

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

CASE NO. 9587
ORDER NO. A-8856

THE APPLICATION OF THE OIL CONSERVATION
DIVISION OF THE ENERGY, MINERALS AND
NATURAL RESOURCES DEPARTMENT UPON ITS
OWN MOTION FOR AN ORDER FOR CREATING AND
EXTENDING HORIZONTAL LIMITS OF CERTAIN
EXISTING POOLS IN LEA COUNTY, NEW MEXICO

This cause came on for hearing at 8:15 A.M. January 18, 1989, at Santa Fe, New Mexico, before Examiner Victor T. Lyon.

NOW, on this _____ day of January, 1989, 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 Cherry Canyon formation. Said pool to bear the designation of South Antelope Ridge-Cherry Canyon Pool. Said South Antelope Ridge-Cherry Canyon Pool was discovered by the J. C. Williamson Curry State Well No. 2 located in Unit C of Section 22, Township 23 South, Range 34 East, NMPM. It was completed September 28, 1988, in the Cherry Canyon formation. The top of the perforations is at 7,196 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 Abo formation. Said pool to bear the designation of Stateline-Abo Pool. Said Stateline-Abo Pool was discovered by the Lanexco Inc. Crawford State Well No. 3 located in Unit D of Section 4, Township 24 South, Range 38 East, NMPM. It was completed November 17, 1988, in the Abo formation. The top of the perforations is at 8,124 feet.

(4) That there is need for extensions to the Cruz-Delaware Pool, the Gladiola-Wolfcamp Pool, the Ojo Chiso-Morrow Gas Pool, the Querecho Plains-Upper Bone Spring Pool, the Shipp-Strawn Pool, the South Shoe Bar-Upper Pennsylvanian Pool, and the North Vacuum Atoka-Morrow Gas Pool, all in Lea County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 22: NW/4

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

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM

Section 4: Lots 1, 2, 3, 4 and S/2 NW/4

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

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM

Section 30: NW/4

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

TOWNSHIP 12 SOUTH, RANGE 37 EAST, NMPM

Section 34: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 23: SE/4

(f) That the Querecho Plains-Upper Bone Spring 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 14: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM

Section 2: SW/4

(h) That the South Shoe Bar-Upper Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Section 31: SW/4

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Section 6: SW/4

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(i) 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 17 SOUTH, RANGE 35 EAST, NMPM

Section 16: E/2

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 which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Form 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 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 February 1, 1989.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

WILLIAM J. LEMAY
DIRECTOR

S E A L

DISTRICT I

Case 9587

NOMENCLATURE ADVERTISEMENT FOR JANUARY, 1989

In the matter of 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 and extension of certain existing pools in Lea County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to show cause why such creations and extensions should not be made.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the South Antelope Ridge-Cherry Canyon Pool. The discovery well is the J. C. Williamson Curry State Well No. 2 located in Unit C of Section 22, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 22: NW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Stateline-Abo Pool. The discovery well is the Lanexco Inc. Crawford State Well No. 3 located in Unit D of Section 4, Township 24 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
Section 4: Lots 1, 2, 3, 4 and S/2 NW/4

(c) EXTEND the Cruz-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 30: NW/4

✓(d) EXTEND the Gladiola-Wolfcamp Pool in Lea County, New Mexico, to include therein:

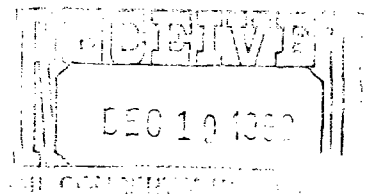
TOWNSHIP 12 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

✓(e) EXTEND the Ojo Chiso-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 23: SE/4

✓(f) EXTEND the Querecho Plains-Upper Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 14: SW/4



Nomenclature Advertisement for January, 1989

(g) EXTEND the Shipp-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 2: SW/4

(h) EXTEND the South Shoe Bar-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 31: SW/4

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 6: SW/4

(i) EXTEND the North Vacuum Atoka-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 16: E/2

NEW POOLS

It is recommended that a new oil pool be created and designated as the South Antelope Ridge-Cherry Canyon Pool.

Vertical limits to be the Cherry Canyon formation and the horizontal limits should be as follows: As outlined in Paragraph (a) Exhibit I

Discovery well was J. C. Williamson Curry State Well No. 2 located in Unit C Section 22 Township 23 Range 34 and was completed on September 28, 1988. Top of perforations is at 7,196 feet.

It is recommended that a new oil pool be created and designated as the Stateline-Abo Pool.

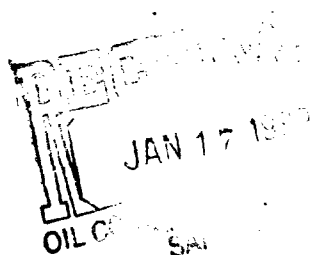
Vertical limits to be the Abo formation and the horizontal limits should be as follows: As outlined in Paragraph (b) Exhibit I

Discovery well was Lanexco Inc. Crawford State Well No. 3 located in Unit D Section 4 Township 24 Range 38 and was completed on November 17, 1988. Top of perforations is at 8,124 feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____ . Top of perforations is at _____ feet.



NSP: Hobbs
Santa Fe

CASE _____:

In the matter of the hearing called by the Oil Conservation
Division on its own motion to consider:

M. J.

The creation of the following pools in Lea County:

South Antelope Ridge-Cherry Canyon
Pool in Township 23 South, Range
14 West;

Stateline-Abo Pool in Township
24 South, Range 38 East;

The extension of the following pools in Lea County:

Cruz-Delaware
Gladiola-Wolfcamp
Ojo Chiso-Morrow Gas
Querecho Plains-Upper Bone Spring
Shipp-Strawn
South Shoe Bar-Upper Pennsylvanian
North Vacuum Atoka-Morrow Gas