

Entered September 27, 1977
JGR

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. 6037
Order No. R-5534

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on September 14, 1977, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 27th day of September, 1977, 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 Delaware formation, said pool to bear the designation of Combs-Delaware Gas Pool. Said Combs-Delaware Gas Pool was discovered by the Penroc Oil Corporation Combs Federal Well No. 1 located in Unit P of Section 15, Township 20 South, Range 27 East, NMPM. It was completed in the Delaware formation on June 5, 1974. The top of the perforations is at 2822 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 Morrow formation, said pool to bear the designation of East Lake-Morrow Gas Pool. Said East Lake-Morrow Gas Pool was discovered by the Coquina Oil Corporation Gulf Federal Well No. 1 located in Unit A of Section 5, Township 19 South, Range 27 East, NMPM. It was completed in the Morrow formation on February 8, 1974. The top of the perforations is at 9618 feet.

(4) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Cisco formation, said pool to bear the designation of Hume-Cisco Pool. Said Hume-Cisco Pool was discovered by the Vaquero Independent Producers, Inc., Jackrabbit Draw Com Well No. 1 located in Unit L of Section 15, Township 16 South, Range 33 East, NMPM. It was completed in the Cisco formation on February 8, 1977. The top of the perforations is at 11,230 feet.

(5) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of West Malaga-Morrow Gas Pool. Said West Malaga-Morrow Gas Pool was discovered by the HNG Oil Company Ogden 8 Com Well No. 1 located in Unit H of Section 8, Township 24 South, Range 28 East, NMPM. It was completed in the Morrow formation on June 17, 1977. The top of the perforations is at 12,216 feet.

(6) 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 Millman-Atoka Gas Pool. Said Millman-Atoka Gas Pool was discovered by the Depco, Inc., DHY State B Well No. 1 located in Unit L of Section 11, Township 19 South, Range 28 East, NMPM. It was completed in the Atoka formation on May 13, 1977. The top of the perforations is at 10,458 feet.

(7) That there is need for the creation of a new oil pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of Pearsall-Abo Pool. Said Pearsall-Abo Pool was discovered by the Harvey E. Yates Company, Inc., South Maljamar Deep Well No. 1 located in Unit O of Section 30, Township 17 South, Range 32 East, NMPM. It was completed in the Abo formation on November 24, 1976. The top of the perforations is at 8,938 feet.

(8) That there is need for the creation of a new oil pool in Eddy County, New Mexico, for the production of oil from the Bone Springs formation, said pool to bear the designation of Penlon-Bone Springs Pool. Said Penlon-Bone Springs Pool was discovered by the Penroc Oil Corporation Allied B Well No. 1 located in Unit K of Section 27, Township 20 South, Range 27 East, NMPM. It was completed in the Bone Springs formation on January 13, 1975. The top of the perforations is at 6,472 feet.

(9) That there is need for the creation of a new gas pool in Eddy County, New Mexico, for the production of gas from the Delaware formation, said pool to bear the designation of Penlon-Delaware Gas Pool. Said Penlon-Delaware Gas Pool was discovered by the Penroc Oil Corporation Allied Com Well No. 2 located in Unit B of Section 27, Township 20 South, Range 27 East, NMPM. It was completed in the Delaware formation on July 20, 1975. The top of the perforations is at 2,788 feet.

(10) That there is need for the creation of a new gas pool in Lea County, New Mexico, for the production of gas from the Morrow formation, said pool to bear the designation of Rock Lake-Morrow Gas Pool. Said Rock Lake-Morrow Gas Pool was discovered by the Union Oil Company of California Northern Natural State Well No. 1 located in Unit O of Section 28, Township 22 South, Range 35 East, NMPM. It was completed in the Morrow formation on May 30, 1977. The top of the perforations is at 13,557 feet.

(11) That there is need for certain extensions to the Cato-San Andres Pool in Chaves County, New Mexico, the Avalon-Morrow Gas Pool, the North Burton-Pennsylvanian Gas Pool, the Burton Flat-Morrow Gas Pool, the East Carlsbad-Wolfcamp Gas Pool, the South Carlsbad-Morrow Gas Pool, the Indian Draw-Delaware Pool, and the White City-Pennsylvanian Gas Pool, all in Eddy County, New Mexico, and the Flying "M" San Andres Pool, the South Leonard-Queen Pool, the East Lusk-Bone Springs Pool, and the West Tonto-Pennsylvanian Gas 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 Delaware production, is hereby created and designated as the Combs-Delaware Gas Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 15: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 5: N/2

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

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 15: SW/4

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

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 8: E/2

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 11: W/2

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

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 30: SE/4

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

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

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 27: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 28: S/2

(j) That the Avalon-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 22: S/2
Section 27: All
Section 34: N/2

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

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TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 32: SW/4

(l) 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 24: All
Section 25: E/2
Section 36: All

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 16: All
Section 18: All
Section 19: All
Section 20: S/2
Section 21: All
Section 29: All
Section 30: All
Section 31: All
Section 32: All
Section 33: W/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 4: Lots 3, 4, 5, 6, 11, 12, 13, & 14
Section 5: All
Section 8: S/2
Section 17: All
Section 20: All
Section 29: W/2
Section 30: All
Section 31: N/2
Section 32: W/2

(m) 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 21 SOUTH, RANGE 27 EAST, NMPM
Section 27: W/2
Section 34: All
Section 35: S/2

(n) 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 13: N/2

(o) 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 30 EAST, NMPM
Section 1: NE/4

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM
Section 8: NE/4

(p) That the Flying "M" San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 19: SE/4

(q) That the Indian Draw-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 7: SE/4 and N/2 SW/4
Section 18: W/2 SW/4

(r) 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 11: SW/4

(s) That the East Lusk-Bone Springs Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 16: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 7: S/2 and NE/4

(u) 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 24 SOUTH, RANGE 26 EAST, NMPM
Section 9: All
Section 19: All

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IT IS FURTHER ORDERED:

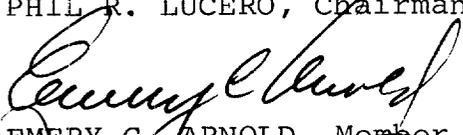
(1) That, pursuant to Section 65-3-14.5, NMSA 1953, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from 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 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.

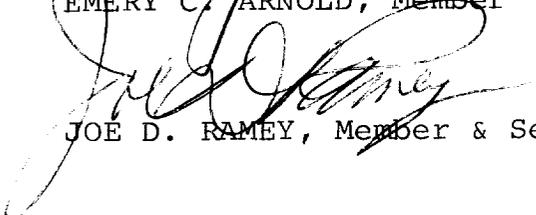
(2) That the effective date of this order and all creations and extensions included herein shall be October 1, 1977.

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

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