

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. 8931  
Order No. K-8257

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at \_\_\_\_\_ a.m. on \_\_\_\_\_,  
1986, at Santa Fe, New Mexico, before Examiner \_\_\_\_\_.

NOW, on this \_\_\_\_\_ day of June, 1986, the Division Director, having considered the testimony, the record, the recommendations of the examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Morrow formation. Said pool to bear the designation of East Los Medanos-Morrow Gas Pool. Said East Los Medanos-Morrow Gas Pool was discovered by Pogo Producing Company, Federal Neff No. 1, located in Unit C of Section 25, Township 22 South, Range 31 East, NMPM. It was completed April 19, 1986, in the Morrow formation. The top of perforations is at 14,460 feet.

(3) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Strawn formation. Said pool to bear the designation of Saladar-Strawn Gas Pool. Said Saladar-Strawn Gas Pool was discovered by Yates Petroleum Corporation., Stonewall EP State Com. #4, located in Unit H of Section 30, Township 20 South, Range 28 East, NMPM. It was completed April 10, 1986 in the Strawn formation. The top of perforations is at 10,126 feet.

(4) There is need for certain extensions to the Brushy Draw-Delaware Pool, North Hackberry-Yates-Seven Rivers Pool, High Lonesome-Queen Pool, West Millman-Grayburg Pool, Otis-Morrow Gas Pool, Red Lake-Queen-Grayburg-San Andres Pool, Ross Draw-Wolfcamp Gas Pool, Scoggin Draw-Atoka Gas Pool and the Shugart-Yates-Seven Rivers-Queen Pool all in Eddy County, New Mexico, and the Diablo-San Andres Pool in Chaves County, New Mexico.

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IT IS THEREFORE ORDERED

(a) 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 Los Medanos-Morrow Gas Pool, consisting of the following described area:

Township 22 South, Range 31 East, NMPM.  
Section 25: N/2

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

Township 20 South, Range 28 East, NMPM.  
Section 30: E/2

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

Township 26 South, Range 30 East, NMPM.  
Section 18: NW/4

Township 26 South, Range 29 East, NMPM.  
Section 13: NE/4

(d) That the Diablo-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 10 South, Range 27 East, NMPM.  
Section 21: SE/4

(e) That the North Hackberry-Yates-Seven Rivers Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 19 South, Range 31 East, NMPM.  
Section 22: NW/4

(f) That the High Lonesome-Queen Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 16 South, Range 29 East, NMPM.  
Section 23: E/2  
26: NE/4

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(g) That the West Millman-Grayburg Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 19 South, Range 27 East, NMPM.  
Section 14: NE/4

(h) That the Otis-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 22 South, Range 27 East, NMPM.  
Section 25: W/2  
26: E/2

(i) That the Red Lake-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

Township 17 South, Range 27 East, NMPM.  
Section 12: SE/4

(j) That the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 26 South, Range 30 East, NMPM.  
Section 25: N/2

(k) That the Scoggin Draw-Atoka Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 18 South, Range 27 East, NMPM.  
Section 9: N/2  
Section 10: N/2

(l) That the Shugart-Yates-Seven Rivers-Queen <sup>Grayburg</sup> Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

Township 18 South, Range 30 East, NMPM.  
Section 35: NW/4

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IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, NMSA 1978, 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 pro-rata 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 allowable.

(2) That the effective date of this order and all creations, abolishments, contractions, and extensions included herein shall be \_\_\_\_\_.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

R. L. STAMETS  
Director

S E A L

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It is recommended that a new gas pool be created and designated as the East Los Medanos-Morrow Gas Pool.

Vertical limits to be the Morrow formation and the horizontal limits should be as follows: Section 25: N/2

Discovery well was Pogo Producing Co., Federal Neff No. 1, located in Unit C, Section 25, Township 22 South, Range 31 East, and was completed on April 19, 1986. Top of perforations is at 14,460 feet.

It is recommended that a new gas pool be created and designated as the Saladar-Strawn Gas Pool.

Vertical limits to be the Strawn formation and the horizontal limits should be as follows: Section 30: E/2

Discovery well was Yates Petroleum Corporation, Stonewall EP State Com. #4, located in Unit H, Section 30, Township 20 South, Range 28 East, and completed on April 10, 1986. Top of perforations is at 10,126 feet.