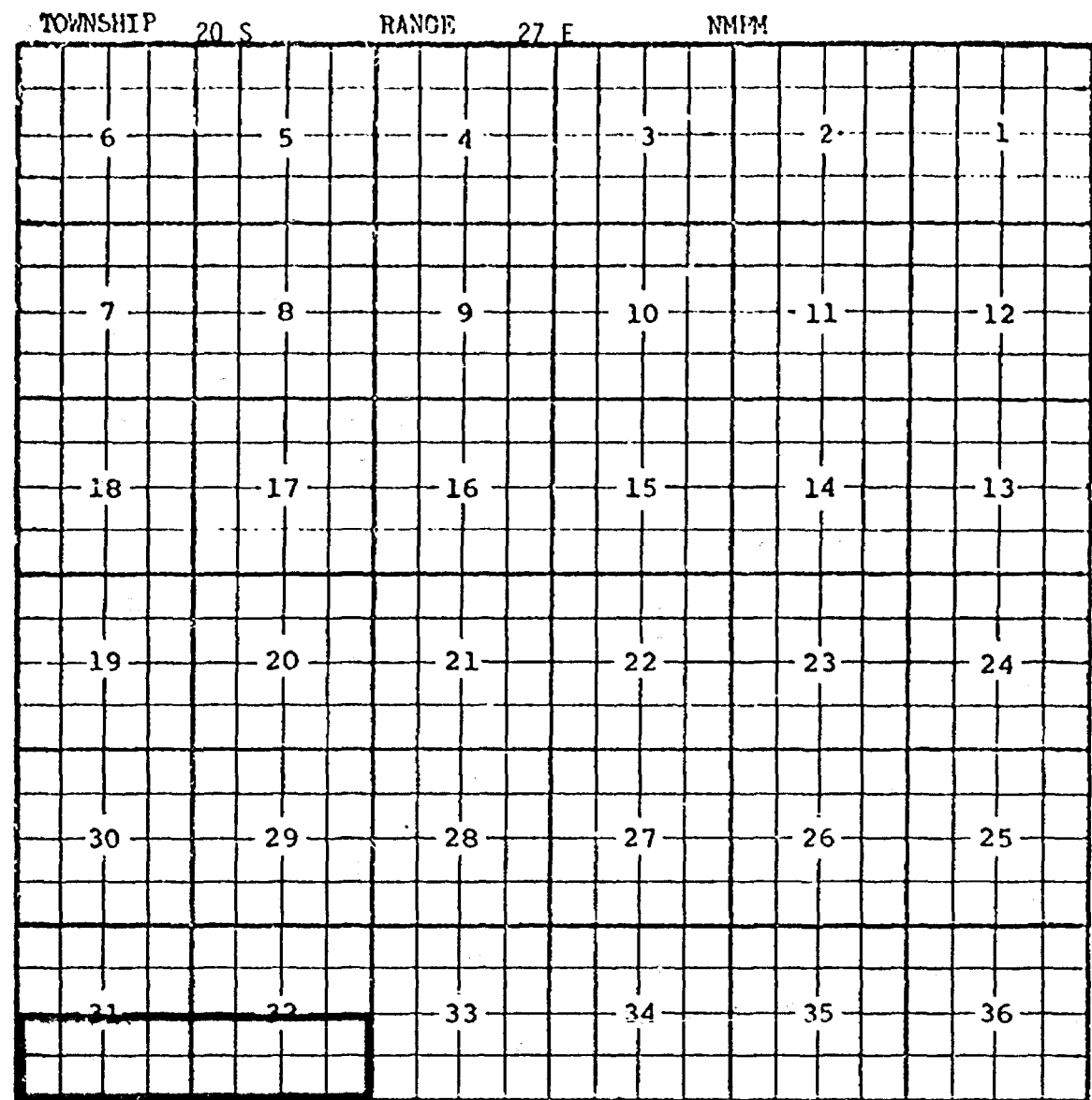
Operator	Lease	#&Ut.	S.T.R.	Comp.	Form	TOP
Gulf Oil Corp.	Pacheco Fed.	1-J	31-19-28	12-20-77	Morrow	10742

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 31: ALL

COUNTY Eddy POOL Avalon - Strawn Gas



Purpose: Two completed gas wells capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Atlantic Richfield Co.	Pecos Fed Gas Com.	1-I	32-20-27	11-22-77	Strawn	9650'
Monsanto Co.	Coquina Fed Com.	1-J	31-20-27	1-6-78	"	9287'

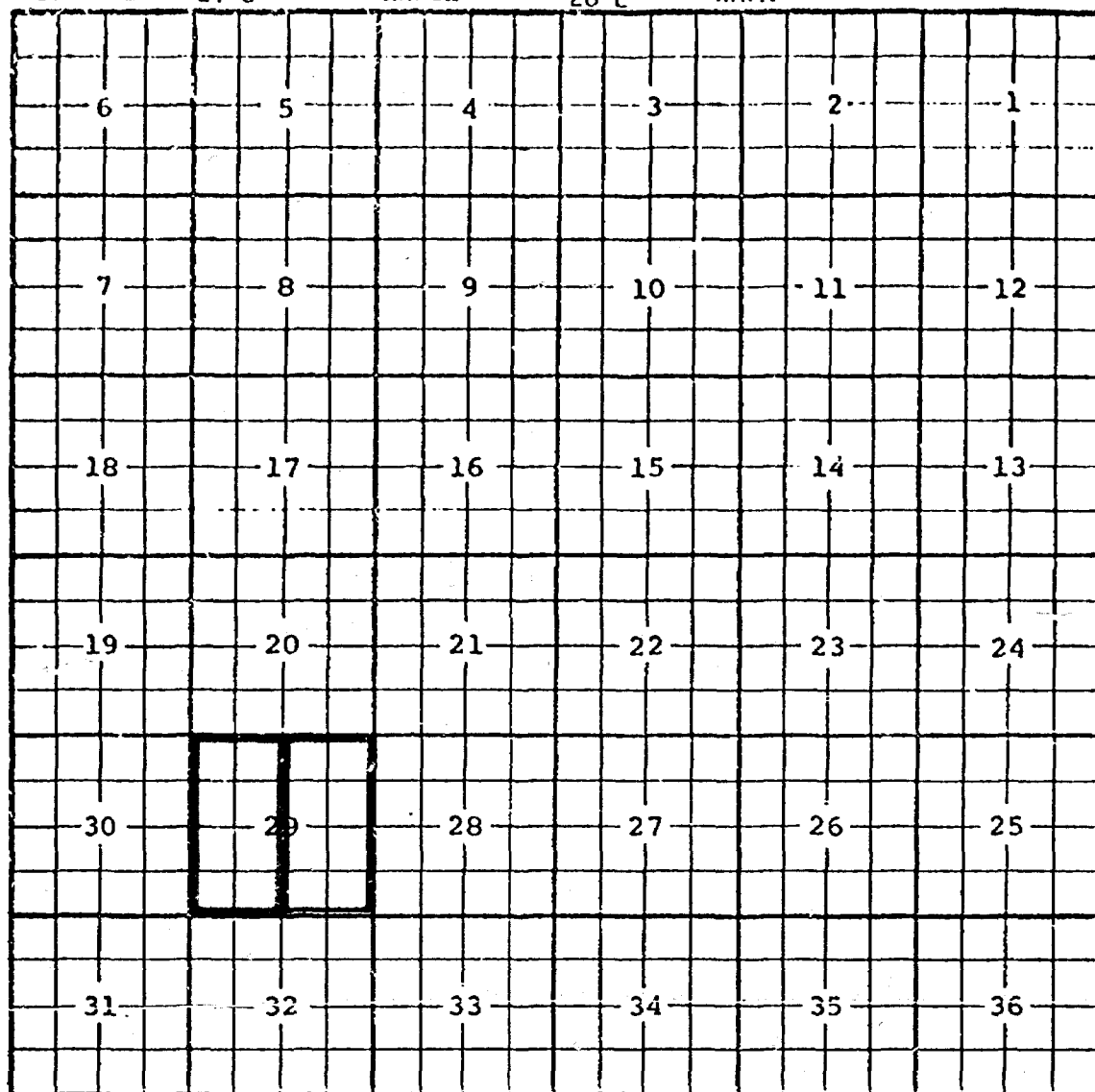
Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 31: S/2

Section 32: S/2

TOWNSHIP 21 S RANGE 28 E NMFM



Purpose: One completed gas well capable of producing.

Operator Lease #&Ut S.T.R. Comp. Form TOP
Perry R. Bass Big Eddy Ut. 54-N 29-21-28 11-18-77 Morrow 11864'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 29: W/2

COUNTY LEA

POOL

SOUTH BRUNSON-ABO

TOWNSHIP

22 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.

Gulf Oil Corporation Scarborough Estate #7-K in 31-22-38. Completed Jan. 16, 1978, in the Abo formation. Top of perforations 7052 feet.

Pool boundary outlined in red. Proposed pool extension outlined in green.

Section 31: S/2

TOWNSHIP 20 S						RANGE 25 E						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.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Southn Union Supply Co.	Exxon Fed.	1-I	26-20-25	6-26-77	Morrow	10046

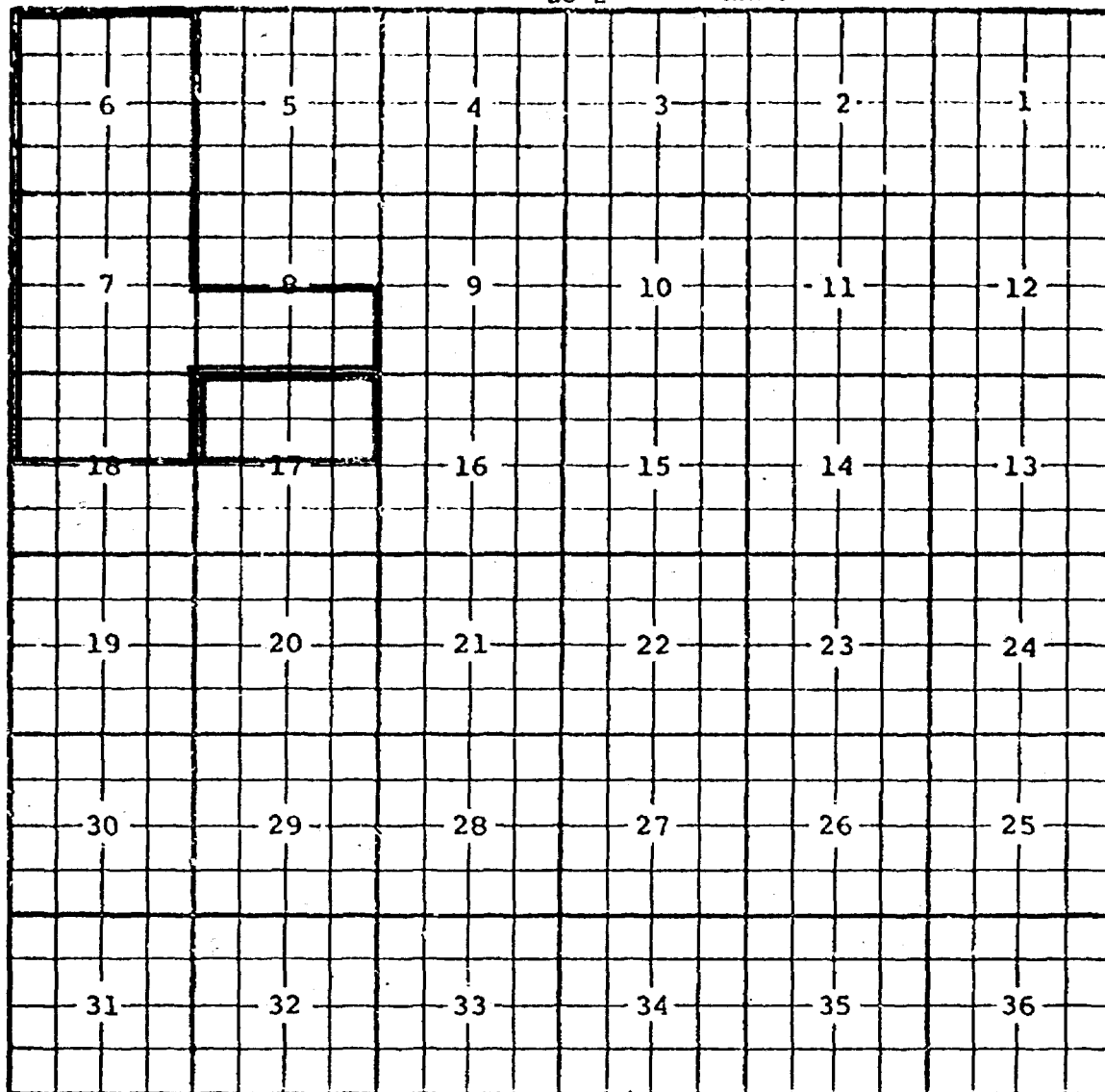
Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 25: All

Section 26: E/2

TOWNSHIP 15 S RANGE 28 E NMIM



Purpose: One completed gas well capable of producing.

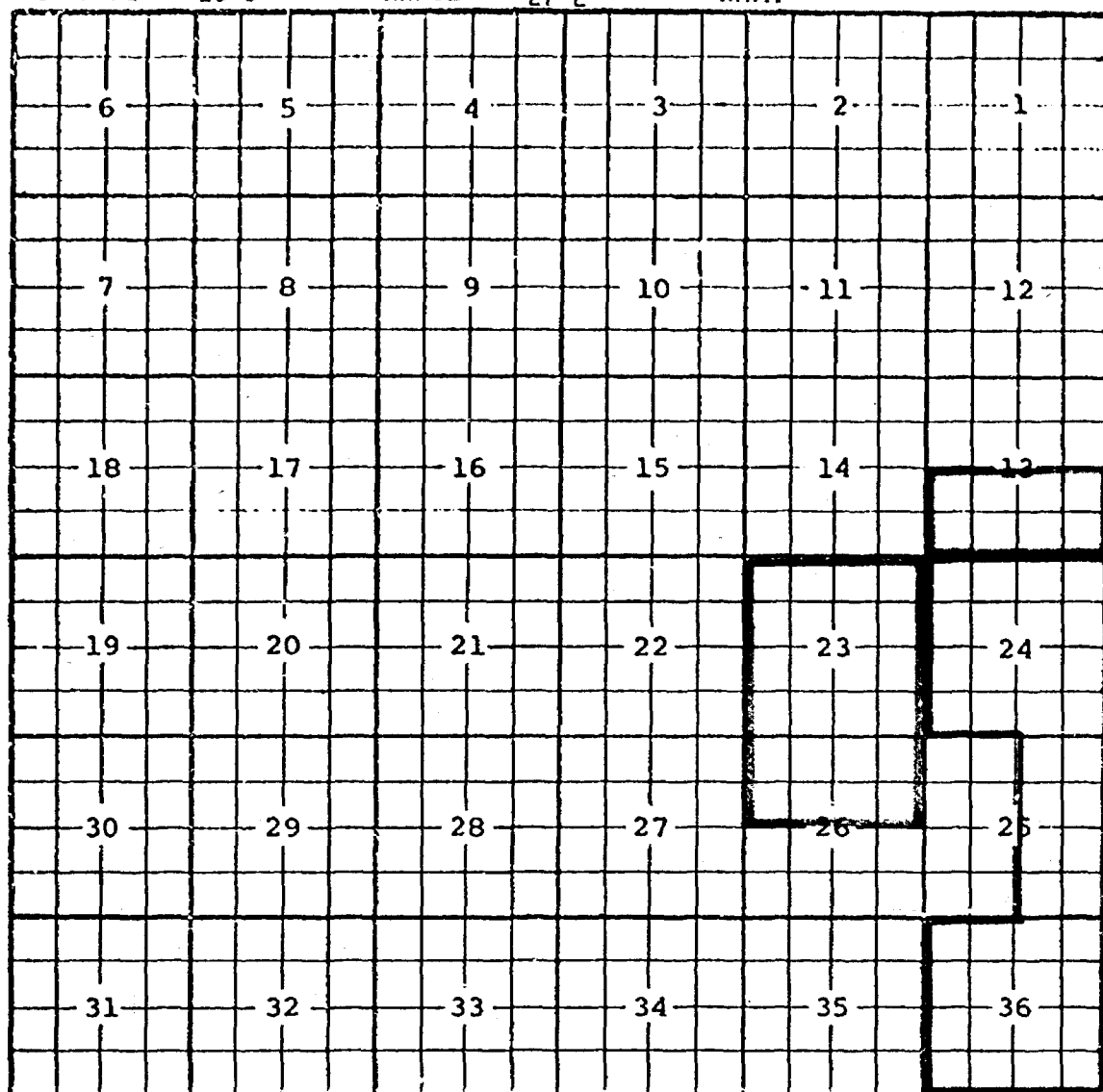
Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Depco, Inc.	R & S State	1-D	17-15-28	8-15-77	Morrow	8874'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 17: N/2

TOWNSHIP 20 S RANGE 27 E NMIM



Purpose: Three completed gas wells capable of producing.

Operator	Lease	#&Ut	S.I.R.	Comp.	Form	TOP
Gulf Oil Corp.	Eddy FT State	2-B	26-20-27	10-14-77	Morrow	11005
"	Eddy GE State Com.	1-J	23-20-27	10-25-77	Morrow	10970
"	Potts Fed.	1-O	13-20-27	1-27-78	Morrow	10914

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 13: S/2

Section 23: All

Section 26: N/2

TOWNSHIP	20 S	RANGE	28 E	NMIM
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

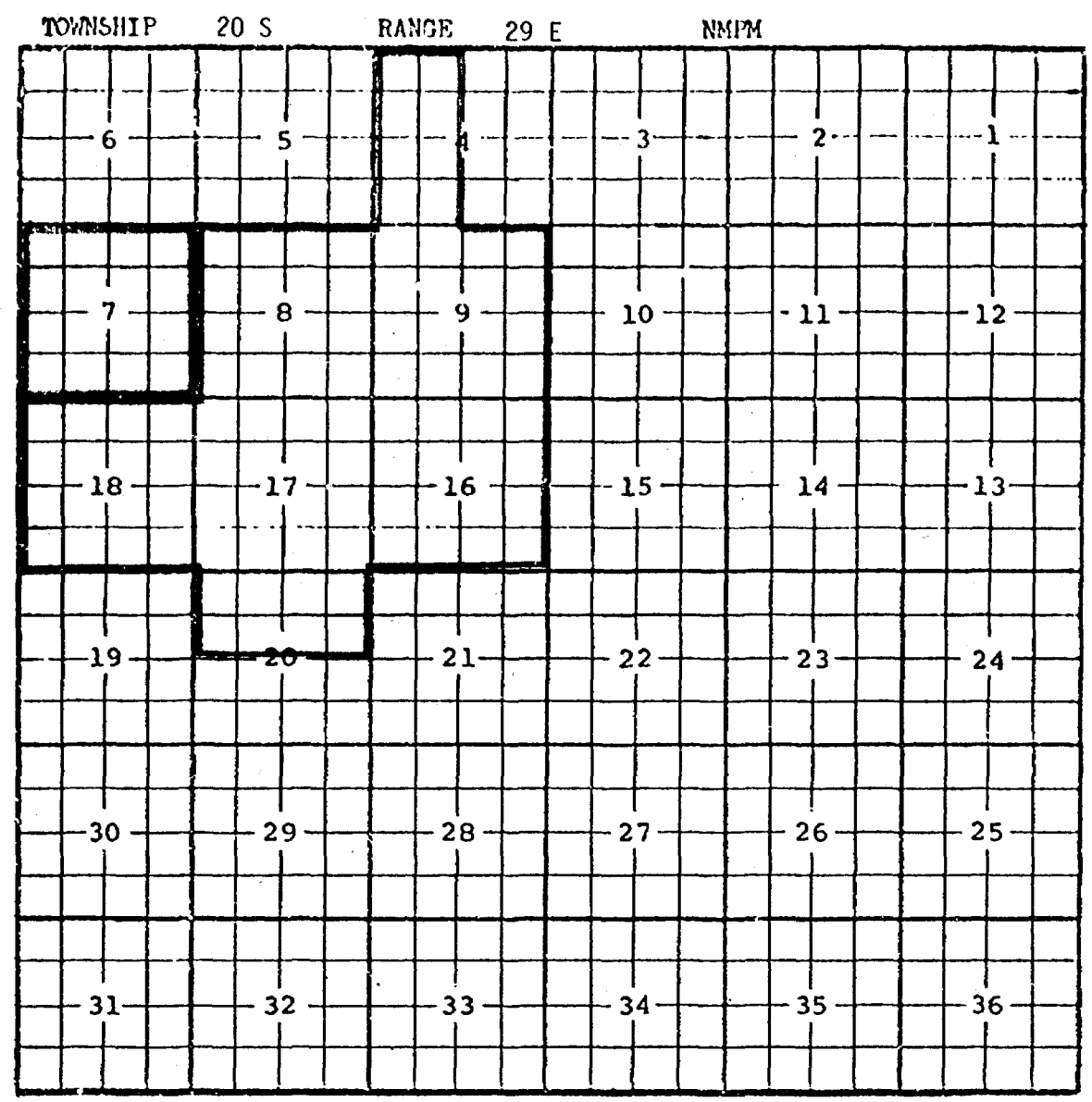
Purpose: One completed gas well capable of producing.

Operator Lease #&Ut S.I.R. Comp. Form TOP
 Yates Petr. Corp. Maralo HL Fed. Com. 1-I 12-20-28 5-17-77 Morrow 11491'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 12: E/2



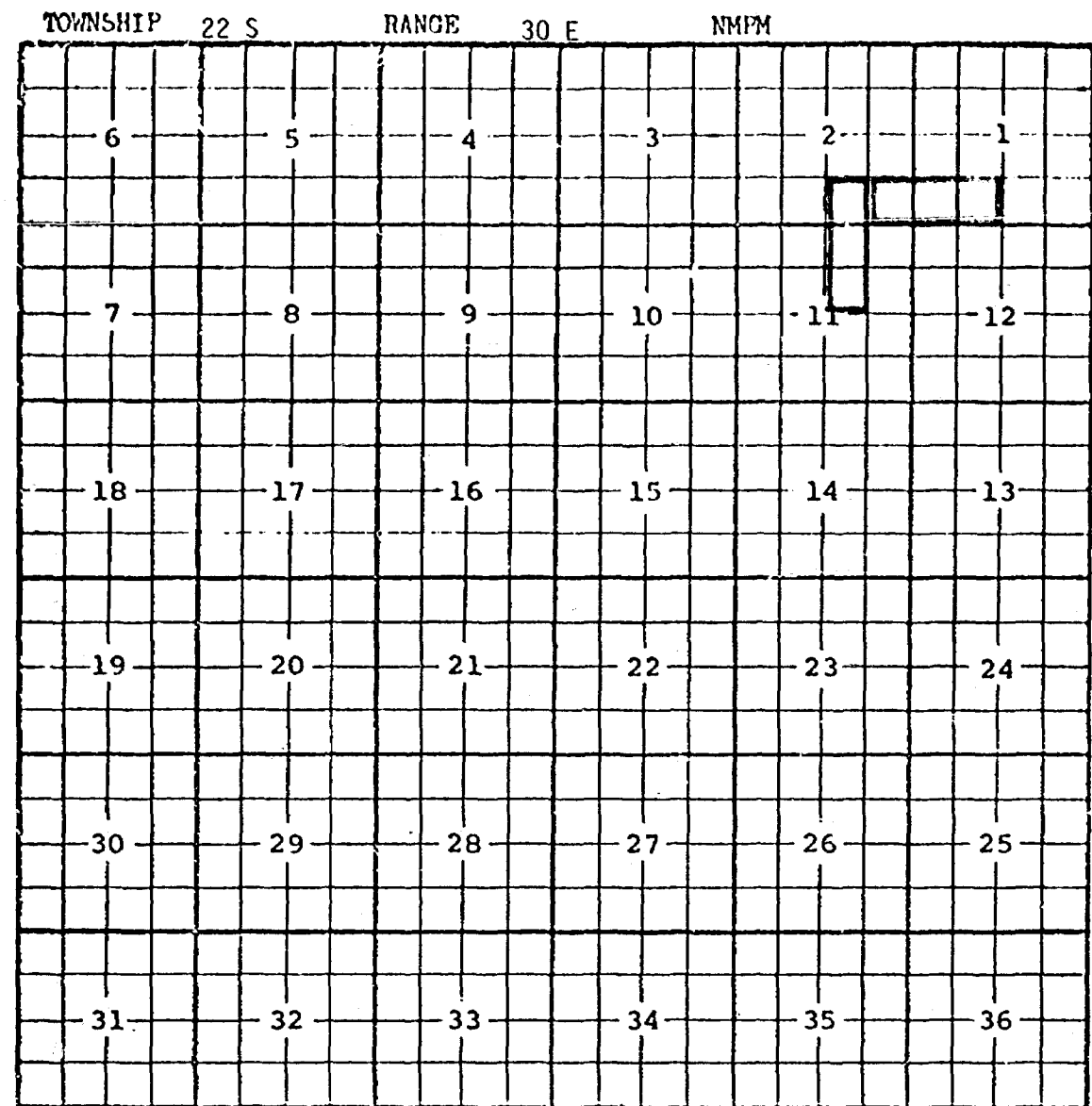
Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Yates Petr. Corp.	Williamson BC	4-K	7-20-29	10-14-77	Morrow	11264'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 7: ALL



Purpose: One completed oil well capable of producing.

Operator Lease # & Ut S.T.R. Comp. Form TOP
 Troporo Oil & Gas Co. Cabana 1-N 1-22-30 9-29-77 Strawn 12357

Pool boundary outlined in red.

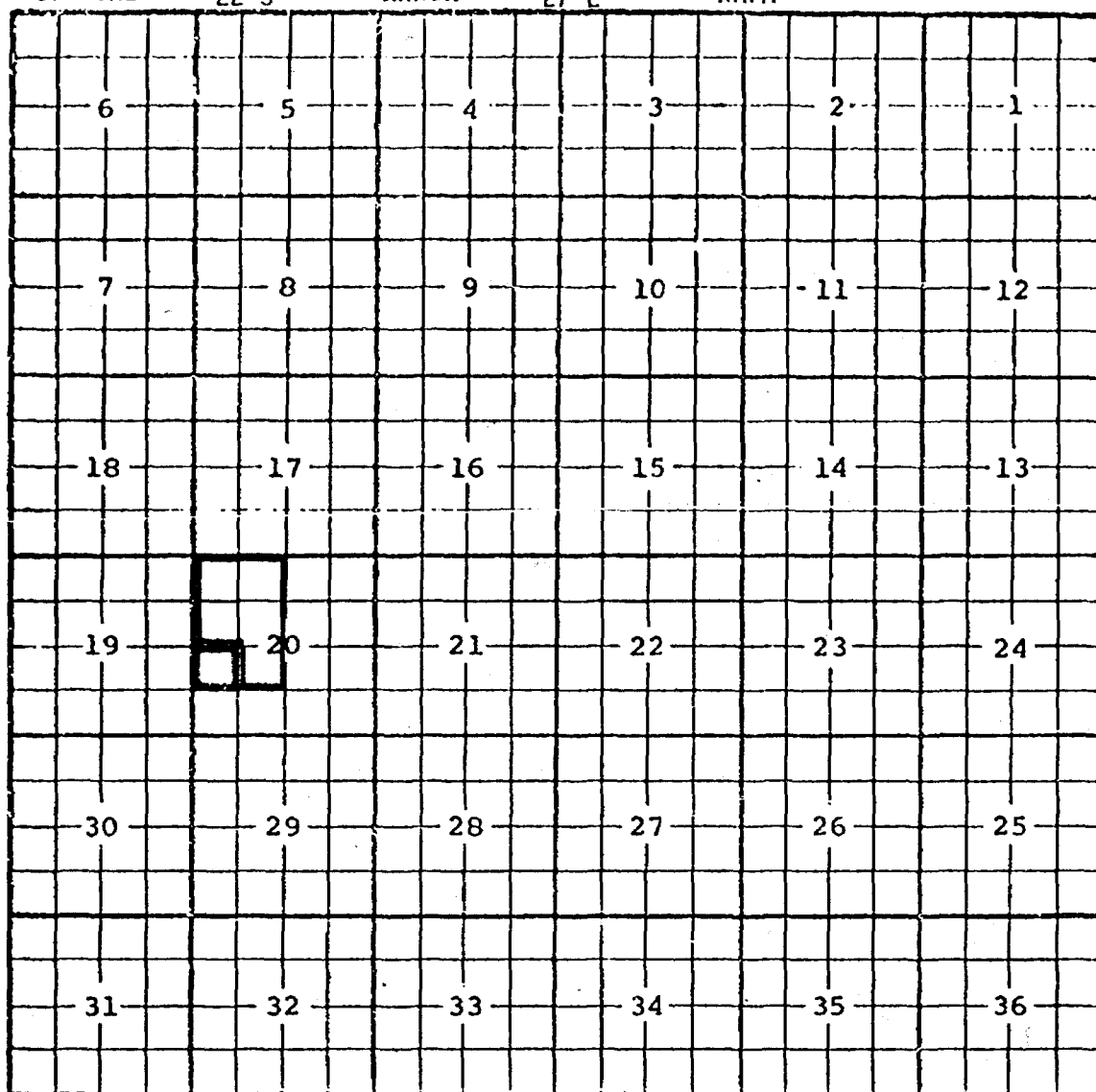
Proposed extension outlined in blue.

Section 1: S/2 SW/4

Section 2: SE/4 SE/4

COUNTY Eddy POOL South Carlsbad-Cherry Canyon

TOWNSHIP 22 S RANGE 27 E NMIM



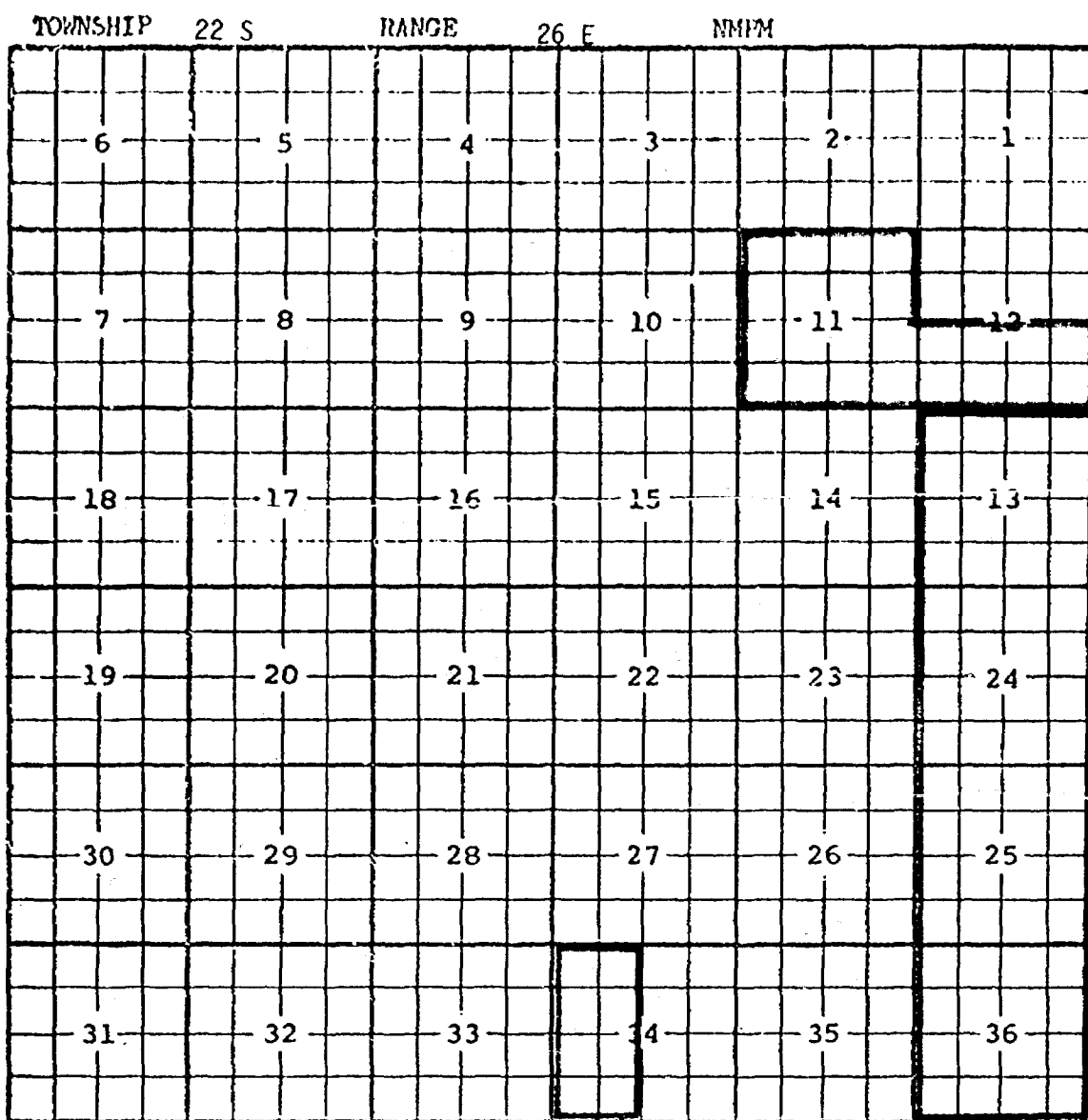
Purpose: One completed oil well capable of producing.

Operator	Lease #	Ut	S.T.R.	Comp.	Form	TOP
Belco Petr. Corp.	Martin	5-L	20-22-27	11-22-77	Delaware	3270'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 20: NW/4 SW/4



Purpose: Two completed gas wells capable of producing.

Operator	Lease	#&Ut	S.I.R.	Comp.	Form	TOP
Morris R. Antweil	Mesa Grande	1-E	11-22-26	9-14-76	Morrow	11107'
C & K Petr., Inc.	Carlsbad 12 Com.	1-0	12-22-26	8-11-77	Morrow	11483'

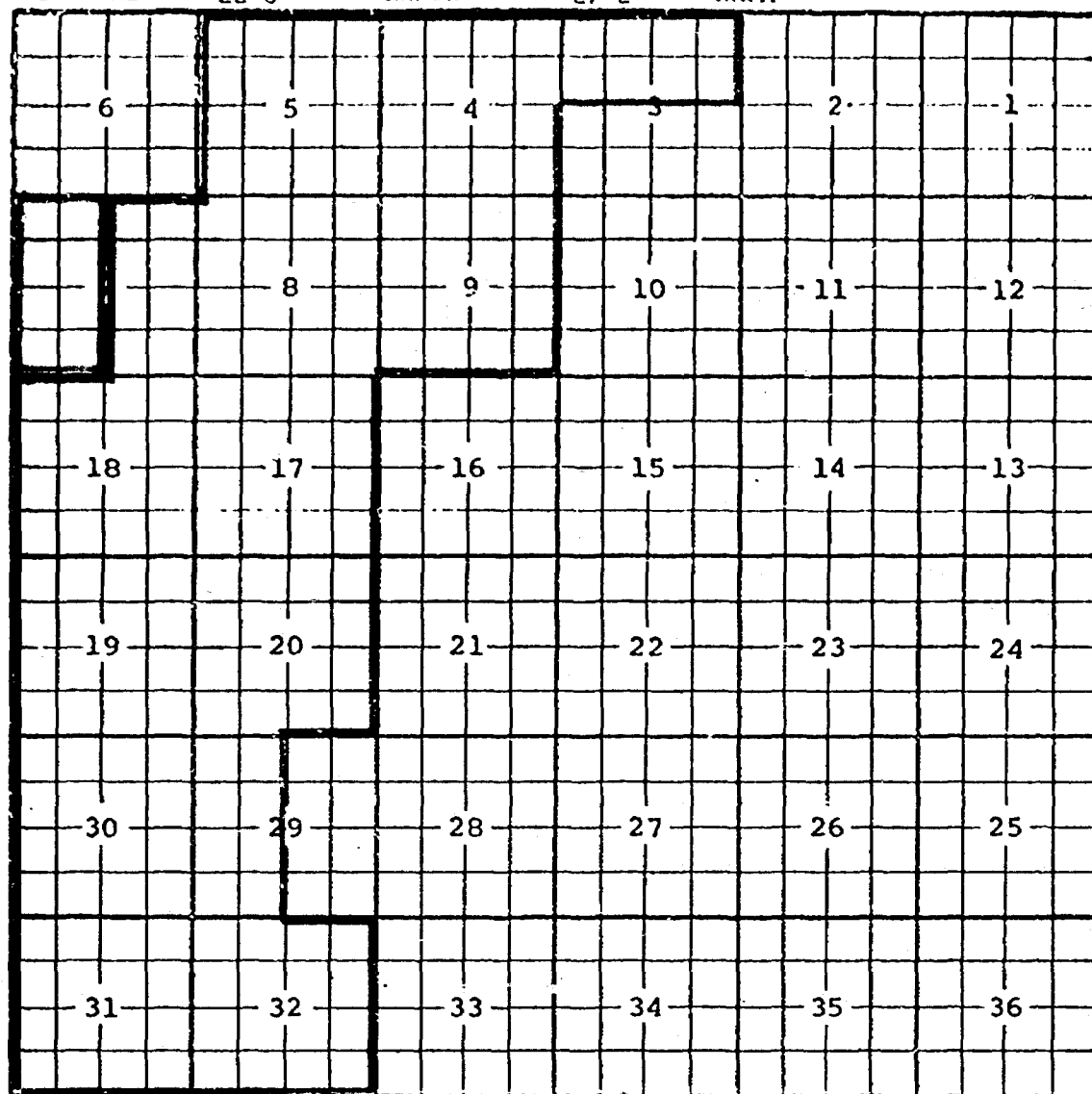
Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 11: ALL

Section 12: S/2

TOWNSHIP 22 S RANGE 27 E NM1M



Purpose: One completed gas well capable of producing.

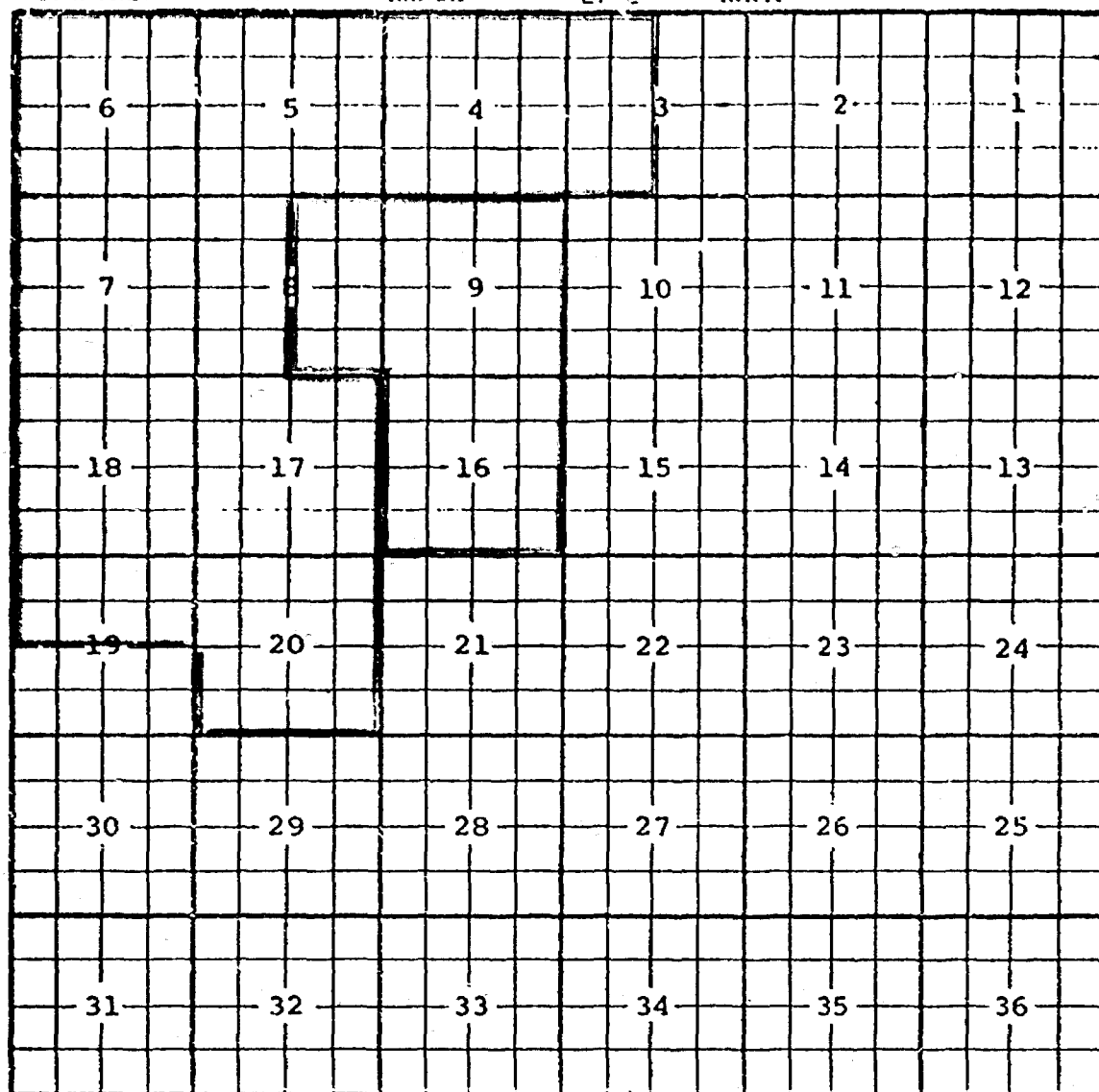
Operator	Lease	#Wt	S.T.R.	Comp.	Form	TOP
C & K Petr., Inc.	Carlsbad 7 Com.	1-M	7-22-27	10-9-77	Morrow	11128'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 7: W/2

TOWNSHIP 23 S RANGE 27 E NMIM



Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Gulf Oil Corp.	Eddy GF State	1-C	16-23-27	10-20-77	Morrow	11842'

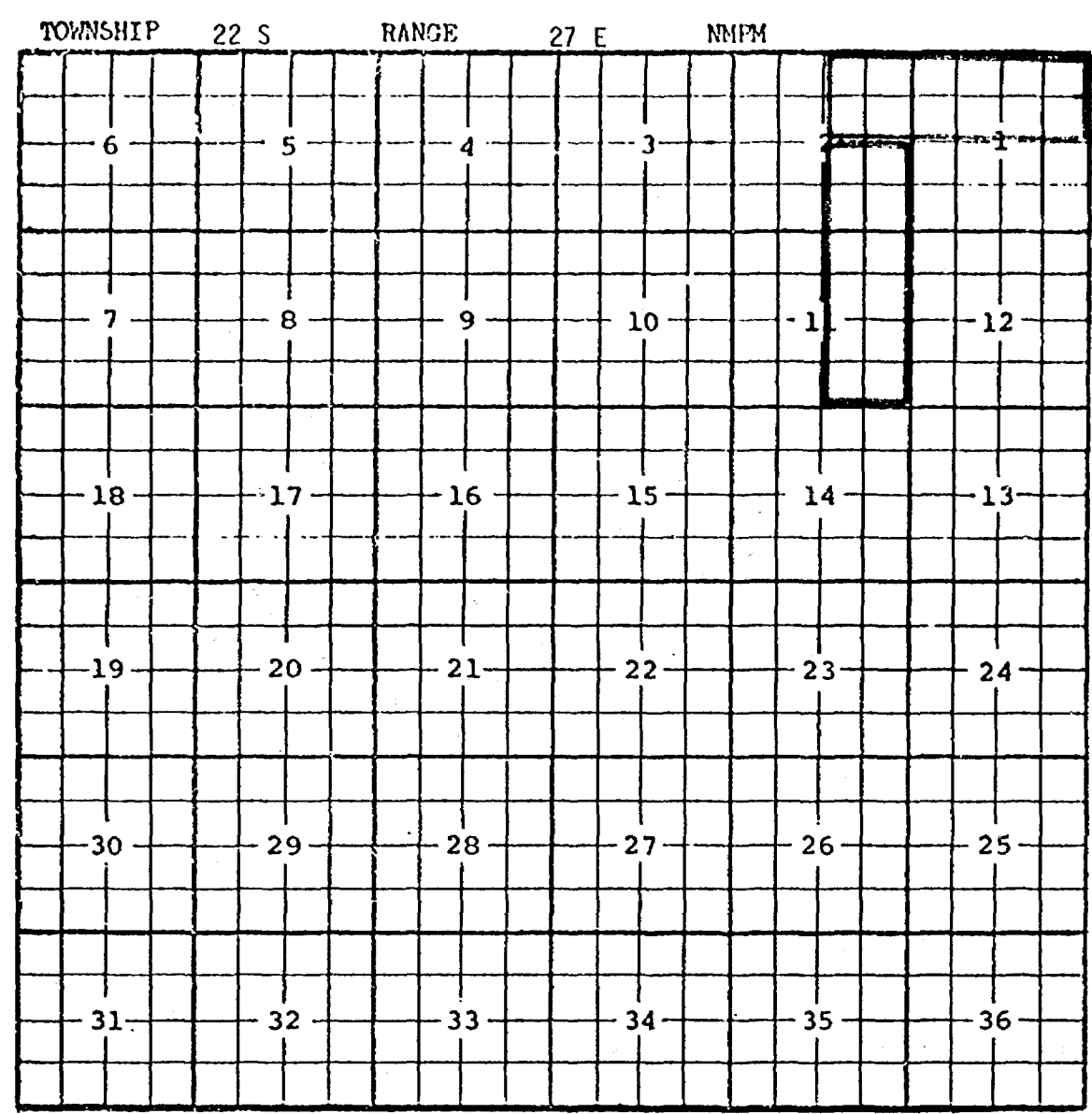
Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 8: E/2

Section 9: ALL

Section 16: ALL



Purpose: One completed gas well capable of producing.

Operator	Lease #&Ut	S.T.R.	Comp.	Form	TOP
Western Oil Prod., Inc.	Bass 1-H	11-22-27	9-9-77	Wolfcamp	9699'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 2: SE/4

Section 11: E/2

TOWNSHIP 8 South RANGE 31 East NMFM

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.

Sundance Oil Company Ingram Federal Well #6-E in 5-8-31. Completed in the San Andres formation on December 28, 1977. Top of perfs 3746'.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 5: NW/4

TOWNSHIP 20 S RANGE 24 E 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.

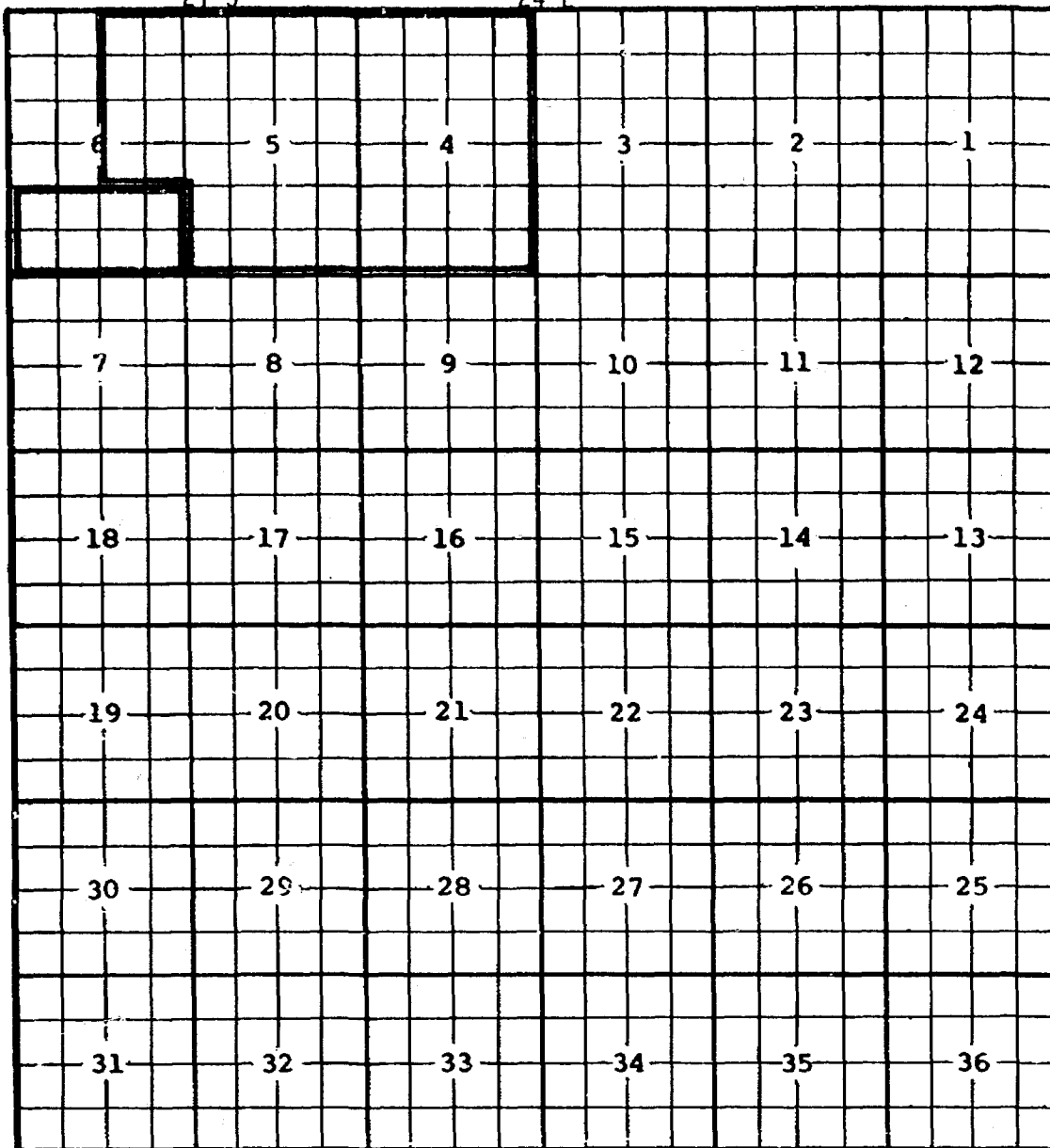
Operator Lease #&Ut S.T.R. Comp. Form TOP
Monsanto Co. Mayer Com. 1-C 24-20-24 8-25-77 Morrow 9334'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 24: N/2

TOWNSHIP 21 S RANGE 24 E NMPM



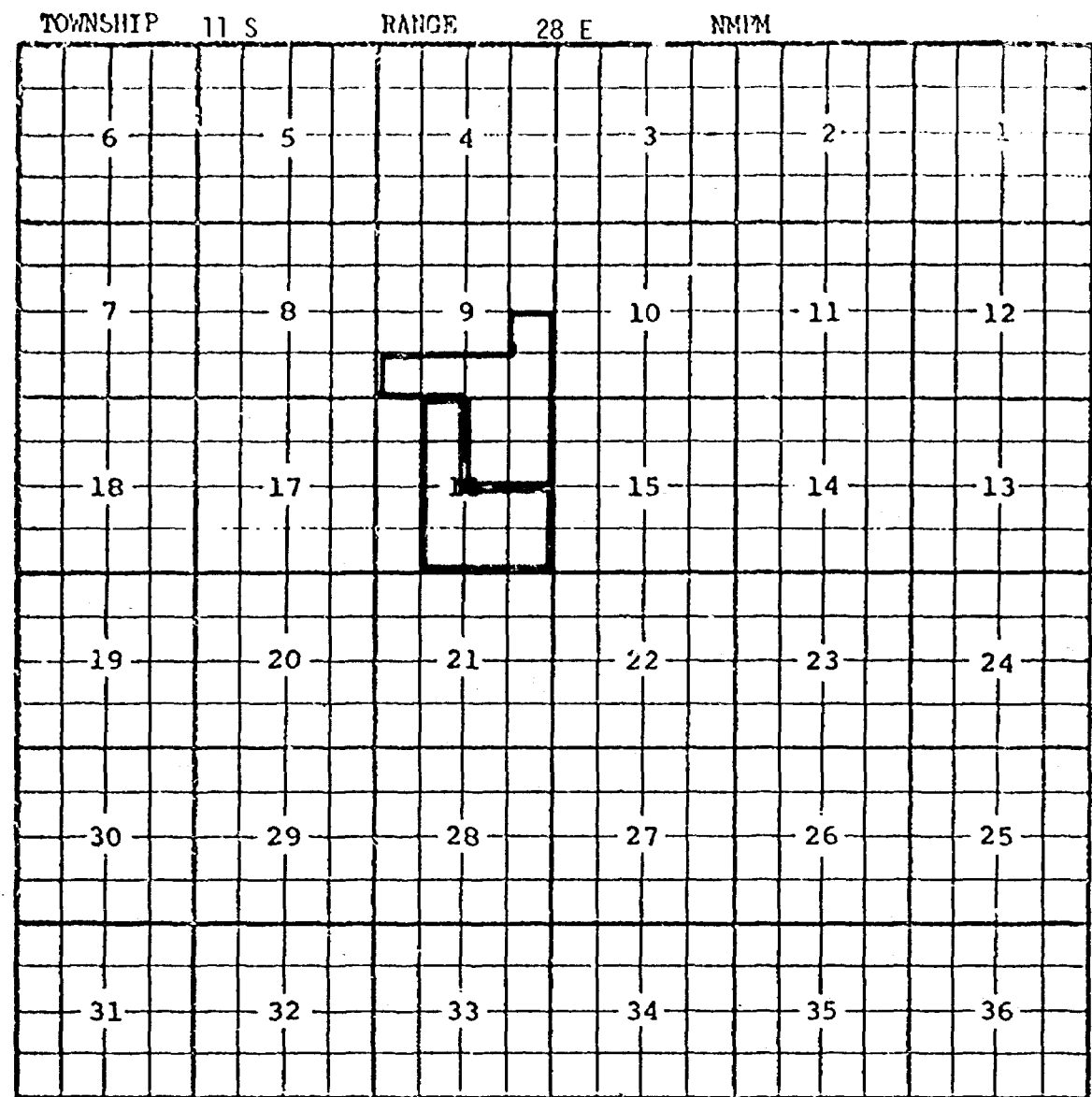
Purpose: One completed gas well capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Depco, Inc.	Shell Federal	1-R	6-21-24	11-22-77	Morrow	9688'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 6: S/2



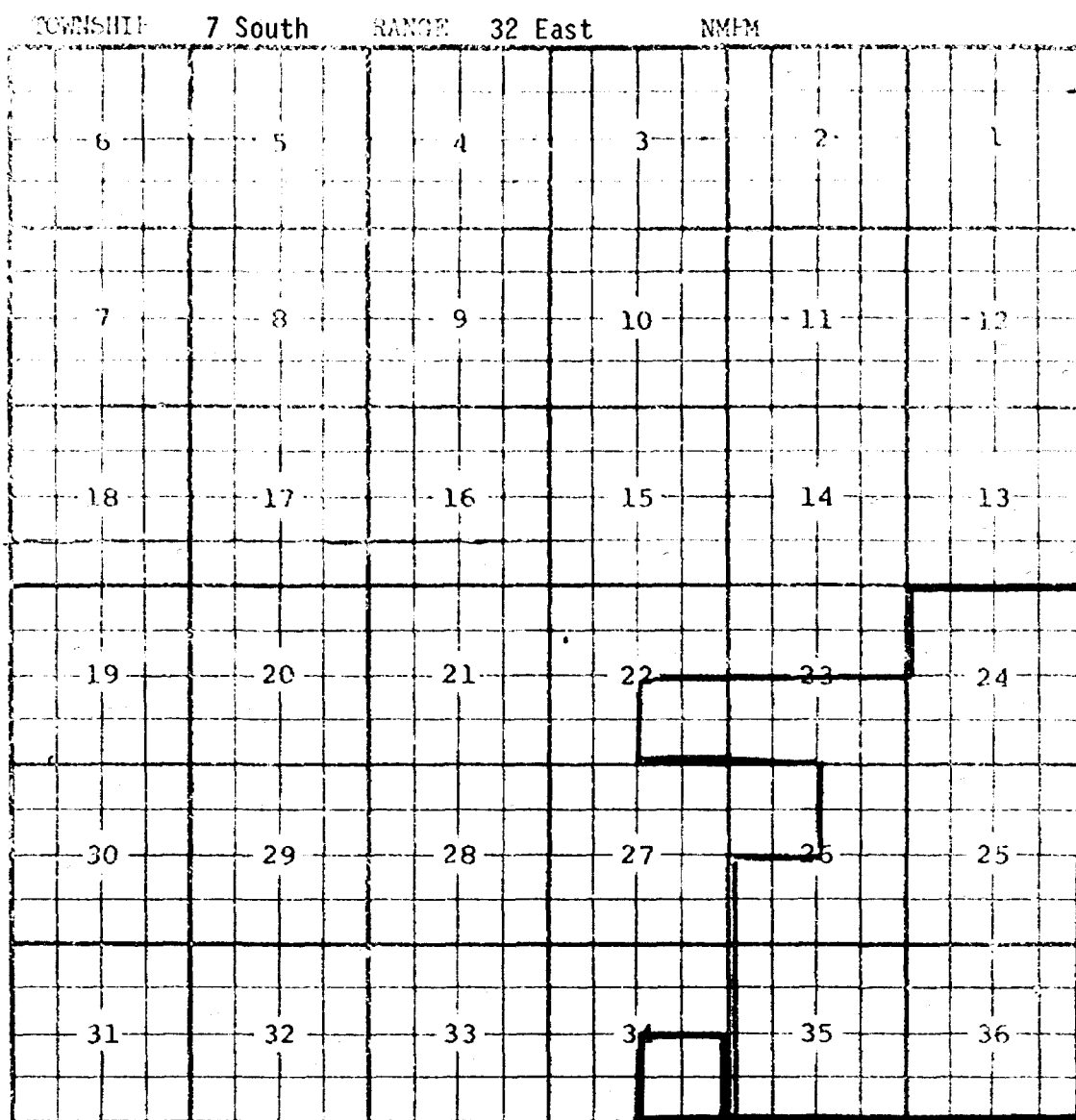
Purpose: One completed oil well capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Fred Pool Drllg. Co.	Plains State	3-J	16-11-28	9-12-77	San Andres	2086'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 16: E/2 W/2 & SE/4

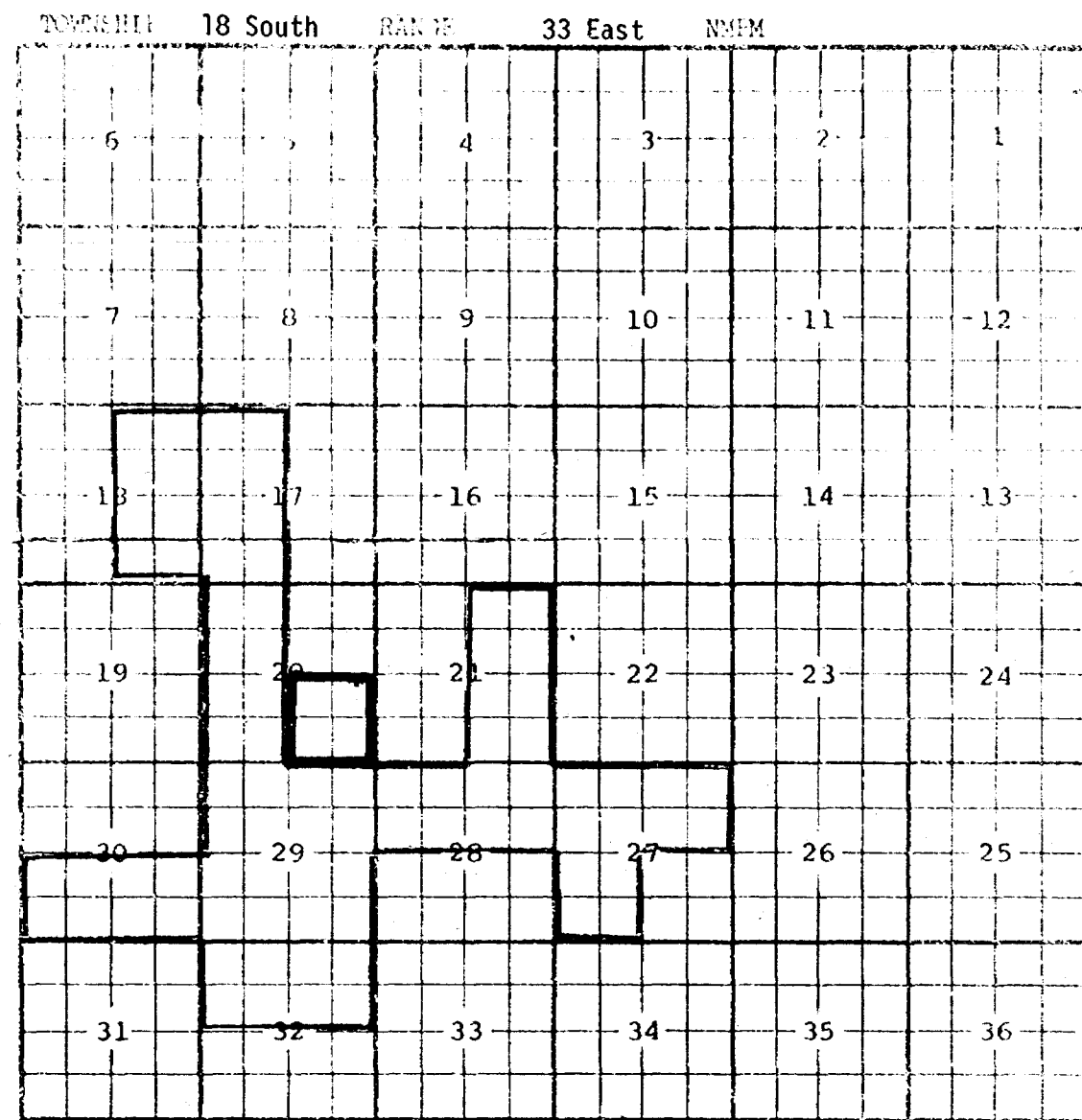


PURPOSE: One completed oil well capable of producing.

El Ran, Inc. Byron #1-P in 34-7-32. Completed in the San Andres formation on December 30, 1977. Top of perforations 4206 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 34: SE/4



PURPOSE: To take in a portion of acreage dedicated to a completed gas well capable of producing.

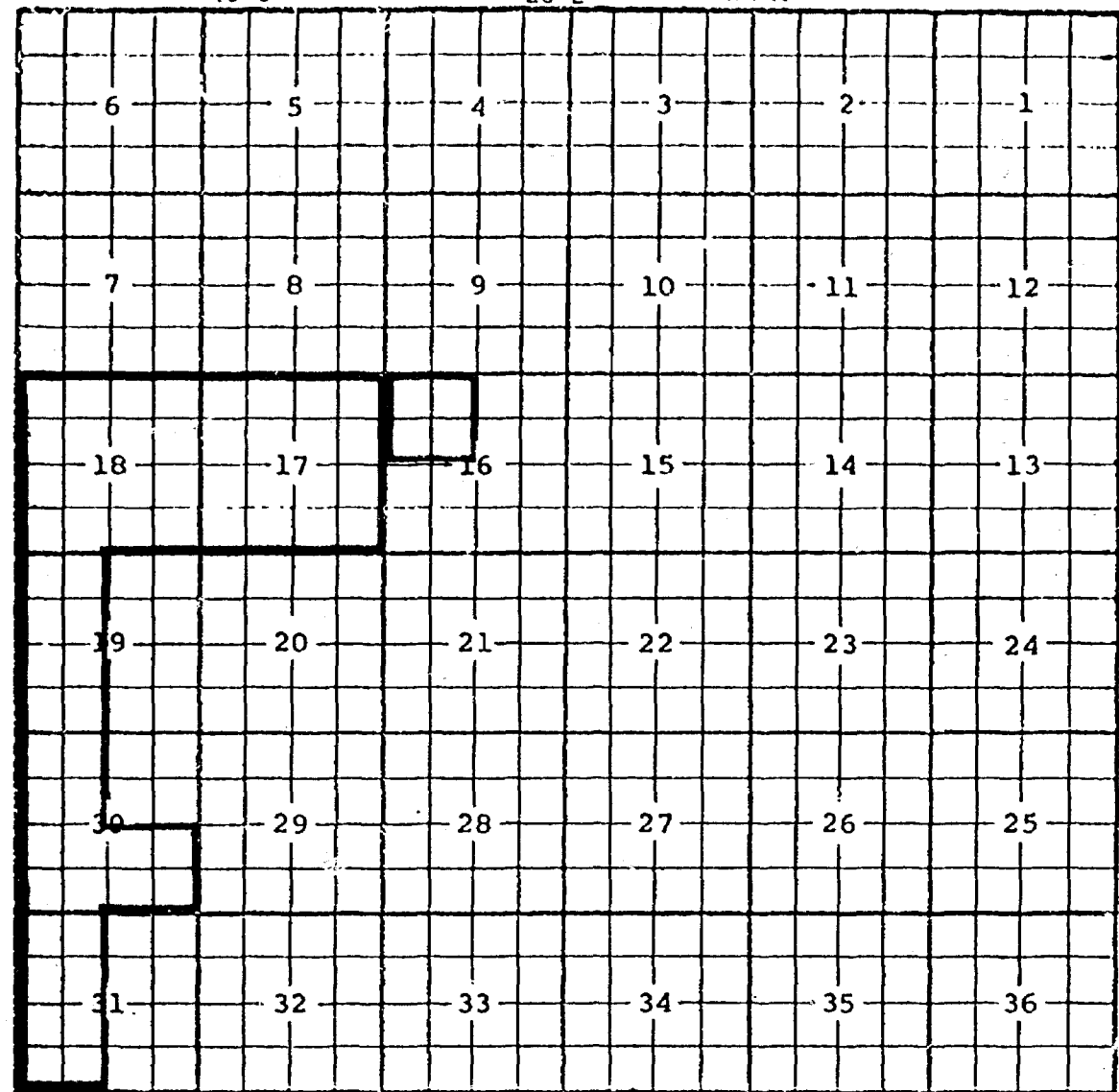
Petro-Lewis Corporation Corbin Federal Com #1-N in 20-18-33. Completed in the Morrow formation on October 29, 1977. Top of perforations 13,200 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 20: SE/4

COUNTY Eddy POOL North Dagger Draw-Upper Penn.

TOWNSHIP 19 S RANGE 25 E NMIM



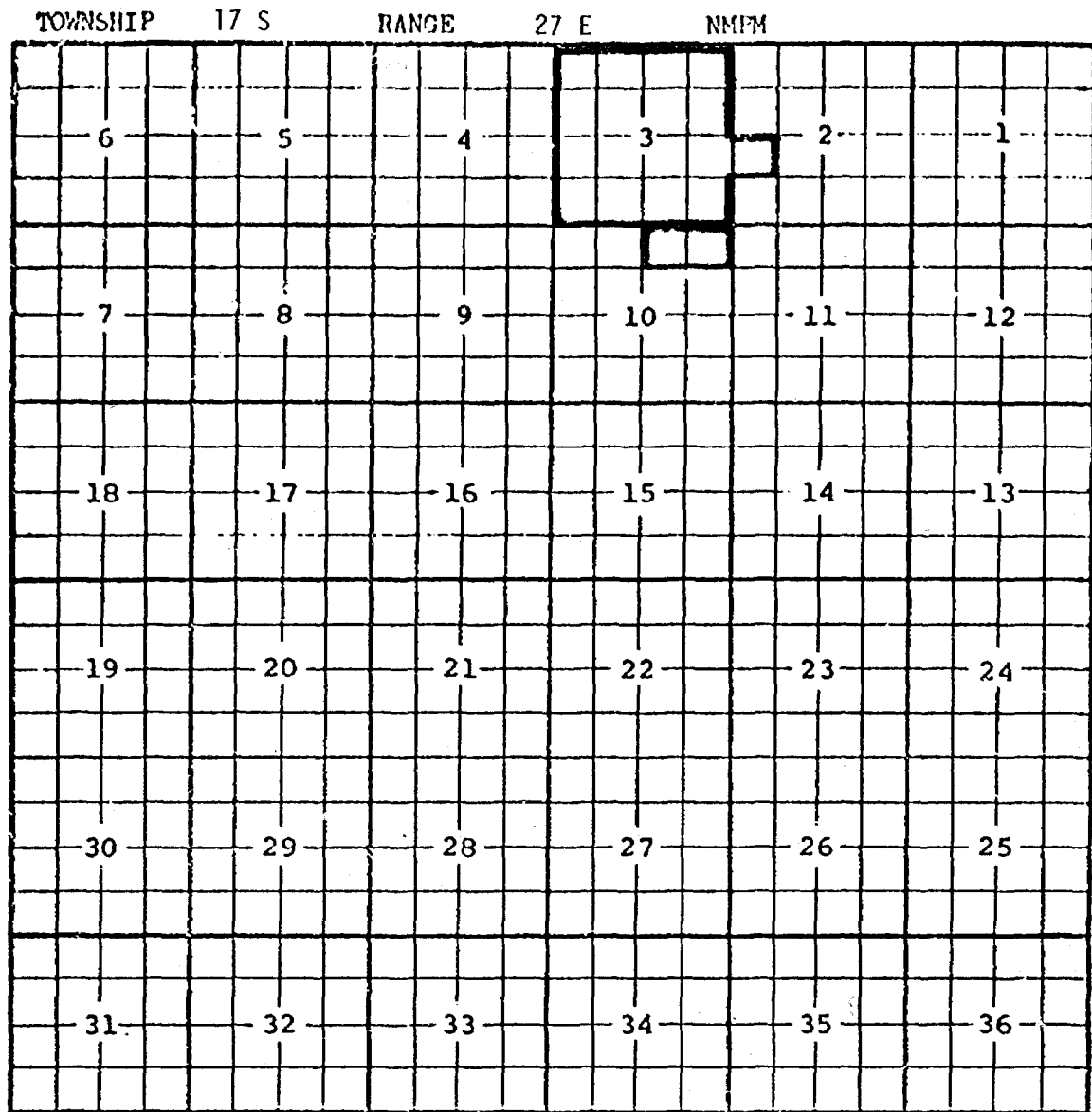
Purpose: One completed oil well capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Roger C. Hanks	Kincaid State	1-F	16-19-25	7-20-77	Upper Penn.	7774'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 16: NW/4



Purpose: One completed oil well capable of producing and to extend the vertical limits to include the Grayburg formation and to redesignate said pool as the Daugherty Grayburg-San Andres Pool.

Operator Lease #&Ut S.T.R. Comp. Form TOP
JFG Enterprises Daugherty 1-B 10-17-27 11-15-77 G-SA 1276'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 10: N/2 NE/4

COUNTY

LEA

POOL

DICKENSON-SAN ANDRES

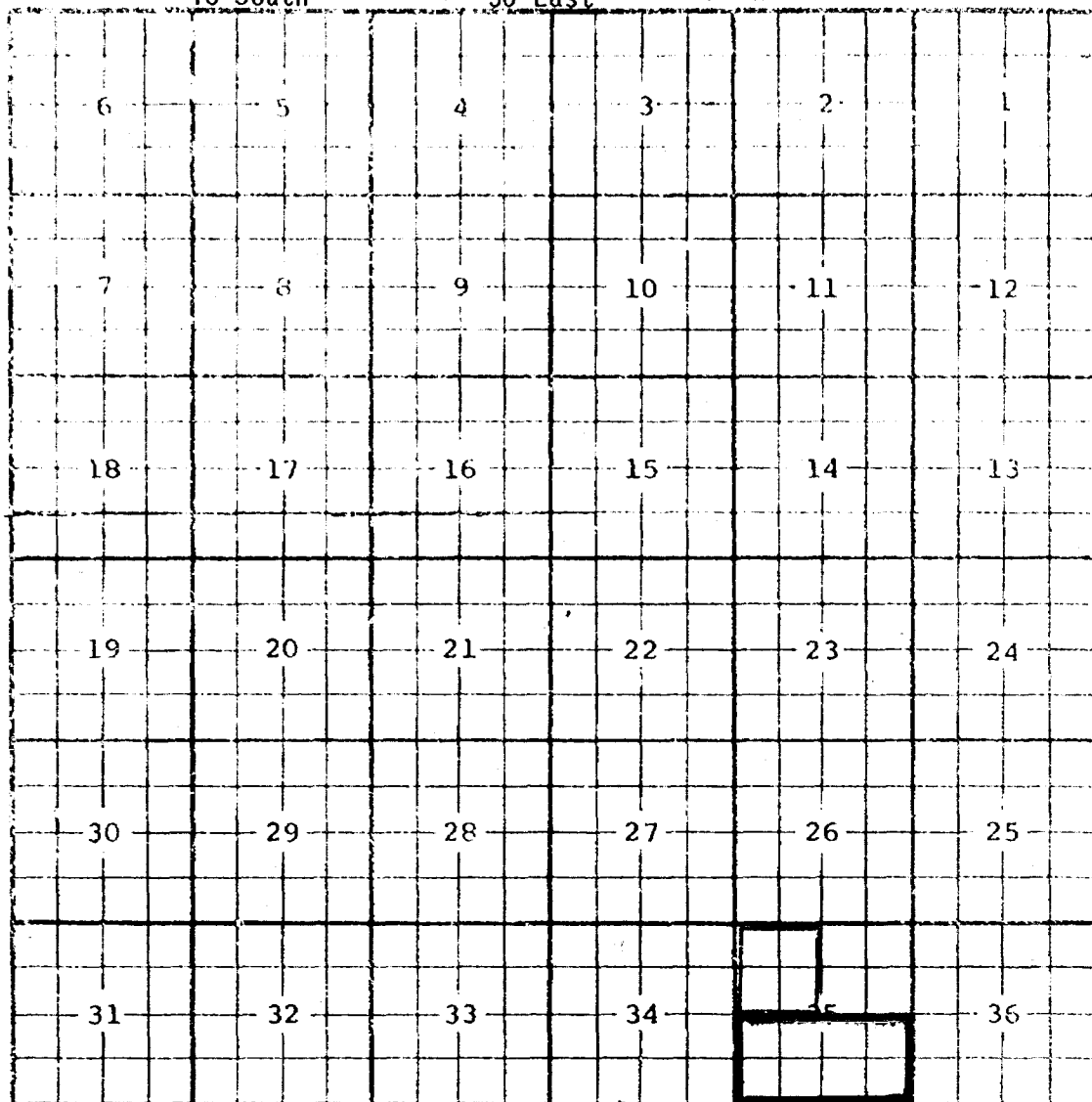
TOWNSHIP

10 South

RANGE

36 East

NMIM



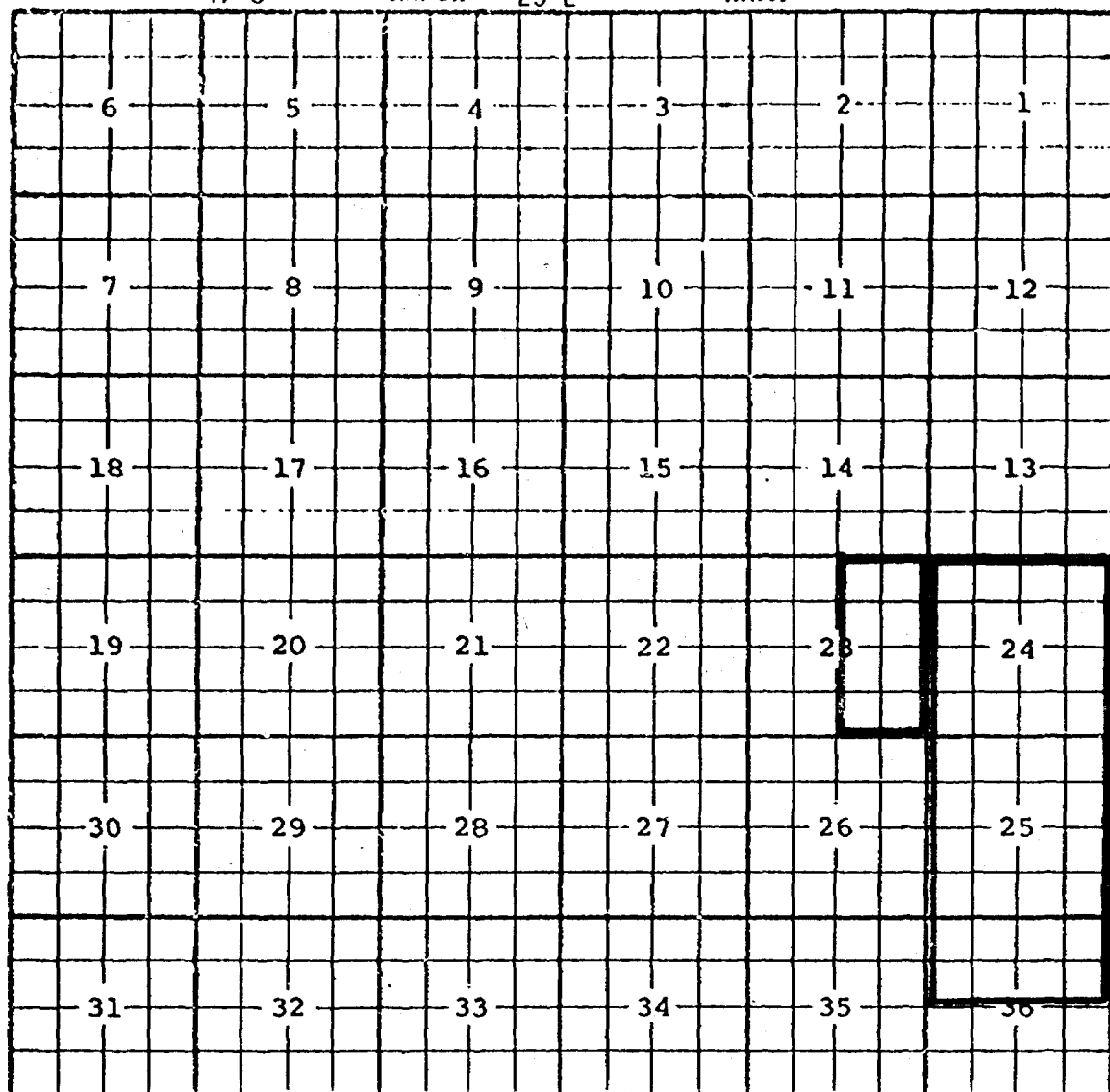
PURPOSE: One completed oil well capable of producing.

Read & Stevens, Inc. Santa Fe #4-J in 35-10-36. Completed in the San Andres formation on December 22, 1977. Top of perforations 4960 feet.

Pool boundary outlined in red.

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

TOWNSHIP 17 S RANGE 25 E NMPM



Purpose: One completed gas well capable of producing.

Operator Lease #&Ut S.T.R. Comp. Form TOP
Yates Petr. Corp. Mitchell "IN" 1-1 23-17-25 11-15-77 Morrow 8018'

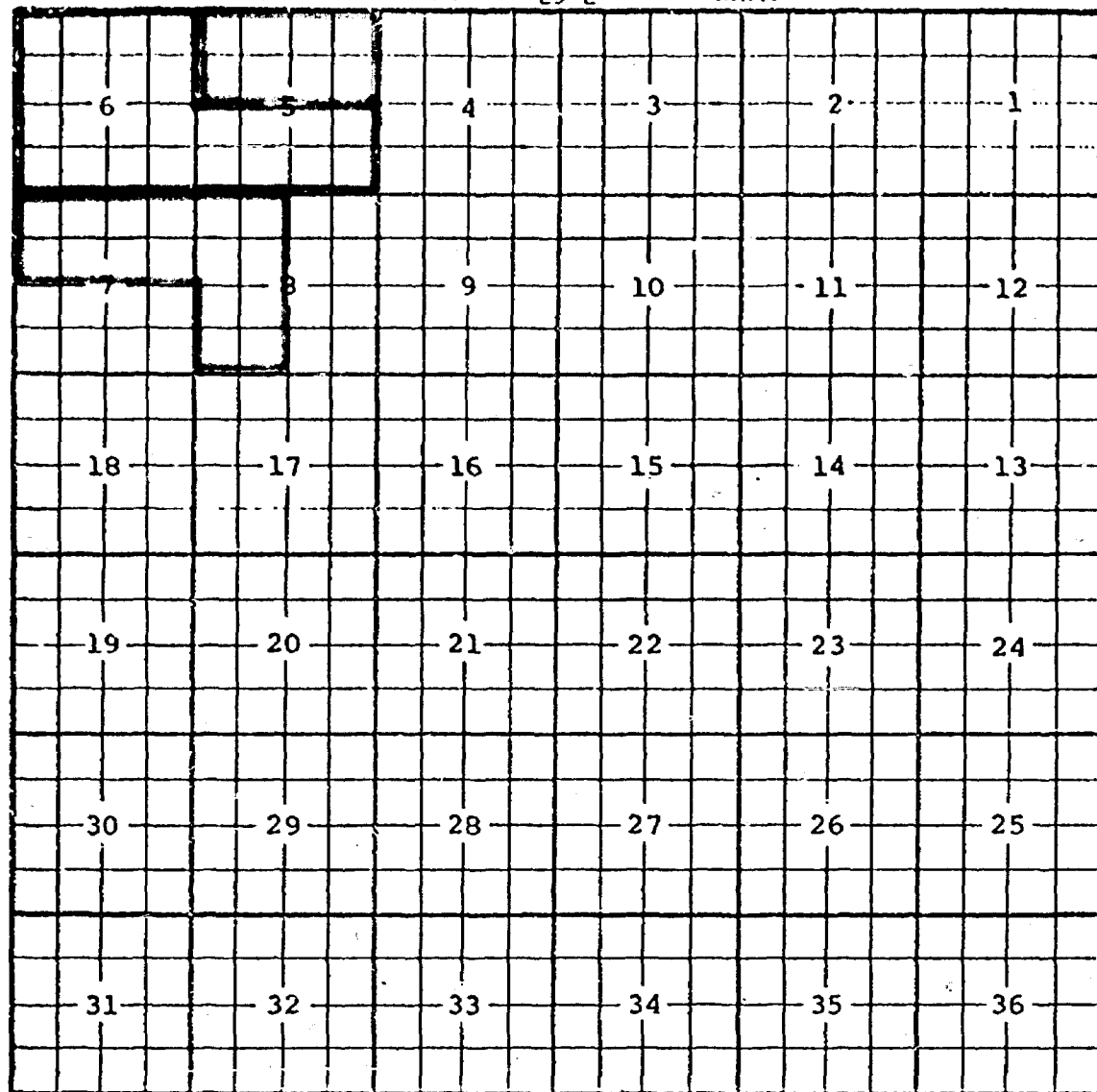
Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 23: E/2

COUNTY Eddy POOL South Empire - Morrow Gas

TOWNSHIP 18 S RANGE 29 E NM1M



Purpose: Three completed gas wells capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Amoco Prod. Co.	Empire S. Deep Ut.	14-G	5-18-29	8-23-77	Morrow	10735'
"	"	15-E	8-18-29	12-2-77	"	10824'
"	"	16-G	7-18-29	11-18-77	"	10918'

Pool boundary outlined in red.

Proposed extension outline in blue.

Section 5: N/2

Section 7: N/2

Section 8 1/2

COUNTY Eddy POOL Fordinkus - Cisco Gas

TOWNSHIP	18 S	RANGE	24 E	NMFM	
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.

Operator	lease	#&Ut	S.T.R.	Comp.	Form	TOP
Yates Petr. Corp.	W. 4 Dinkus	1-G	22-18-24	9-8-77	Cisco	7098'
State HZ Com.						

Pool boundary outlined in red.

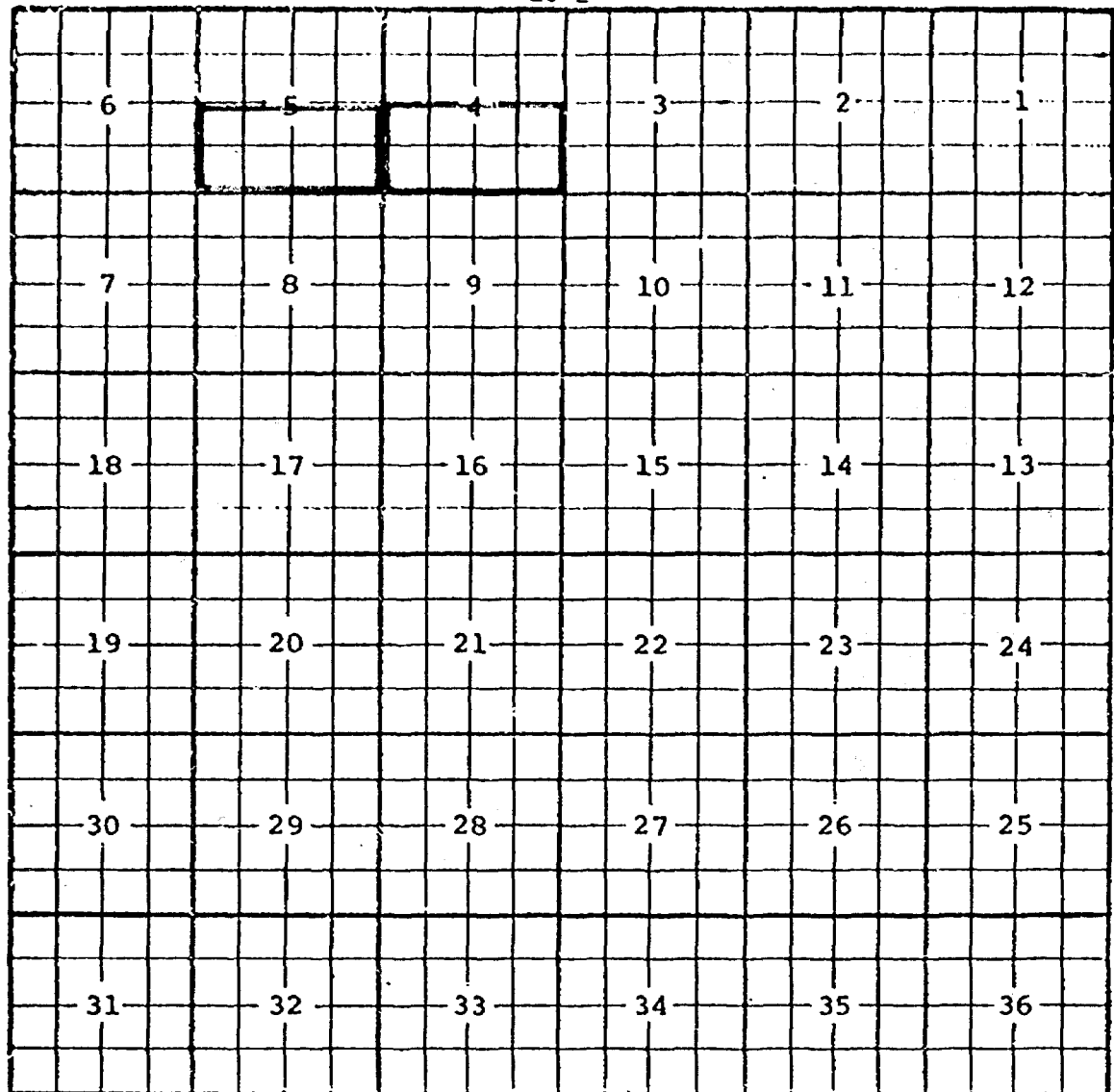
Proposed extension outlined in blue.

Section 22: E/2

Section 23: ALL

COUNTY Eddy POOL West Four Mile Draw - Morrow Gas

TOWNSHIP 19 S RANGE 26 E NMIM



Purpose: One completed gas well capable of producing.

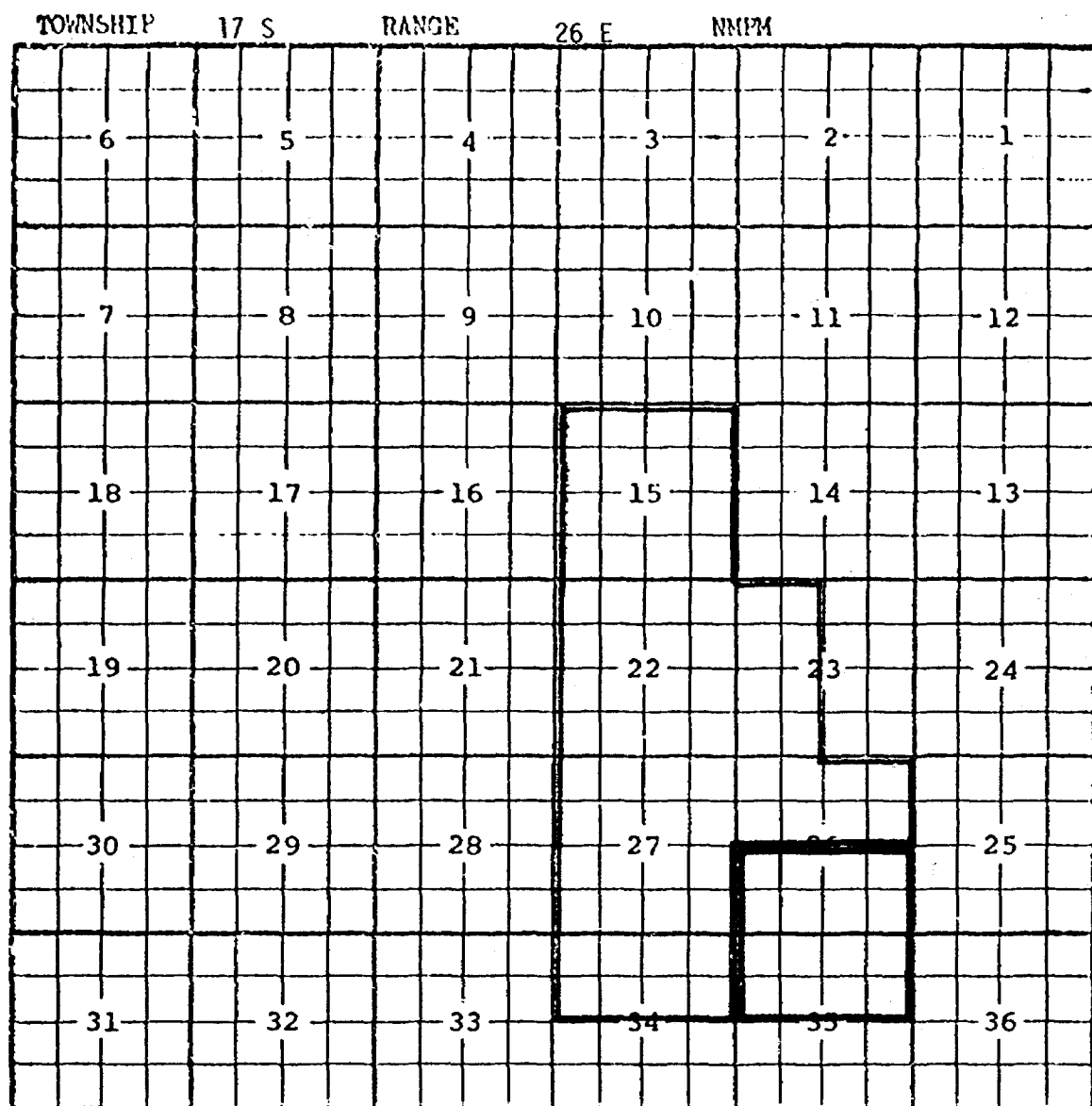
Operator Lease #&Ut S.T.R. Comp. Form TOP
Dorchester Expl., Inc. Morrison Com. 1-1 5-19-26 10-15-77 Morrow 9179'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 5: S/2

COUNTY Eddy POOL Kennedy Farms - Morrow Gas



Purpose: Two completed gas wells capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Texas Pacific Oil Co.	Glen Farmer Com.	1-K	26-17-26	8-11-77	Morrow	8586'
Yates Petr. Corp.	Blevins IK Com.	1-D	35-17-26	10-18-77	Morrow	8646'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 26: S/2

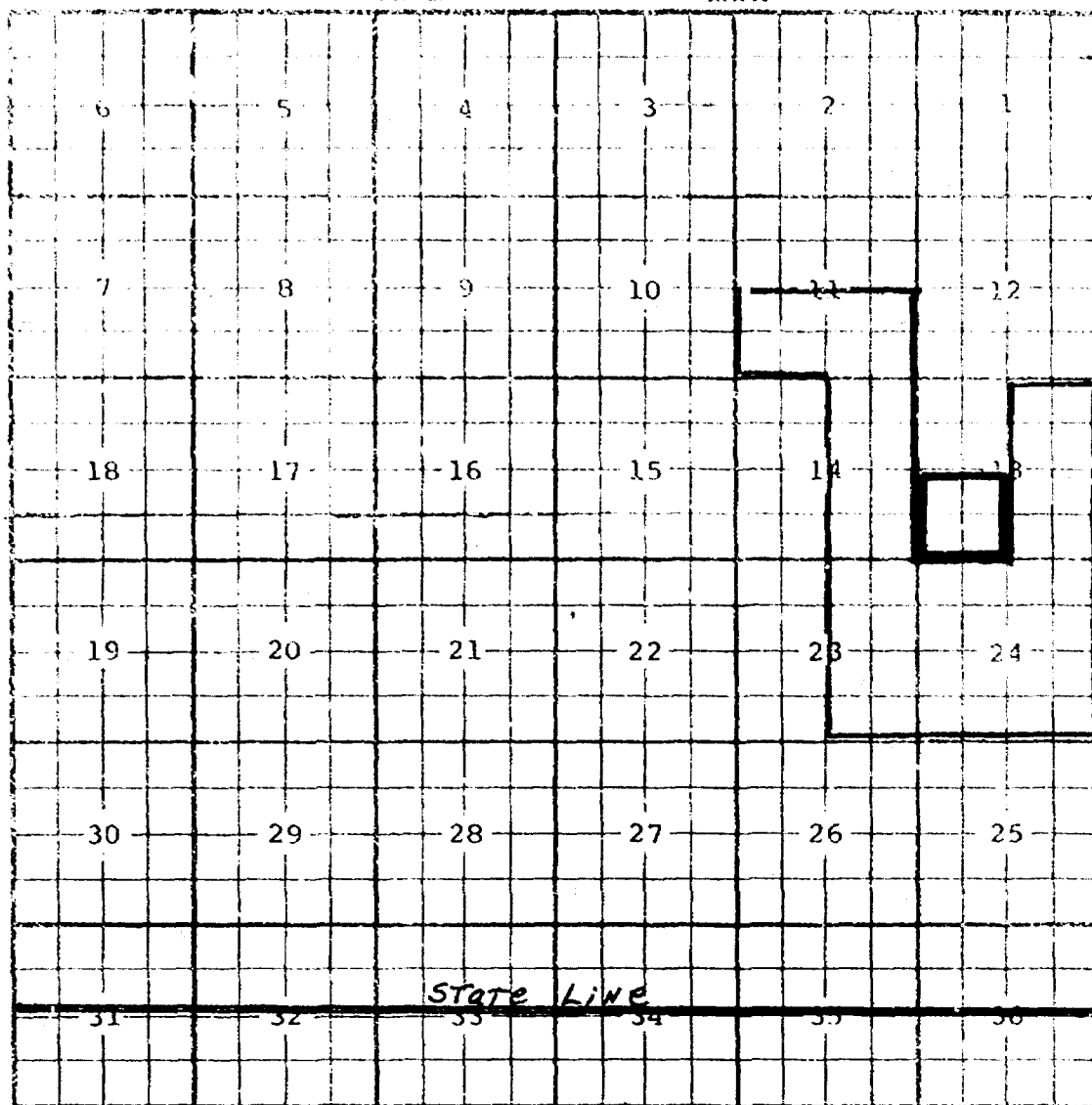
Section 35: N/2

TOWNSHIP 26 South

RANGE

37 East

NMIM



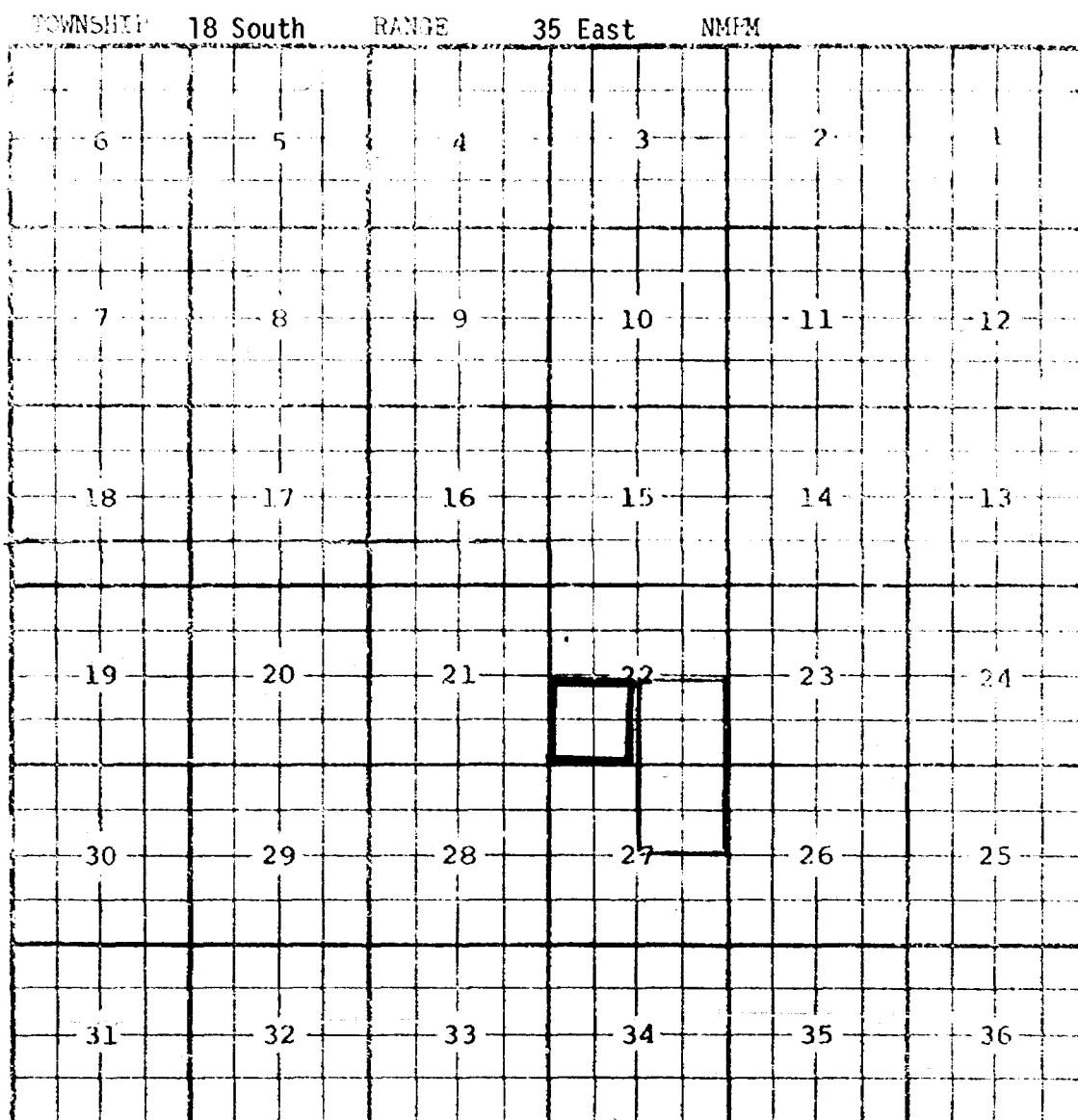
PURPOSE: Two completed oil wells capable of producing.

Tenneco Oil Co. Leonard Bros. #7-M in 13-26-37. Completed in the Queen formation on December 6, 1977. Top of perforations 3368 feet.

Tenneco Oil Company, Leonard Bros. #11-K in 13-26-37. Completed in the Queen formation on November 15, 1977. Top of perforations 3509 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 13: SW/4

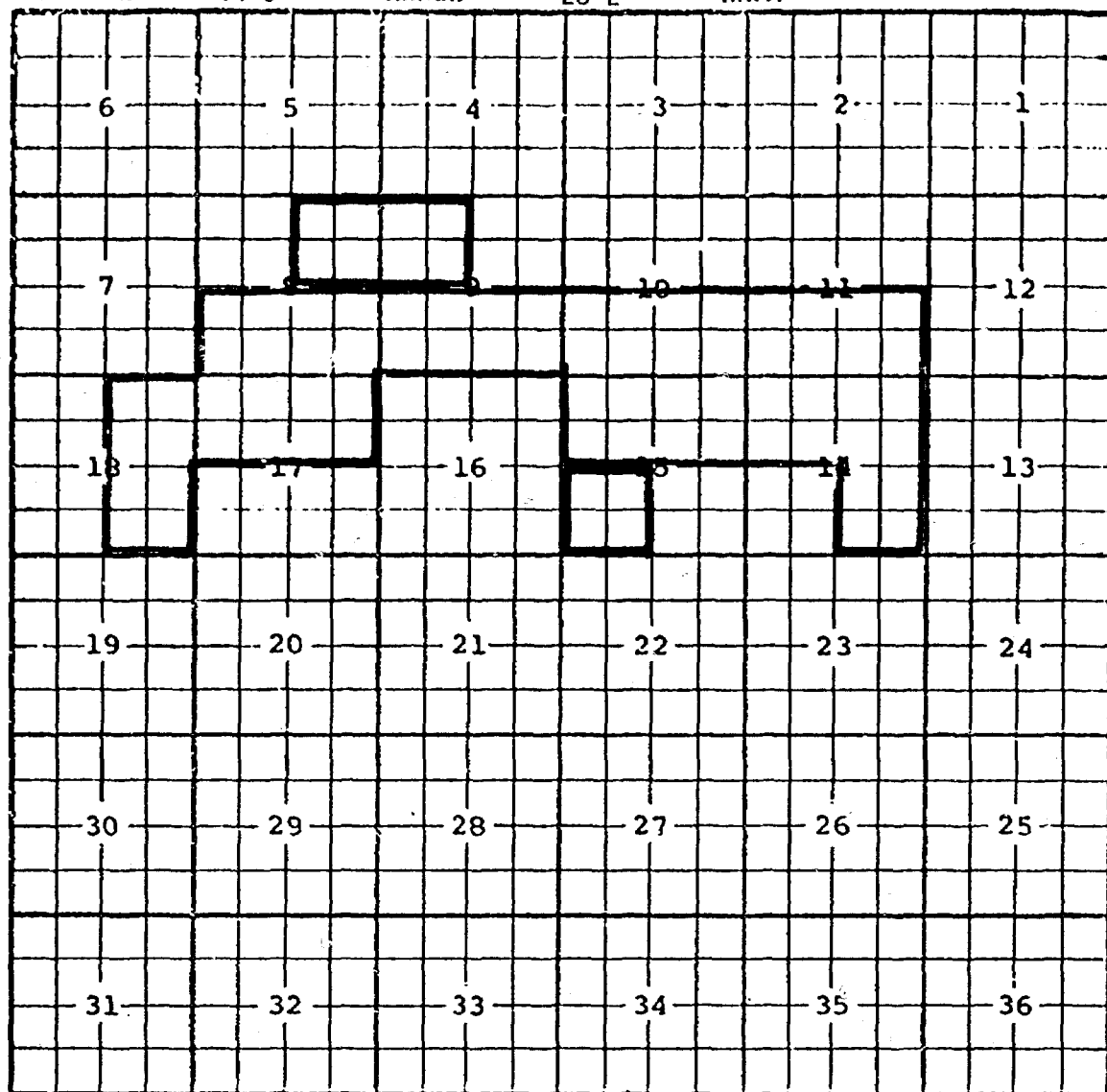


PURPOSE: One completed oil well capable of producing.
 Atlantic Richfield Company Lea 403 State #3-N in 22-18-35. Completed in
 the Queen formation on August 14, 1977. Top of perforations 4400 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 22: SW/4

TOWNSHIP 14 S RANGE 28 E NMIM



Purpose: Three completed gas well capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
R.L. Foree	Midwest Fed.	4-E	9-14-28	11-22-77	Gb.	1600'
C.E. LaRue & B.N. Muncy, Jr.	Nola Fed.	4-H	8-14-28	9-22-77	"	1564'
"	Hanlad Fed.	2-K	15-14-28	12-19-77	"	1730'

Addition

Pool boundary outlined in red.

Proposed extension outlined in blue.

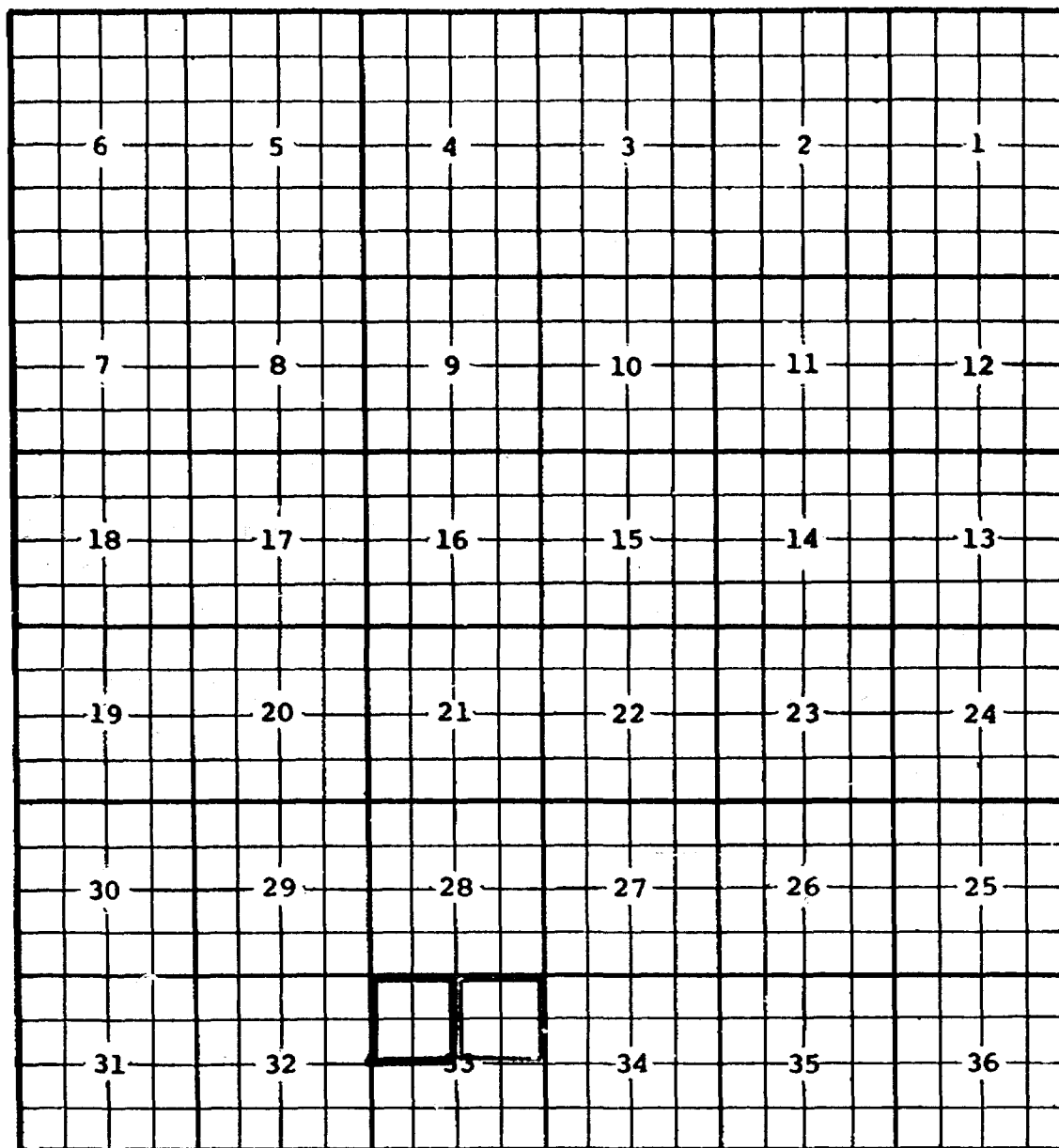
Section 8: NE/4

Section 9: NW/4

Section 15: SW/4

Addition

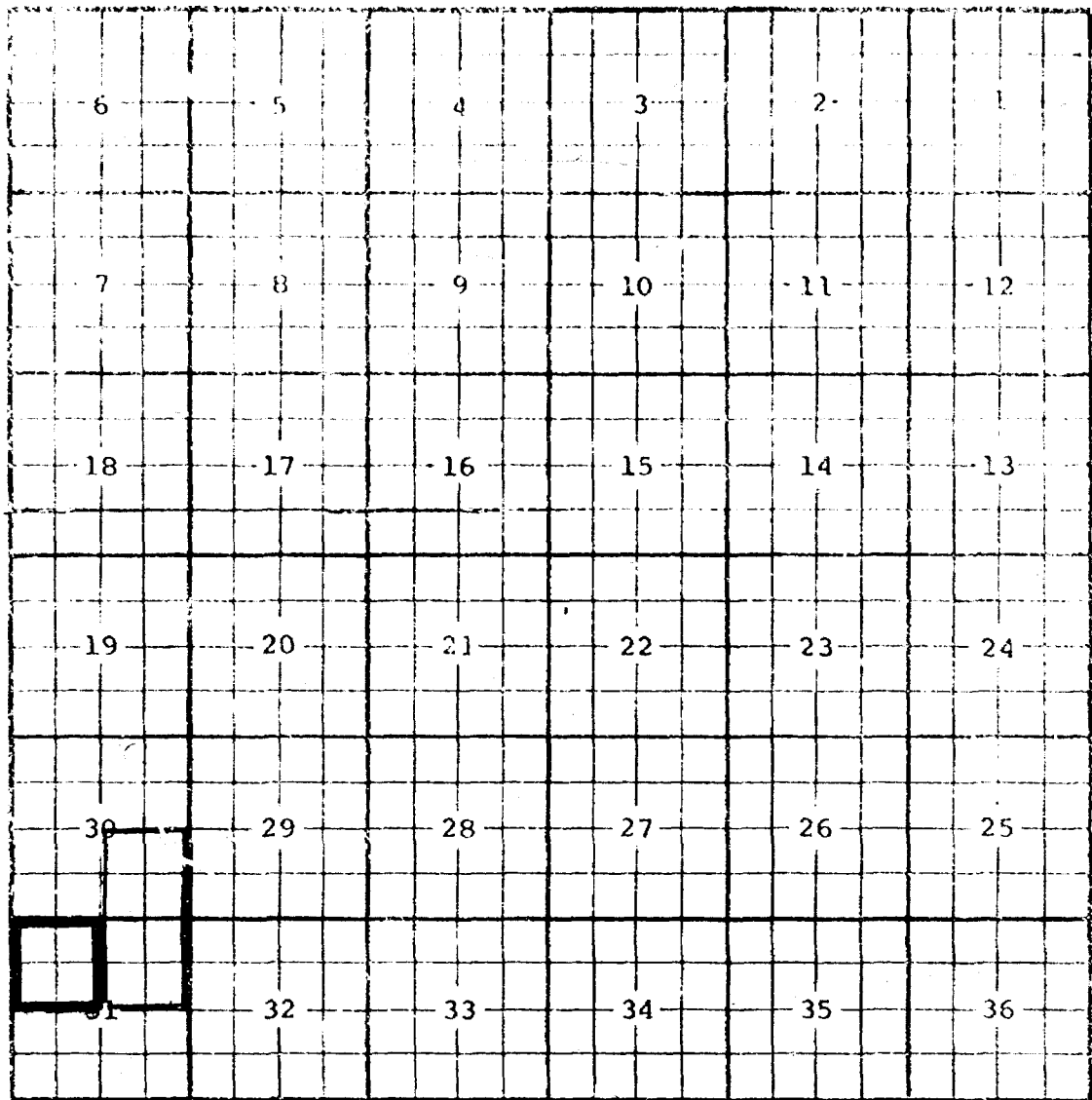
COUNTY LEA POOL SANMAL-WOLFCAMP
TOWNSHIP 16 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.
Supron Energy Corporation, SNM 33-16-33 #1-F in 33-16-33. Completed in
the Wolfcamp formation on January 9, 1978. Top of perforations 10,701 feet.

Pool boundary outlined in red.
Proposed pool extension outlined in green. SECTION 33: NW/4

TOWNSHIP 7 South RANGE 32 East N.M.P.M.



PURPOSE: One completed oil well capable of producing.

Sundance Oil Company Cone Federal #2-C in 31-7-32. Completed in the San Andres formation on January 7, 1978. Top of perforations 4132 feet.

Pool boundary outlined in red.

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

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

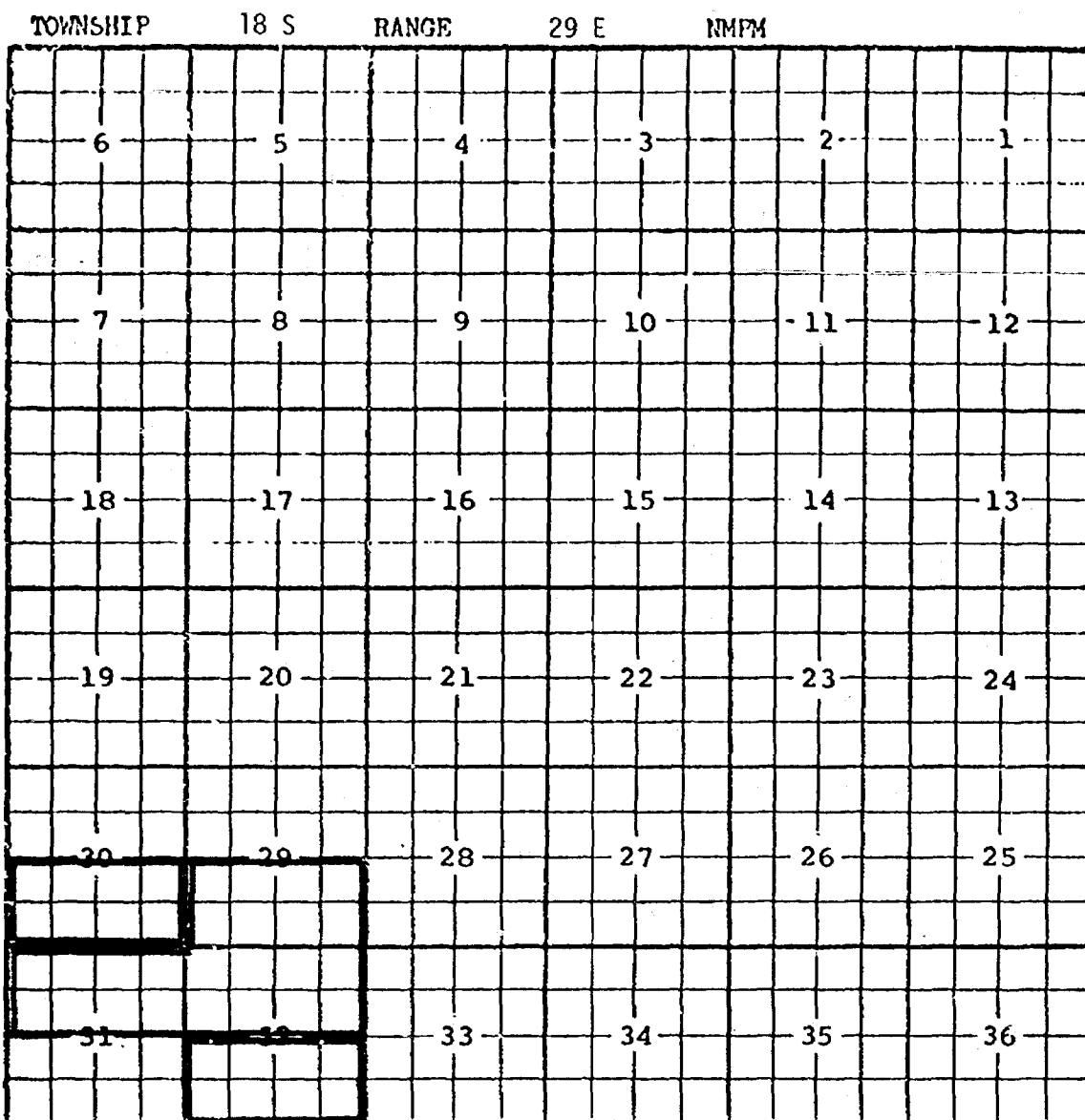
Purpose: See Exhibit Two

Pool boundary outlined in red.

Proposed extension outlined in blue.

Addition

Section 25: E/2



Purpose: Three completed gas wells capable of producing.

Operator	Lease	#&Ut	S.T.R.	Comp.	Form	TOP
Hondo Drilg. Co.	Alscott Fed.	2-0	30-18-28	8-3-77	Morrow	10882'
Southland Royalty Co.	Palmillo St. Com.	2-J	32-18-29	1-8-78	"	10972'
Addition Read & Stevens, Inc.	Turkey Track St. Com.	1-I	25-18-28	1-27-78	"	10944'

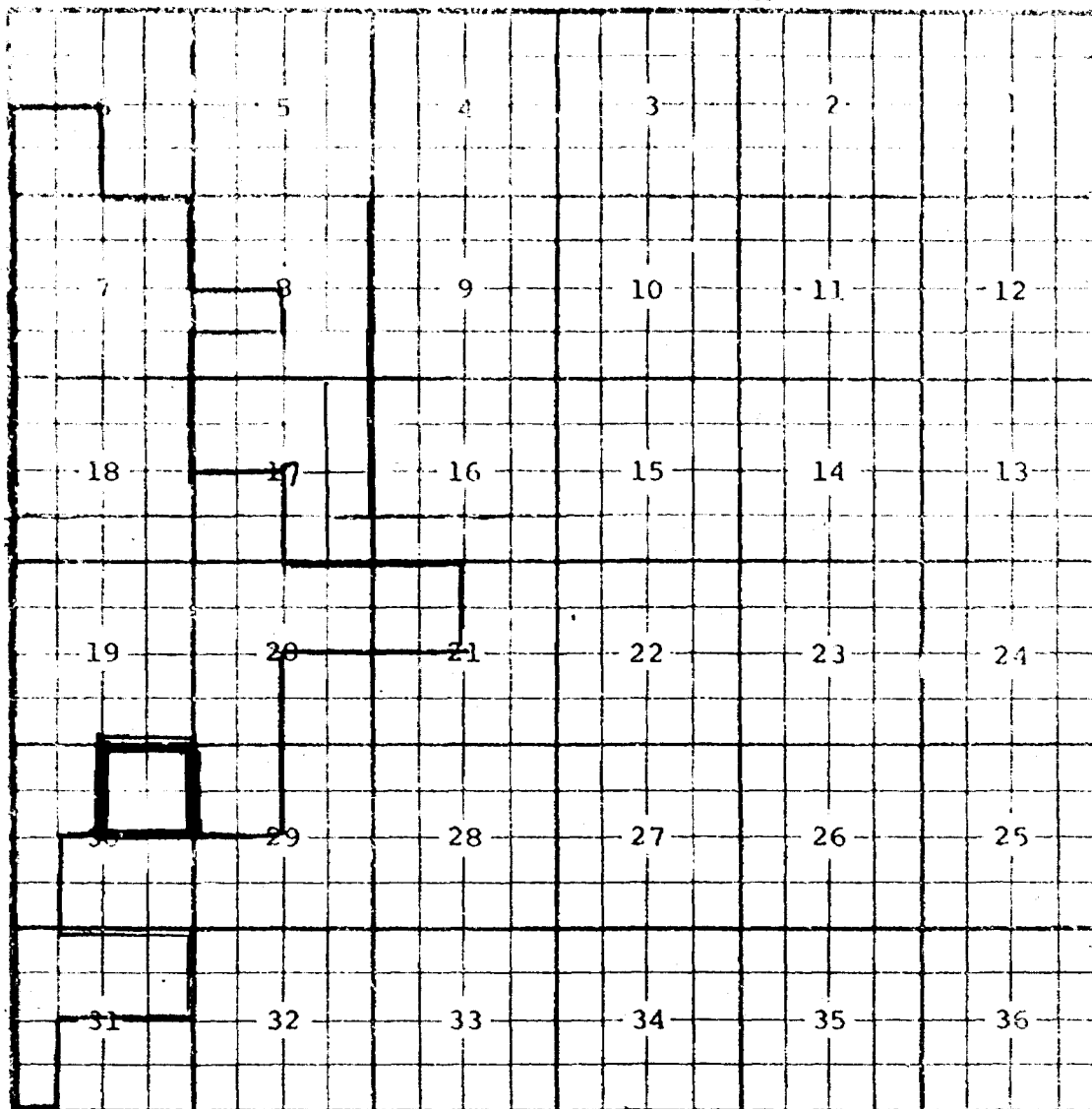
Pool boundary outlined in red.

Proposed extension outlined in blue.

Section 30: S/2

Section 32: S/2

TOWNSHIP 17 South RANGE 35 East NE/4



PURPOSE: One completed oil well capable of producing.

Penroc Oil Corporation, State AR #1-B in 30-17-35. Completed in the Abo formation on January 10, 1978. Top of perforations 8580 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. SECTION 30: NE/4

- CASE 6175: Application of Petroleum Corporation of Texas for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the open-hole interval from 3000 feet to 3258 feet in its Jenkins "B" Fed. Well No. 1 located in Unit E of Section 20, Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico.
- CASE 6176: Application of Read & Stevens, Inc., for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Scharb Com Well No. 1 located in the center of Unit J of Section 7, Township 19 South, Range 35 East, Scharb-Bone Spring Pool, Lea County, New Mexico.
- CASE 6156: (Readvertised)
- Application of Southland Royalty Company for an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its East Well No. 5A to be located 1120 feet from the North line and 1790 feet from the West line of Section 24, Township 31 North, Range 12 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.
- CASE 6177: Application of Texas International Petroleum Corporation for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of a proposed gas well, the surface location of which would be 1650 feet from the South line and 1800 feet from the East line of Section 29, Township 20 South, Range 30 East, Golden Lane Field, Eddy County, New Mexico, in such a manner as to bottom said well in the Morrow formation within 100 feet of a point 1980 feet from the North line and 1985 feet from the West line of said Section 29, the N/2 of the Section to be dedicated to the well.
- CASE 6178: In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order creating and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico, and the assignment of a discovery allowable in Eddy County, New Mexico.
- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Alacran Hills-Atoka Gas Pool. The discovery well is the Read and Stevens, Inc. WR State Com Well No. 1 located in Unit X of Section 6, Township 21 South, Range 27 East, NMPM. Said pool would comprise:
- TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 6: Lots 9, 10, 15, 16 & SE/4
- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the West Malaga-Atoka Gas Pool. The discovery well is the HNG Oil Company Valdez 5 Com Well No. 1 located in H of Section 5, Township 24 South, Range 28 East, NMPM. Said pool would comprise:
- TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 5: E/2
- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Palmillo-Wolfcamp Pool, and assign 43,300 barrels of discovery allowable to the discovery well, Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM. Said pool would comprise:
- TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4
- (d) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Railroad Mountain-San Andres Pool. The discovery well is the Harlow Corporation Graves Well No. 1 located in Unit F of Section 11, Township 8 South, Range 28 East, NMPM. Said pool would comprise:
- TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 11: NW/4
- (e) EXTEND the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 31: All
- (f) EXTEND the Avalon-Strawn Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: S/2
Section 32: S/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMFM
Section 29: N/2

- (h) EXTEND the South Brunson-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMFM
Section 31: S/2

- (i) EXTEND the West Bubbling Springs-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMFM
Section 25: All
Section 26: E/2

- (j) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMFM
Section 17: N/2

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMFM
Section 13: S/2
Section 23: All
Section 26: N/2

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMFM
Section 12: E/2

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMFM
Section 7: All

- (m) EXTEND the Cabin Lake-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMFM
Section 1: S/2 SW/4
Section 2: SE/4 SE/4

- (n) EXTEND the South Carlsbad Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMFM
Section 20: NW/4 SW/4

- (o) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMFM
Section 11: All
Section 12: S/2

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMFM
Section 7: W/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMFM
Section 8: E/2
Section 9: All
Section 16: All

- (p) EXTEND the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMFM
Section 2: SE/4
Section 11: E/2

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 5: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 24: N/2

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 6: S/2

- (s) EXTEND the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: E/2 W/2 & SE/4

- (t) EXTEND the Chaveroo-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 24: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 20: SE/4

- (v) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 16: NW/4

- (w) EXTEND the vertical limits of the Daugherty-San Andres Pool in Eddy County, New Mexico, to include the Grayburg formation, redesignate said pool as the Daugherty Grayburg-San Andres Pool and extend the horizontal limits of said pool to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 10: N/2 NE/4

- (x) EXTEND the Dickenson-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 35: S/2

- (y) EXTEND the East Eagle Creek Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 23: E/2

- (z) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 5: N/2
Section 7: N/2
Section 8: W/2

- (aa) EXTEND the Fordinkus-Cisco Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 22: E/2
Section 23: All

- (bb) EXTEND the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 5: S/2

(cc) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 26: S/2
Section 35: N/2

(dd) EXTEND the South Leonard-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 13: SW/4

(ee) EXTEND the Reeves-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 22: SW/4

→ (ff) EXTEND the Sams Ranch-Grayburg Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 26 EAST, NMPM
Section 8: NE/4
Section 9: NW/4

Add " 15: SW/4
(gg) EXTEND the Samsal-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 33: NW/4

(hh) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 31: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 30: S/2
Section 32: S/2

add T18S, R28E
Sec 25: E/2

(jj) EXTEND the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 30: NE/4

Docket No. 10-78

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 15, 1978

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

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

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for April, 1978, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for April, 1978, from four prorated pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico.

NOMENCLATURE ADVERTISEMENT FOR MARCH 1978

CASE NO. 6178

In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order for the creation of new pools in Chaves and Eddy Counties, New Mexico, the assignment of a discovery allowable in Eddy County, New Mexico, and the extension of vertical and horizontal limits of certain existing pools in Chaves, Eddy, Lea and Roosevelt 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, discovery allowable assignment, and extensions should not be made.

- ✓ (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Alacran Hills-Atoka Gas Pool. The discovery well is Read and Stevens, Inc. WR State Com Well No. 1 located in Unit X of Section 6, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 6: Lots, 9, 10, 15, 16 & SE/4

- ✓ (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the West Malaga-Atoka Gas Pool. The discovery well is HNG Oil Company Valdez 5 Com Well No. 1 located in Unit H of Section 5, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 5: E/2

- ✓ (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Palmillo-Wolfcamp Pool, and assign 43,300 barrels of discovery allowable to the discovery well, Southland Roylaty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4

- ✓ (d) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Railroad Mountain-San Andres Pool. The discovery well is The Harlow Corporation Graves Well No. 1 located in Unit F of Section 11, Township 8 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 11: NW/4

- ✓ (e) EXTEND the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 31: All

- ✓ (f) EXTEND the Avalon-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: S/2
Section 32: S/2

- ✓ (g) EXTEND the Bass-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 29: W/2

- ✓ (h) EXTEND the South Brunson-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 31: S/2

- ✓ (i) EXTEND the West Bubbling Springs-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 25: All
Section 26: E/2

Nomenclature Advertisement for March 1978

- ✓ (j) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM
Section 17: N/2

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 13: S/2
Section 23: A11
Section 26: N/2

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 12: E/2

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 7: A11

- ✓ (m) EXTEND the Cabin Lake-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 1: S/2 SW/4
Section 2: SE/4 SE/4

- ✓ (n) EXTEND the South Carlsbad Cherry Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 20: NW/4 SW/4

- ✓ (o) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 11: A11
Section 12: S/2

✓ TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 7: W/2

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 8: E/2
Section 9: A11
Section 16: A11

- ✓ (p) EXTEND the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 2: SE/4
Section 11: E/2

- ✓ (q) EXTEND the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 5: NW/4

- ✓ (r) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

✓ TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 24: N/2

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 6: S/2

- ✓ (s) EXTEND the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: E/2 W/2 & SE/4

- ✓ (t) EXTEND the Chaveroo-San Andres Pool in Roosevelt County New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 34: SE/4

Nomenclature Advertisement for March 1978

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 20: SE/4

- ✓✓ (v) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 16: NW/4

- ✓✓ (w) EXTEND the vertical limits of the Daugherty-San Andres Pool in Eddy County, New Mexico, to include the Grayburg formation, redesignate said pool as the Daugherty Grayburg-San Andres Pool and extend the horizontal limits of said pool to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 10: N/2 NE/4

- ✓✓ (x) EXTEND the Dickenson-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 36 EAST, NMPM
Section 35: S/2

- ✓✓ (y) EXTEND the East Eagle Creek-Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 23: E/2

- ✓✓ (z) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 5: N/2
Section 7: N/2
Section 8: W/2

- ✓✓ (aa) EXTEND the Fordinkus-Cisco Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 22: E/2
Section 23: All

- ✓✓ (bb) EXTEND the West Four Mile Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM
Section 5: S/2

- ✓✓ (cc) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 26: S/2
Section 35: N/2

- ✓✓ (dd) EXTEND the South Leonard-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM
Section 13: SW/4

- ✓✓ (ee) EXTEND the Reeves-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 22: SW/4

- ✓✓ (ff) EXTEND the Sams Ranch-Grayburg Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM
Section 8: NE/4
Section 9: NW/4

Nomenclature Advertisement for March 1978

- ✓ (gg) EXTEND THE Sanmal-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 33: NW/4

- ✓ (hh) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM
Section 31: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 30: S/2
Section 32: S/2

- ✓ (jj) EXTEND the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 30: NE/4

RECEIVED

JAN 16 1978

O. C. C.
ARTESIA, OFFICE

New Mexico Oil Conservation Commission
Drawer DD
Artesia, NM 88210


Southland Royalty Company

January 13, 1978

March 1978

SE Nomenclature

Re: Palmillo-State Comm. No. 1

Dear Sir:

Attached for your approval are the necessary forms required to apply for a discovery allowable and creation of a new pool for the Wolfcamp interval in the subject well.

By a copy of this letter and an attached Form C-109 "Application for Discovery Allowable and Creation of a New Pool," we are notifying offset operators of our application for the discovery allowable and creation of a new pool.

Very truly yours,

SOUTHLAND ROYALTY COMPANY

CH Carr

C. H. Carr
District Engineer

jh

cc: State of New Mexico, Santa Fe, NM 87501
Joint Operators
Offset Operators

NEW MEXICO OIL CONSERVATION COMMISSION
APPLICATION FOR DISCOVERY ALLOWABLE AND CREATION OF A NEW POOL

Form C-109
 Adopted 9-1-66

NOTE: This form is to be filled out in accordance with the provisions of Rule 509.
 If discovery is claimed for more than one zone, separate forms must be filed for each.

JAN 16 1978

Operator Southland Royalty Company		Address 1100 Wall Towers West, Midland, TX 79701	
Lease Name Palmillo-State Comm.		Well No. 1	County Eddy
Well Location Unit Letter G ; 1731 Feet from The north Line and 2310 Feet From the east Line of Section 32 , Township 18-S , Range 29-E , NMPM			
Suggested Pool Names (List in order of preference) 1. Turkey Track, N. 2. Palmillo 3.			
Name of Producing Formation Wolfcamp		Perforations 8660-8672'	
Was "Affidavit of Discovery" Previously Filed For This Well in this Pool? No		Date Well was Spudded 10-6-77	Date of Filing Form C-104 Not filed
Total Depth 11,303'	Plugged Back Depth 11,233'	Depth Casing Shoe 11,303'	Tubing Depth 8550'
Elevation (Gr., DF, RKB, RT, etc.) 3432.9' GL			
Oil Well Potential (Test to be taken only after all load oil has been recovered) 624 Bbls, Oil Per Day Based On 156 Bbls In 6 Hours; 48 Bbls Water Per Day Based On 12 Bbls In 6 Hours; Gas Production During Test: 275 MCF; Gas-Oil Ratio: 1762 Method Of Producing: Flowing Chk. Size 22/64"			

NEAREST PRODUCTION TO THIS DISCOVERY (Includes past and present oil or gas producing areas and zones whether this discovery is based on horizontal or vertical separation):

Pool Name Loco Hills S.	Name of Producing Formation Queen-Grayburg-San And.	Top of Pay 1880'	Bottom of Pay 2946'	Currently Producing? Yes
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Pool 450' southeast		Vertical Distance from Subject Discovery Zone to Producing Interval this Pool 4714		

NEAREST COMPARABLE PRODUCTION (Includes past and present oil or gas production from this pay or formation only):

Pool Name Loco Hills-Wolfcamp	Top of Pay 8678	Bottom of Pay 8688	Currently Producing? No
Horizontal Distance and Direction from Subject Discovery Well to the Nearest Well in this Comparable Pool 8200' northeast			

Is "County Deep" Discovery Allowable Requested for Subject Discovery Well? No	If Yes, Give Name, Location, and Depth of Next Deepest Oil Production in this County
---	--

Is the Subject Well Multiple Completion? Yes	Is Discovery Allowable Requested for other Zone(s)? No	If Yes, Name all Such Formations
--	--	----------------------------------

LIST ALL OPERATORS OWNING LEASES WITHIN ONE MILE OF THIS WELL (Attach additional sheet if necessary)

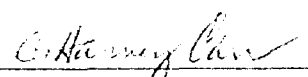
NAME	ADDRESS
Gene Snow	606 S. 13th, Lovington, NM 88260
T. J. Sivley	Box GG, Artesia, NM 88210
Hondo Drilling Company	901 West Missouri, Midland, TX 79701
J. Trigg	201 East Hobbs, Roswell, NM 88201
Yates Drilling Co.	207 South Fourth St., Artesia, NM 88210
Superior Oil Co.	Box 1900, Midland, TX 79702
Kincaid & Watson Drilling Co.	Box 498, 300 Booker Bldg., Artesia, NM 88210
Cities Service Company	Box 300, Tulsa, OK 74102
Amoco Production Co.	Box 1725, Midland, TX 79702
Abo Petroleum Corp.	Yates Bldg., Artesia, NM 88210

Attach evidence that all of the above operators have been furnished a copy of this application. Any of said operators who intends to object to the designation of the subject well as a discovery well, eligible to receive a discovery allowable, must notify the appropriate District Office and the Santa Fe Office of the Commission of such intent in writing within ten days after receiving a copy of this application.

Remarks:

CERTIFICATION

I hereby certify that all rules and regulations of the New Mexico Oil Conservation Commission have been complied with, with respect to the subject well, and that it is my opinion that a bona fide discovery of a hitherto unknown common source of oil supply has been made in said well. I further certify that the discovery allowable for the subject well, if authorized, will be produced from the subject zone in this well only. Further, that the information given herein and attached hereto is true and complete to the best of my knowledge and belief.

	District Engineer	January 13, 1978
Signature	Position	Date

RECEIVED

JAN 16 1978

O. D. C.
ARTESIA, OFFICE

RESERVOIR DATA SUMMARY

John H. Trigg Co.
1-20 Fed. Sivley-Denton

Test #1	8666-8678'		
Initial Flow Period	10 minutes	206 psi	
Initial Shut-in Period	60 minutes	3542 psi	
Second Flow Period	382 minutes	745 psi	
Final Shut-in Period	120 minutes	3533 psi	

Recovery: 1674' of oil
496' of water cut oil, Cl 96,000 ppm
Flowed 427,000 MCF, 35 bbls. of oil

Test #2	8666-8678'		
Initial Flow Period	2400 minutes	2018 psi	
Initial Shut-in Period	180 minutes	3513 psi	

Recovery: 60' water below circ. sub.
Flowed 220.9 bbls. of oil

John H. Trigg
1-20 Fed.-Sivley-Wright

Test #1	8674-8720'		
Initial Flow Period	15 minutes	750-248 psi	
Initial Shut-in Period	45 minutes	3476 psi	
Final Flow Period	180 minutes	475-1176 psi	
Final Shut-in Period	60 minutes	3362 psi	

Recovery: 2249' oil
Reversed out 23 bbls. oil

Southland Royalty Co.
Palmillo-State Comm. No. 1

Test #1	8530-8668'		
Initial Flow Period	60 minutes	3504 psi	
Initial Shut-in Period	120 minutes	3582 psi	
Final Flow Period	150 minutes	3471 psi	
Final Shut-in Period	300 minutes	3575 psi	

Recovery: 2000' gas cut water
3000' oil and gas condensate
Flowing est. volume 4.7 MMCFD gas, small volume oil

