

Entered August 13, 1974
R.H.

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. 5293
Order No. R-4835

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9:00 a.m. on August 7, 1974, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 13th day of August, 1974, 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 oil pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of South Carlsbad-Delaware Pool. Further, that the discovery well for said pool, the D. L. Hannifin & Joe Don Cook Merland Well No. 1, located in Unit J of Section 24, Township 22 South, Range 26 East, NMPM, is entitled to and should receive a bonus allowable in the amount of 22,270 barrels to be assigned over a two-year period. Said discovery well was completed in the Delaware formation on February 26, 1974. The top of the perforations is at 4454 feet.

(3) That there is need for certain extensions to the Vest Ranch-Queen Pool in Chaves County, New Mexico, the Antelope Ridge-Morrow Gas Pool, the Blinebry Oil and Gas Pool, the East Morton-Wolfcamp Pool, the Ranger Lake-Bough Pool, the West Sawyer-San Andres Pool, the Tres Papalotes-Pennsylvanian Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 24: SE/4

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That 22,270 barrels of oil discovery allowable is hereby assigned to the discovery well for said pool, the D. L. Hannifin & Joe Don Cook Merland Well No. 1, located in Unit J of said Section 24. That said oil discovery allowable shall be assigned in addition to the regular allowable assigned to said well at the rate of 31 barrels per day.

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 9: N/2

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 5: S/2
Section 6: SE/4

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

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 3: NW/4

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

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 26: SW/4

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

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
Section 32: SE/4

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

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 5: SE/4

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

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4
Section 21: NE/4

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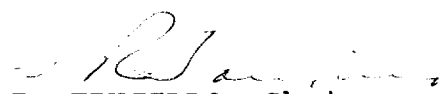
IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Commission. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

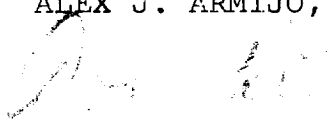
(2) That the effective date of this order and all extensions included herein shall be September 1, 1974.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Member


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

S E A L

jr/