

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

CASE NO. 10664  
ORDER NO. R-9843

THE APPLICATION OF THE OIL CONSERVATION  
DIVISION OF THE ENERGY, MINERALS AND  
NATURAL RESOURCES DEPARTMENT UPON ITS  
OWN MOTION FOR AN ORDER FOR THE CREATION,  
ASSIGNMENT OF BONUS DISCOVERY ALLOWABLE,  
AND EXTENSION OF CERTAIN EXISTING POOLS  
IN LEA AND ROOSEVELT COUNTY, NEW MEXICO

This cause came on for hearing at 8:15 A.M., February 4, 1993, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this \_\_\_\_\_ day of February, 1993, the Division Director having considered the testimony, the record, 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 the cause and subject matter thereof.

(2) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Bone Spring formation. Said pool to bear the designation of Cruz-Bone Spring Pool. Said Cruz-Bone Spring Pool was discovered by the C. W. Trainer RL Well No. 1 located in Unit L of Section 16, Township 23 South, Range 33 East, NMPM. It was completed October 1, 1992, in the Bone Spring formation. The top of the perforations is at 9,343 feet.

(3) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Bone Spring formation. Said pool to bear the designation of Northeast Grama Ridge-Bone Spring Pool. Said Northeast Grama Ridge-Bone Spring Pool was discovered by the BTA Oil Producers N. M. BZ State 8817 JV-P Well No. 1 located in Unit N of Section 26, Township 21 South, Range 34 East, NMPM. It was completed October 7, 1992, in the Bone Spring formation. The top of the perforations is at 10,100 feet.

(4) That there is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Delaware formation. Said pool to bear the designation of East Sand Dunes-Delaware Pool. Said East Sand Dunes-Delaware Pool was discovered by the Texaco Exploration & Production Inc. SDE 18 Federal Well No. 1 located in Unit C of Section 18, Township 23 South, Range 32 East, NMPM. It was completed November 24, 1992, in the Delaware formation. The top of the perforations is at 8,363 feet.

(5) That there is need for the assignment of a bonus discovery allowable of 24, 680 barrels of oil to the Meridian Oil Inc. Dagger Lake 5 State Well No. 1 located in Unit O of Section 5, Township 22 South, Range 33 East, NMPM. This well produces from the Dagger Lake-Delaware Pool which was created by Division Order R-9792, effective December 1, 1992. Discovery allowable to be retroactive to December 1, 1992.

(6) That there is need for Paragraph (q), the extension of the Jenkins-Devonian Pool, to be dismissed.

(7) That there is need for extensions to the South Baum-Wolfcamp Pool, the North Bell Lake-Delaware Pool, the Blinebry Oil & Gas Pool, the Buffalo-Queen Pool, the Buffalo-Yates Pool, the Cass-Pennsylvanian Pool, the South Corbin-Bone Spring Pool, the South Corbin-Wolfcamp Pool, the Cuerno Largo-Pennsylvanian Pool, the Hat Mesa-Morrow Gas Pool, the House-Blinebry Pool, the Northeast Lea-Delaware Pool, the Lost Tank-Delaware Pool, the Northeast Lovington-Wolfcamp Pool, the Pitchfork Ranch-Morrow Gas Pool, the Quail Ridge-Delaware Pool, the Querecho Plains-Delaware Pool, the Red Tank-Bone Spring Pool, the Tubb Oil & Gas Pool, the North Vacuum Atoka-Morrow Gas Pool, the Vacuum-Drinkard Pool, and the Vacuum Grayburg-San Andres pool, all in Lea County, New Mexico, and the East Allison-San Andres Pool in Roosevelt County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM  
Section 16: SW/4

(b) That a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the Northeast Grama Ridge-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM  
Section 26: SW/4

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

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM  
Section 18: NW/4

(d) That a bonus discovery allowable of 24,680 barrels of oil is hereby assigned to the Meridian Oil Inc. Dagger Lake 5 State Well No. 1 located in Unit O of Section 5, Township 22 South, Range 33 East, NMPM. Discovery allowable to be retroactive to December 1, 1992.

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

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM  
Section 28: N/2

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM

Section 3: All

Section 4: N/2

Section 5: N/2

(g) That the North Bell Lake-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 19: E/2

(h) That the Blinebry Oil & 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 17: NE/4

(i) That the Buffalo-Queen 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 31: NE/4

(j) That the Buffalo-Yates 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 2: NW/4

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM

Section 5: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 9: S/2

Section 16: NE/4

(l) That the South Corbin-Bone Spring 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 28: W/2

(m) That the South Corbin-Wolfcamp 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 5: NE/4

Section 15: SW/4

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

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM

Section 25: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM

Section 7: SE/4

Section 8: S/2

Section 9: W/2

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 35: SE/4

Section 36: S/2

(q) That the proposed extension to the Jenkins-Devonian Pool be dismissed.

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

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 2: SW/4

(s) That the Lost Tank-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM

Section 18: S/2

Section 19: NW/4

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 7: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 7: N/2

(v) That the Quail Ridge-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 9: NE/4

Section 10: NE/4

(w) That the Querecho Plains-Delaware pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 34: S/2 and NE/4

Section 35: NW/4

(x) That the Red Tank-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 23: SE/4

Section 26: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 38 EAST, NMPM

Section 5: S/2 NW/4

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM

Section 36: SE/4

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 31: W/2

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM

Section 1: SE/4

Section 12: NE/4

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM

Section 6: SW/4

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM

Section 31: SE/4

IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, contained in Chapter 271, Laws of 1969, any well which by virtue of any of the pool extensions, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have 60 days from the effective date of this order in which to file a new Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum 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, shall subject the well to cancellation of the allowable.

(2) The effective date of this order and all creations and extensions shall be March 1, 1993.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

WILLIAM J LEMAY  
DIRECTOR

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