

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

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

CASE NO. 9375
Order No. R-8667

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ASSIGNING A DISCOVERY
ALLOWABLE, REDESIGNATING, AND EXTENDING
CERTAIN POOLS IN LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on May 11 and June 8, 1988, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 10th day of June, 1988, the Division Director, having considered the testimony, the record, and 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 the subject matter thereof.

(2) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Devonian formation, said pool to bear the designation of Vada-Devonian Pool. Further, the discovery well for said Vada-Devonian Pool, the Union Pacific Resources Company State 26 Well No. 1 located in Unit N of Section 26, Township 10 South, Range 33 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 63,160 barrels of oil to be assigned over a two-year period. Said discovery well was completed in the Devonian formation on February 13, 1988. The top of the perforations is at 12,646 feet.

(3) There is need for the redesignation of the Fowler-Upper Silurian Oil Pool as the Fowler-Upper Silurian Gas Pool since the only producing wells in said pool are gas wells.

(4) There is need for certain extensions to the Antelope Ridge-Atoka Gas Pool, the Blinbry Oil and Gas Pool, the DK-Abo Pool, the King-Wolfcamp Pool, the Lea-Bone Spring Pool, the Lea-San Andres Pool, the Lovington-Paddock Pool, the West Lusk-Delaware Pool, the North Lusk-Seven Rivers Pool, the Maljamar Grayburg-San Andres Pool, the Sanmal-Queen Pool, the Scharb-Bone Spring Pool, the West Teas Yates-Seven Rivers Pool, the West Tonto Yates-Seven Rivers Pool, the Tubb Oil and Gas Pool, the North Vacuum Atoka-Morrow Gas Pool, the Wantz-Abo Pool, the Warren-Tubb Gas Pool, and the North Young-Bone Spring Pool, all in Lea County, New Mexico.

(5) The effective date of this order and all creations, assignments of discovery allowables, redesignations, and extensions included herein should be June 1, 1988.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 26: SW/4

Further, the discovery well for said Vada-Devonian Pool, the Union Pacific Resources Company State 26 Well No. 1 located in Unit N of Section 26, Township 10 South, Range 33 East, NMPM, is hereby assigned a bonus discovery allowable of 63,160 barrels to be produced over a two-year period.

(b) The Fowler-Upper Silurian Oil Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby redesignated as the Fowler-Upper Silurian Gas Pool.

(c) The Antelope Ridge-Atoka 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 34: W/2
Section 35: N/2

(d) The Blinebry Oil and 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: NW/4

(e) The DK-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 25: NE/4

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

TOWNSHIP 13 SOUTH, RANGE 38 EAST, NMPM
Section 19: SW/4

(g) The Lea-Bone Spring 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 11: SE/4
Section 14: NE/4

(h) The Lea-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 25: S/2
Section 36: NW/4

(i) The Lovington-Paddock 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 33: SE/4
Section 34: SW/4

(j) The West Lusk-Delaware 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 31: NW/4

(k) The North Lusk-Seven Rivers 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 4: NE/4

(l) The Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 26: NW/4

(m) The Sanmal-Queen Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 11: W/2

(n) The Scharb-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 20: NW/4

(o) The West Teas Yates-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 9: SE/4

(p) The West Tonto Yates-Seven Rivers 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 13: NW/4

(q) The Tubb Oil and 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: NW/4

(r) 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: W/2

(s) The Wantz-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 38 EAST, NMPM
Section 6: Lots 11, 12, 13, and 14

(t) The Warren-Tubb Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 25: SW/4
Section 36: NW/4

(u) The North Young-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 18: NE/4

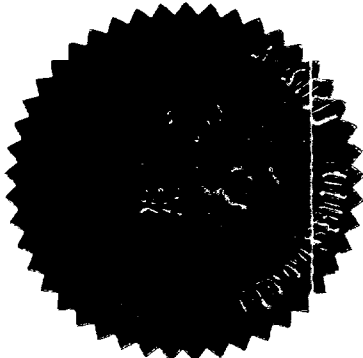
IT IS FURTHER ORDERED THAT:

(1) 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 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 allowable.

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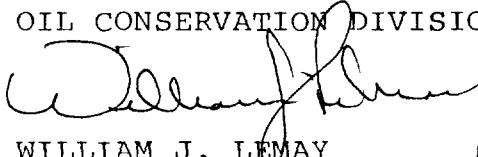
(2) The effective date of this order and all creations, assignments of discovery allowables, redesignations, and extensions included herein shall be June 1, 1988.

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

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