DOCKET: REGULAR HEARING APRIL 17, 1957

Oil Conservation Commission 9 a.m., Mabry Hall, State Capitol, Santa Fe

- ALLOWABLE: (1) Consideration of the oil allowable for May, 1957.
 - (2) Consideration of the allowable production of gas for May, 1957 from the seven prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from the six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for May 1957.

NEW CASES

- CASE 1233: Application of Lillie M. Yates for approval of an oil well drilling location in the potash area of Eddy County, New Mexico, as defined by Commission Order R-111-A. Applicant, in the above-styled cause, seeks authority to drill an oil well in the center of the NW/4 SE/4 Section 4, Township 19 South, Range 30 East, Eddy County, New Mexico. Said location is in the potash area as defined by Order R-111-A and Southwest Potash Corporation has objected to the drilling of said well. The parties to this case have waived the provisions for arbitration set out in Order R-111-A and the matter is hereby set for hearing.
- CASE 1234: Application of Carper Drilling Company, Inc. for approval of an oil well drilling location in the potash area of Eddy County, New Mexico, as defined by Commission Order R-111-A. Applicant, in the above-styled cause, seeks authority to drill an oil well in the center of the SE/4 SW/4 Section 4, Township 19 South, Range 30 East, Eddy County, New Mexico. Said location is in the potash area as defined by Order R-111-A and Southwest Potash Corporation has objected to the drilling of said well. The parties to this case have waived the provisions for arbitration set out in Order R-111-A and the matter is hereby set for hearing.
- CASE 1235: Application of Continental Oil Company for permission to produce 35 wells in the Skaggs Pool, Lea County, New Mexico, into a common tank battery in exception to Rule 309 of the Commission Rules and Regulations. Applicant, in the abovestyled cause, seeks an order authorizing the production of 35 oil wells, located in Sections 13, 14, 24 and 25 of Township 20 South, Range 37 East, and in Sections 19 and 30, Township 20 South, Range 38 East, Skaggs Pool, Lea County, New Mexico, into a common tank battery located in Section 19, Township 20 South, Range 38 East. All of said wells are in the Southeast Monument Unit. Applicant proposes to install three test stations to permit individual testing of said wells.

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- CASE 1236: Application of Continental Oil Company for a non-standard gas proration unit in the Blinebry Gas Pool, Lea County, New Mexico, in exception to Rule 5 (A) of the Special Rules and Regulations for said pool. Applicant, in the abovestyled cause, seeks an order establishing a 160-acre nonstandard gas proration unit in the Blinebry Gas Pool consisting of Lot 15, N/2 SE/4 and SE/4 SE/4 of Section 3, Township 21 South, Range 37 East, Lea County, New Mexico; said unit to be dedicated to applicant's W. C. Hawk "B-3" Well No. 3 located 1980 feet from the South and East lines of said Section 3.
- CASE 1237: Application of Continental Oil Company for approval of a non-standard gas proration unit in the Jalmat Gas Pool, Lea County, New Mexico, in exception to Rule 5 (A) of the Special Rules and Regulations for said pool. Applicant, in the abovestyled cause, seeks an order authorizing a 320-acre nonstandard gas proration unit in the Jalmat Gas Pool consisting of the S/2 Section 8, Township 23 South, Range 36 East, Lea County, New Mexico; said unit to be dedicated to applicant's Danciger "A-8" Well No. 2 located 660 feet from the South and East lines of said Section 8.
- <u>CASE 1238:</u> Southeastern New Mexico nomenclature case calling for the creation or abolishment of certain pools and the extension of the horizontal and vertical limits of certain existing pools in Lea, Chaves and Eddy Counties, New Mexico.

(a) Creation of a new oil pool for Pennsylvanian production, designated as the East Anderson Ranch-Pennsylvanian Pool, and described as:

> Township 16 South, Range 33 East Section 3: Lots 7, 8, 9 & 10

(b) Creation of a new oil pool for Drinkard production, designated as the Arrowhead-Drinkard Pool, and described as:

> Township 21 South, Range 36 East Section 36: SW/4

(c) Creation of a new gas pool for Pennsylvanian production, designated as the Red Lake-Pennsylvanian Gas Pool, and described as:

> Township 18 South, Range 27 East Section 5: All

(d) Extension of the Caprock-Queen Pool to include:

Township 12 South, Range 32 East Section 21: SW/4

Township 14 South, Range 31 East Section 17: NW/4 -3-Docket No. 12-57

(e) Extension of the Corbin Pool to include:

Township 18 South, Range 33 East Section 5: W/2 NW/4

(f) Extension of the Crosby-Devonian Gas Pool to include:

Township 25 South, Range 37 East Section 32: NE/4

(g) Extension of the Empire-Wolfcamp Pool to include:

Township 17 South, Range 28 East Section 29: W/2

(h) Extension of the Eumont Gas Pool to include:

Township 19 South, Range 37 East Section 15: SW/4 Section 22: E/2 SW/4 Section 27: NE/4

(i) Extension of the North Gladiola-Devonian Pool to include:

Township 12 South, Range 38 East Section 6: SE/4 Section 7: NE/4

(j) Extension of the West Henshaw-Grayburg Pool to include:

Township 16 South, Range 30 East Section 4: SW/4 Section 8: SE/4 Section 9: W/2 Section 17: N/2 NW/4

(k) Extension of the Jalmat Gas Pool to include:

Township 22 South, Range 35 East Section 23: SE/4

(1) Extension of the Langlie-Mattix Pool to include:

Township 26 South, Range 38 East Section 6: NW/4

(m) Extension of the Lea Pool to include:

Township 20 South, Range 34 East Section 15: SE/4

(n) Extension of the North Shoe-Bar Devonian Pool to include:

Township 16 South, Range 35 East Section 15: S/2 NE/4

- (o) Abolish the Shugart-Grayburg Pool in Eddy County, New Mexico.
- (p) Redefine the vertical limits of the Shugart pool in Eddy County, New Mexico, to include the Yates, Seven Rivers, Queen and Grayburg formations.
- (q) Extension of the Square Lake pool to include:

Township 16 South, Range 29 East Section 36: W/2 NE/4

(r) Extension of the Warren-McKee Pool to include:

Township 20 South, Range 38 East Section 20: S/2 NW/4

(s) Extension of the Young Pool to include:

Township 18 South, Range 32 East Section 16: SW/4 & S/2 NW/4

<u>CASE 1239:</u> Northwestern New Mexico nomenclature case calling for the creation of new pools and the extension of existing pools in Sandoval, San Juan and Rio Arriba Counties, New Mexico.

(a) Creation of a new oil pool for Point Lookout production, designated as the Otero-Point Lookout Oil Pool, and described as:

> Township 23 North, Range 4 West Section 32: NE/4

(b) Creation of a new gas pool for Chacra production, designated as the Otero-Chacra Pool, and described as:

Township 25 North, Range 5 West Section 16: S/2 All of Sections 17 & 21 Section 22: W/2 & SE/4 Section 23: SW/4 All of Sections 26, 27 & 28

(c) Creation of a new oil pool for Paradox production, designated as the Four Corners-Paradox Oil Pool, and described as:

> Township 32 North, Range 20 West Section 29: SW/4 & S/2 NW/4 Section 30: E/2 SE/4 & SE/4 NE/4

(d) Extension of the Blanco Mesaverde Pool to include:

Township 31 North, Range 5 West All of Sections 19, 20, 29, 30 & 32

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(e) Extension of the Ballard-Pictured Cliffs pool to include:

Township 25 North, Range 7 West All of Sections 16, 17 & 18 Section 19: N/2

Township 25 North, Range 8 West Section 24: NW/4

(f) Extension of the Canyon Largo-Pictured Cliffs Pool to include:

Township 24 North, Range 6 West Section 2: NW/4 Section 3: N/2 Township 25 North, Range 6 West Section 33: S/2 Section 34: S/2 Township 26 North, Range 7 West Section 29: N/2

(g) Extension of the Gavilan-Pictured Cliffs Pool to include:

Township 25 North, Range 1 West Section 30: NW/4

Township 25 North, Range 2 West Section 11: N/2 Section 22: NW/4 Section 23: SE/4 Section 25: N/2 Section 26: E/2

(h) Extension of the Otero-Pictured Cliffs Pool to include:

Township 24 North, Range 6 West Section 10: S/2 Section 14: NW/4 Section 15: N/2 Section 16: All

(i) Extension of the Otero-Sanastee Oil Pool to include:

Township 22 North, Range 4 West Section 5: NW/4 & S/2 Section 6: N/2 Section 8: NE/4