

Entered July 13, 1983
JMR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7902
Order No. R-7315

NOMENCLATURE

APPLICATION OF UNION OIL COMPANY
OF CALIFORNIA FOR THE ABOLISHMENT
AND EXTENSION OF CERTAIN POOLS IN
EDDY COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on June 8, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 13th day of July, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Union Oil Company of California, seeks the abolishment of the Crawford-Pennsylvanian Gas Pool consisting of the S/2 of Section 26 and the SE/4 of Section 27 of Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico, and the extension of the White City-Pennsylvanian Gas Pool to include therein all of said Sections 26 and 27.

(3) That the applicant is the owner of certain oil and gas interests in Sections 26 and 27 of Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico.

(4) That the S/2 of said Section 26 and the SE/4 of said Section 27 are currently the designated horizontal limits of the Crawford-Pennsylvanian Gas Pool.

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(5) That the Crawford-Pennsylvanian Gas Pool is currently developed on 160-acre spacing and proration units as provided for in Rule 104 of the New Mexico Oil Conservation Division Rules and Regulations.

(6) That the White City-Pennsylvanian Gas Pool, as currently defined, includes the following lands in Eddy County, New Mexico:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM

Sections 8 and 9: All
Sections 15 through 17: All
Sections 19 through 22: All
Sections 28 through 30: All
Sections 32 through 35: All

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM

Sections 1 through 4: All
Sections 10 through 13: All

(7) That the White City-Pennsylvanian Gas Pool is currently developed on 640-acre spacing and proration units with a one well infill well provision as provided for in New Mexico Oil Conservation Division Order No. R-2429-D.

(8) That the geological evidence presented at the hearing, together with certain reservoir data, indicate that the reservoir underlying Sections 26 and 27 of Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico, is indeed a part of the White City-Pennsylvanian Gas Pool.

(9) That in order to protect correlative rights and prevent waste, the application should be approved and the Crawford-Pennsylvanian Gas Pool with horizontal limits currently comprising the S/2 of Section 26 and the SE/4 of Section 27 of Township 24 South, Range 26 East, NMPM, Eddy County, New Mexico, should be abolished and that the White City-Pennsylvanian Gas Pool should be extended to include all of said Sections 26 and 27.

IT IS THEREFORE ORDERED:

(1) That the Crawford-Pennsylvanian Gas Pool in Eddy County, New Mexico, consisting of the following described area:

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TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 26: S/2
Section 27: SE/4

is hereby abolished.

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

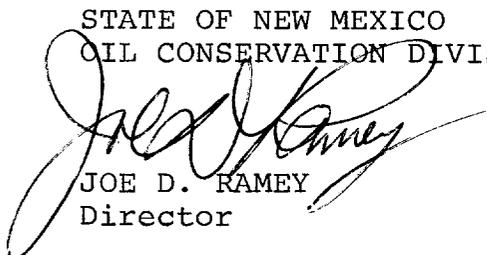
TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Sections 26 and 27: All

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

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY
Director

S E A L
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