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. 11719 Order No. R-10761

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 6, 1997, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this <u>10th</u> day of February, 1997, 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 certain extensions to the Barker Dome-Desert Creek Pool, the South Bisti-Gallup Oil Pool, the Fulcher Kutz-Pictured Cliffs Pool, the West Kutz-Pictured Cliffs Pool, and the WAW-Fruitland Sand-Pictured Cliffs Pool, all in San Juan County, New Mexico, and the Blanco-Mesaverde Pool, the Blanco-Pictured Cliffs Pool, and the Otero-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, and the Carracas-Pictured Cliffs Pool, the Ensenada-Gallup Pool, and the La Jara-Pictured Cliffs Pool, all in Rio Arriba County, New Mexico. Case No. 11719 Order No. R-10761 -2-

IT IS THEREFORE ORDERED THAT:

(a) The Barker Dome-Desert Creek Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM Section 30: E/2

(b) The South Bisti-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 NORTH, RANGE 11 WEST, NMPM Section 11: E/2 NE/4

(c) The Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPMSection 4:AllSection 5:N/2Section 9:AllSection 16:AllTOWNSHIP 30 NORTH, RANGE 4 WEST, NMPMSection 28:AllSections 32 and 33:All

(d) The Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM Section 4: W2 Section 5: E/2

(e) The Carracas-Pictured Cliffs Pool in Rio Arriba County, Nw Meixco, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPM Section 23: NW/4

(f) The Ensenada-Gallup Pool in Rio Arriba County, New Mexico, as heretofore

Case No. 11719 Order No. R-10761 -3-

classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM Section 20: SW/4 Section 26: W/2 Section 27: SE/4 and N/2 Section 28: N/2 Section 29: All Section 34: SE/4 Sections 35 and 36: All

(g) The Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM Section 1: S/2 Section 2: S/2

(h) The West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM Section 7: E/2 Section 8: W/2

(i) The La Jara-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM Section 10: NW/4

(j) The Otero-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM Section 30: N/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM Section 25: N/2

(k) The WAW-Fruitland Sand-Pictured Cliffs Pool in San Juan County, New

Case No. 11719 Order No. R-10761 -4-

Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP	26 NORTH,	RANGE 12	<u>WEST, NMPM</u>

Section 5: W/2 Section 6: All Section 7: NE/4 Section 8: NW/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 31: S/2 and NW/4 Section 32: SW/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Section 13: SW/4 Section 14: S/2 Section 15: S/2 Section 16: S/2 Section 21: NE/4 Section 22: N/2 Section 23: All Section 24: W/2 Section 25: N/2 and SW/4 Section 26: N/2 and SE/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.

(2) The effective date of this order and all extensions included herein shall be March 1, 1997.

Case No. 11719 Order No. R-10761 -5-

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION ØО WILLIAM J. LEMAY Director Director

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