

CASE 1392:

NORTHWESTERN NEW MEXICO
NOMENCLATURE

51
Fiddle

English

Thompson

Case No.

1392

Application, Transcript,
Small Exhibits, Etc.

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

March 13, 1958

TRANSCRIPT OF HEARING

Case 1392

DEARNLEY, MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE - SANTA FE
3-6691 2-2211

BEFORE THE
OIL CONSERVATION COMMISSION
STATE OF NEW MEXICO
Santa Fe, New Mexico

March 13, 1958

IN THE MATTER OF:

Case No. 1392

Northwestern New Mexico nomenclature case calling for an order for the creation of a new pool and the extension of existing pools in San Juan and Rio Arriba Counties, New Mexico.

(a) Create a new gas pool for Fruitland production, designated as the Kutz-Fruitland Pool, and described as:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
All of Sections 23, 26 & 27

(b) Extend the Kutz-Farmington Pool to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 22: SW/4

(c) Extend the Aztec-Fruitland Pool to include:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 25: NW/4

(d) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
Section 35: W/2

(e) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM
All of Sections 30, 32 & 33
Section 34: W/2

(f) Extend the Gavilan-Pictured Cliffs Pool to include:

TOWNSHIP 25 NORTH, RANGE 1 WEST, NMPM
Section 30: S/2

DEARNLEY, MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW OFFICES
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

(g) Extend the Tapacito-Pictured Cliffs Pool to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 1: E/2

(h) Extend the Blanco Mesaverde Pool to include:

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

Section 30: All

(i) Extend the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM

Section 28: S/2

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM

Section 15: SW/4

Section 24: N/2

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 21: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 32: SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Section 20: N/2

(j) Extend the Horseshoe-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM

Section 3: E/2 SW/4

(k) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM

Section 5: NE/4

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM

Section 17: NW/4

BEFORE:

Honorable Edwin L. Mechem

Mr. A. L. Porter

Mr. Murray Morgan

TRANSCRIPT OF HEARING

DEANLEY, MEHL & ASSOCIATES
INDEPENDENT
GENERAL & OIL SURVEYORS
ALBUQUERQUE, NEW MEXICO
3-6691 3-9546

MR. PORTER: The Commission will take up next Case 1392.

(Witness sworn.)

ELVIS A. UTZ

called as a witness, having been first duly sworn, testified as follows:

DIRECT EXAMINATION

By MR. COOLEY:

Q Will the witness state his name and position, please?

A Elvis A. Utz, Engineer with the Oil Conservation Commission.

Q Mr. Utz, as Engineer for the Oil Conservation Commission, have you had an opportunity to make a study of the creation and extension of certain oil and gas pools in San Juan and Rio Arriba County, New Mexico?

A Yes, I have.

Q Mr. Utz, have you made a study for the creation of a new gas pool for Fruitland production in Township 28 North, Range 11 West?

A Yes, I have. I recommend that the Kutz-Fruitland Gas Pool be created as advertised, and the discovery well was the R and J Drilling Company No. 25 Schlosser, which is located in Unit J, Section 27, 28 North, 11 West at an IP of 5,000 MCF a day. The top of the perforation was 1330 to 1345, however this will have nothing to do with allowables.

Q The vertical limits will be the Fruitland Formation?

A That's right.

Q Mr. Utz, do you have any recommendation concerning the extension of the Kutz-Farmington Pool?

A Yes. I recommend that the Kutz-Farmington Pool be extended as advertised on the basis of one well capable of producing in that pool.

Q Do you have any recommendation concerning the extension of the Aztec-Fruitland Pool?

A I also recommend that the Aztec-Fruitland Gas Pool be extended as advertised on the basis of one well capable of producing in that pool.

Q What are your recommendations concerning the extension of the Aztec-Pictured Cliffs Pool?

A I recommend that the Aztec-Pictured Cliffs Pool be extended as advertised on the basis of one well completed in that pool.

Q Do you have any recommendation concerning the extension of the South Blanco-Pictured Cliffs Pool?

A I recommend that the South Blanco-Pictured Cliffs Gas Pool be extended as advertised.

Q What are your recommendations concerning the extension of the Cavilan-Pictured Cliffs Gas Pool?

A I recommend that the Cavilan-Pictured Cliffs Gas Pool be extended as advertised on the basis of one well completed in that pool.

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Q What are your recommendations regarding the extension of the Tapacito-Pictured Cliffs Gas Pool?

A I recommend that the Tapacito-Pictured Cliffs Gas Pool be extended as advertised on the basis of one well completed in that pool.

Q Do you have any recommendations concerning the extension of the Blanco Mesaverde Gas Pool?

A Yes. I recommend that the Blanco Mesaverde Gas Pool be extended as advertised on the basis of one well completed in that pool.

Q What are your recommendations regarding the extension of the Bisti-Lower Gallup Oil Pool?

A I likewise recommend that the Bisti-Lower Gallup Oil Pool be extended as advertised on the basis of nine wells completed in that pool.

Q Do you have any recommendation concerning the extension of the Horseshoe-Gallup Oil Pool?

A I recommend that the Horseshoe-Gallup Oil Pool be extended as advertised on the basis of one well completed in that pool.

Q And what are your recommendations regarding the extension of the Verde-Gallup Oil Pool?

A I recommend that the Verde-Gallup Oil Pool be extended as advertised on the basis of two wells completed in that pool.

Q Do you have any further recommendations in this case?

A I have no further recommendations. I have an exhibit which I would like to offer as an exhibit which states the extension and the wells on which those extensions are based, with the privilege of withdrawing the exhibit to replace with one that is a little neater.

Q Was this exhibit prepared under your supervision, or by you?

A Yes, it was.

Q How is that exhibit identified?

A As Exhibit No. 1, Case 1392.

(Marked Exhibit No. 1, Case 1392,
for identification.)

MR. COOLEY: We move the admission of Exhibit No. 1 in
Case 1392.

MR. PORTER: Without objection it will be admitted.

(Witness excused.)

C E R T I F I C A T E

STATE OF NEW MEXICO)
: SS
COUNTY OF BERNALILLO)

I, ADA DEARNLEY, Court Reporter, do hereby certify that the foregoing and attached transcript of proceedings before the New Mexico Oil Conservation Commission at Santa Fe, New Mexico, is a true and correct record to the best of my knowledge, skill and ability.

IN WITNESS WHEREOF I have affixed my hand and notarial seal
this 24th day of March, 1958.

Ada Dearnley
Notary Public-Court Reporter

My commission expires:

June 19, 1959.

DEARNLEY - MEIER & ASSOCIATES
INCORPORATED
GENERAL LAW REPORTERS
ALBUQUERQUE, NEW MEXICO
3-6691 5-9546

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF NEW
MEXICO FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 1392
Order No. R-1141

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER
CREATING AND EXTENDING CERTAIN
POOLS IN SAN JUAN AND RIO ARriba
COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on March 13, 1958, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 25th day of March, 1958, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

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

(2) That there is need for the creation of a new pool in San Juan County, New Mexico, for the production of gas from the Fruitland formation, said pool to bear the designation Kutz-Fruitland Pool. Said Kutz-Fruitland Pool was discovered by R & G Drilling Company Schlosser Well No. 25, located in the NW/4 SE/4 Section 27, Township 28 North, Range 11 West, NMPM. It was completed August 30, 1956. The top of the perforations is at 1330 feet.

(3) That there is need for certain extensions to the Gavilan-Pictured Cliffs Pool and the Tapacito-Pictured Cliffs Pool, both in Rio Arriba County, New Mexico, to the Kutz-Farmington Pool, the Aztec-Fruitland Pool, the Aztec-Pictured Cliffs Pool, the Bisti-Lower Gallup Oil Pool, the Horseshoe-Gallup Oil Pool, and to the Verde-Gallup Oil Pool, all in San Juan County, New Mexico, and to the South Blanco-Pictured Cliffs Pool and the Blanco-Mesaverde Pool, both in San Juan and Rio Arriba Counties, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production, be and the same is hereby created and designated as the Kutz-Fruitland Pool, consisting of the following described area:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 23: All
Section 26: All
Section 27: All

(b) That the Kutz-Farmington Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 22: SW/4

(c) That the Aztec-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 25: NW/4

(d) That the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
Section 35: W/2

(e) That the South Blanco-Pictured Cliffs Pool in San Juan and Rio Arriba Counties, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM
Section 30: All
Section 32: All
Section 33: All
Section 34: W/2

(f) That the Gavilan-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 1 WEST, NMPM
Section 30: S/2

(g) That the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 1: E/2

-3-

Case No. 1392
Order No. R-1141

(h) That the Blanco Mesaverde Pool in San Juan and Rio Arriba Counties, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 30: All

(i) That the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM
Section 28: E/2

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM
Section 15: SW/4
Section 24: N/2

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM
Section 21: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 32: SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM
Section 20: N/2

(j) That the Horseshoe-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM
Section 3: E/2 SW/4

(k) That the Verde-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, be and the same is hereby extended to include therein:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM
Section 5: NE/4

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM
Section 17: NW/4

IT IS FURTHER ORDERED:

That the effective date of this order and all the creations and extensions included herein shall be April 1, 1958.

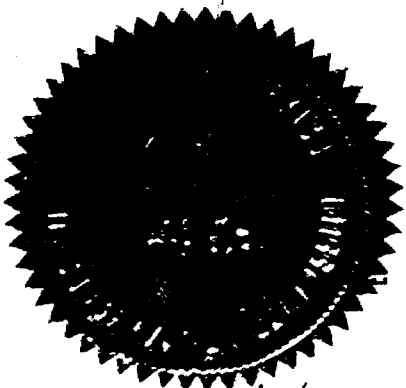
DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
Edwin L. Mechem, Chairman

Murray E. Morgan
Murray E. Morgan, Member

A. L. Porter, Jr.
A. L. Porter, Jr., Member & Secretary



ir/

DOCKET: REGULAR HEARING MARCH 13, 1958

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

- ALLOWABLE: (1) Consideration of the oil allowable for April, 1958.
- (2) Consideration of the allowable production of gas for April, 1958, for six prorated pools in Lea County, New Mexico; also consideration of the allowable production of gas from six prorated pools in San Juan and Rio Arriba Counties, New Mexico, for March, 1958.

NEW CASES

CASE 1308: (Rehearing)
In the matter of the rehearing requested by Shell Oil Company for reconsideration by the Commission of certain portions of Case 1308 - application of Sunray Mid-Continent Oil Company for the temporary establishment of a uniform 80-acre well spacing and Special Rules and Regulations in the Bisti-Lower Gallup Oil Pool.

CASE 1390: In the matter of the case called by the Oil Conservation Commission upon its own motion to permit the operators in the South Blanco-Tocito Oil Pool to appear and show cause why the provisions of Rule 506 of the Commission Rules and Regulations should not be imposed in the South Blanco-Tocito Oil Pool.

CASE 1391: Southeastern New Mexico nomenclature case calling for an order for the creation of new pools and the extension of existing pools in Lea and Eddy Counties, New Mexico.

- (a) Create a new gas pool for Pennsylvanian production, designated as the Crawford-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 26: SE/4

- (b) Create a new gas pool for Pennsylvanian production, designated as the Harkey-Pennsylvanian Gas Pool, and described as:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 34: NW/4

- (c) Create a new oil pool for Fusselman production, designated as the Justis-Fusselman Pool, and described as:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 24: NW/4

- (d) Create a new oil pool for Glorieta production, designated as the South Paddock Pool, and described as:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM
Section 32: SE/4

- (e) Create a new oil pool for San Andres production, designated as the South Sawyer-San Andres Pool, and described as:

TOWNSHIP 9 SOUTH, RANGE 38 EAST, NMPM
Section 33: Lots 3 & 4 and W/2 SW/4

- (f) Create a new oil pool for Devonian production, designated as the South Vacuum-Devonian Pool, and described as:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 35: NE/4

- (g) Delete portions of the Atoka-Grayburg Pool, described as:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 7: SW/4

- (h) Extend the Red Lake Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 1: NE/4 SE/4

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 7: SW/4

- (i) Delete a portion of the South Eunice Pool, described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 31: NE/4

- (j) Extend the Anderson Ranch-Devonian Pool, to include:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 1 & 2

- (k) Extend the Atoka Pool to include:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 12: W/2 SE/4, SE/4 NW/4, & SW/4 NE/4

- (l) Extend the Eumont Gas Pool to include:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM
Section 32: SE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 8: NW/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 20: SW/4

- (m) Extend the Jalmat Gas Pool to include:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 14: SW/4

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4 & W/2 NE/4

- (n) Extend the Justis-Ellenburger Pool to include:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 24: SE/4

- (o) Extend the Maljamar Pool to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 28: E/2

- (p) Extend the Pearl-Queen Pool to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 21: SE/4 SE/4
Section 22: S/2 SW/4

- (q) Extend the Penrose-Skelly Pool to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 31: SW/4

- (r) Extend the Townsend-Wolfcamp Pool to include:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 6: Lots 9, 10, 11, 14, 15, & 16

- (s) Extend the Turkey Track Pool to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 33: E/2 NE/4

- (t) Delete a portion of the Arrowhead Pool described as:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 36: NE/4 NE/4

CASE 1392:

Northwestern New Mexico nomenclature case calling for an order for the creation of a new pool and the extension of existing pools in San Juan and Rio Arriba Counties, New Mexico.

- (a) Create a new gas pool for Fruitland production, designated as the Kutz-Fruitland Pool, and described as:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
All of Sections 23, 26 & 27

- (b) Extend the Kutz-Farmington Pool to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 22: SW/4

- (c) Extend the Aztec-Fruitland Pool to include:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 25: NW/4

- (d) Extend the Aztec-Pictured Cliffs Pool to include:

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
Section 35: W/2

- (e) Extend the South Blanco-Pictured Cliffs Pool to include:

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM
All of Sections 30, 32 & 33
Section 34: W/2

- (f) Extend the Gavilan-Pictured Cliffs Pool to include:

TOWNSHIP 25 NORTH, RANGE 1 WEST, NMPM
Section 30: S/2

- (g) Extend the Tapacito-Pictured Cliffs Pool to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 1: E/2

- (h) Extend the Blanco Mesaverde Pool to include:

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 30: All

- (i) Extend the Bisti-Lower Gallup Oil Pool to include:

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM
Section 28: S/2

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM
Section 15: SW/4
Section 24: N/2

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM
Section 21: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 32: SW/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM
Section 20: N/2

✓ (j) Extend the Horseshoe-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM
Section 3: E/2 SW/4

✓ (k) Extend the Verde-Gallup Oil Pool to include:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM
Section 5: NE/4

TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM
Section 17: NW/4

CONTINUED CASES

CASE 1053: Application of the Oil Conservation Commission upon its own motion, at the request of the State Engineer, for an order prescribing rules and regulations to govern the disposal of salt water in areas of Lea County, New Mexico. The Commission desires to formulate rules and procedures which will result in the efficient disposal of salt water and which will eliminate the practice of surface disposal of large volumes of oil field brines in order to prevent the contamination of the fresh-water bearing horizons in Lea County, New Mexico.

CASE 1377. In the matter of the hearing called by the Oil Conservation Commission of New Mexico on its own motion to consider the establishment of minimum allowables for gas wells in San Juan, Rio Arriba, Sandoval, and McKinley Counties, New Mexico.

ir/

Case 1392
Exhibit #1

RECOMMENDED POOL EXTENSIONS FOR THE MARCH
1958 HEARING

Creation of a new gas pool in San Juan County for production from the Fruitland formation to be known as the Kutz Fruitland

Kutz Fruitland

Township 28 N, Range 11W., San Juan County

Section 23, all

Section 26, all

Section 27, all

Discovery Data:

Ohio-Government #1

M-23-28N-11W

AOF 3590: 51P 593

Ohio-Government #1

C-26-28N-11W

AOF 1542-SIP 640

R & G Drilling Co. #25 Schlosser

J-27-28N-11W

IP 5000 (est) MCF SICP 528#/7 days

Completed 8/30/56

Perfs 1330-1345

} *Discovery Well.*

R & G Drilling Co., #26 Schlosser

A-27-28N-11W

AOF 10,000: SIP 620

Kutz Farmington

Township 28N, Range 11 W., San Juan County

Section 22, SW/4

based on:

R & G Drilling Co., #27 Phillips

N-22-28N-11W

IP 2000 (est) MCF; SICP 360#

Aztec Fruitland

Township 29 N, Range 11W., San Juan County

Section 25, NW/4

based on:

Basin Natural Gas Co., #3 Sullivan

E-25-29N-11W

IP - not given

Aztec Pictured Cliffs

Township 31N, Range 11W., San Juan County

Section 35, N/2

based on:

Pan American Petr. #2 Wallace G. U.

C-35-31N-11W

IP 1065 MCF

South Blanco - Pictured Cliffs - San Juan County

Township 28N, Range 8W, San Juan County

Section 30, 32 and 33, all

Section 34, W/2

(See page 4 for list of wells)

GAVILAN PICTURED CLIFFS

Township 25N, Range 1W, Rio Arriba County

Section 30, S/2

based on:

San Juan Gas Corp. #1 Federal "H"

1-30N-25N-1W

AOF 1438 MCF; SICP 945#/10 days

TAPACITO PICTURED CLIFFS

Township 26N, Range 5 W., Rio Arriba County

Section 1, E/2

based on:

Southern Union Gas #2 Jicarilla "G"

H-1-26N-5W

AOF 20,005 MCF; SICP 1018 #/33 days

BLANCO MESAVERDE

Township 31N, Range 12N., San Juan County

Section 30, all

based on:

Colorado Western Expl. #1-30 Gov't Lea

K-30-31N-12W

not given

BISTI LOWER GALLUP OIL POOL

Township 25N, Range 10W., San Juan County

Section 28, S/2

Township 25N, Range 11W., San Juan County

Section 15, SW/4

Section 24, N/2

Township 25N, Range 12W, San Juan County

Section 21, NE/4

Township 26N, Range 12W., San Juan County

Section 32, SW/4

Township 26N, Range 13W., San Juan County

Section 20, N/2

based on:

Skelly Oil #6 Lockhart

1-28-25N-10W

IP 95 BOPD

Gulf #5 Carson-Fed

G-24-25N-11W

IP 8 BOPD

Skelly Oil #5 Lockhart

O-28-25-10W

IP 95 BOPD

Shell Oil #41-21 Gov't

A-21-25N-12W

IP 200 BOPD

Sunray Mid Continent #1 H. Platero

M-15-25N-11W

IP 73 BOPD

Reese & Assoc. #1 Hickman

M-32-26N-12W

IP 192 BOPD

Sunray Mid Continent #1 Ku-Yah-de-Tah

F-24-25N-11W

IP 54 BOPD

Skelly Oil #5 Duff

F-20-26N-13W

IP 155 BOPD

Skelly #4A-L-Duff

H-20-26N-13W

IP 16 BOPD

HORSESHOE GALLUP OIL POOL

Township 30N, Range 16W., San Juan County
Section 3, E/2 SW/4

based on:

El Paso Natural Gas Products #4 Horseshoe Canyon
N-3-30N-16W
IP 95 BOPD

VERDE GALLUP OIL POOL

Township 30N, Range 15W., San Juan County
Section 5, NE/4

Township 31N, Range 14W., San Juan County
Section 17, NW/4

based on:

El Paso Natural Gas Products #8 Malco-Copple
A-5-30N-15W
IP 108 BOPD

Southern Union Gas #1-17 Ute Indian
E-17-31N-14W
IP 11 BOPD

Skelly #1 C.W. Roberts
D-18-25N-3W
IP 2740 MCF; SICP 10404

Humble #3 Jicarilla "M"
I-13-25N-4W
IP 1783 MCF

El Paso #15 Jicarilla "J"
E-17-26N-5W
AOF 2663 MCF; SICP 1034 #/13 days

El Paso #12 Jicarilla "J"
K-17-26N-5W
AOF 4333 MCF; SICP 1022#/15 days

El Paso #13 Jicarilla "J"
O-17-26N-5W
AOF 2999 MCF; SICP 991 #/5 days

El Paso #14 Jicarilla "J"
F-18-26N-5W
AOF 1628 MCF; SICP 1015#/8 days

El Paso #11 Jicarilla "J"
H-18-26N-5W
AOF 2605 MCF; SICP 1043#/11 days

El Paso #9 Jicarilla "J"
M-18-26N-5W
AOF 3344 MCF; SICP 1011#/17 days

El Paso #10 Jicarilla "J"
P-18-26N-5W
AOF 1946 MCF; SICP 1015#/54 days

El Paso #81 SJU 28-7
G-9-27N-7W
AOF 1126 MCF; SICP #/9 days (835#)

El Paso #6 Florance "C"
L-30-28N-7W
AOF 5626 MCF; SICP 739#/9 days

El Paso #3 Bolack "B"
N-33-28N-8W
AOF 2521 MCF; SICP 856#/17 days

CASE 1393: Case called by OCC re Malco'
Refineries, Inc. purchaser prorationing.