Entered January 16, 1957.

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. 985 Order No. R-739

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION FOR AN ORDER CALLING FOR THE CREATION AND EXTENSION OF 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 December 14, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this <u>sthaday</u> of January, 1956, 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 Rio Arriba County, New Mexico, for the production of gas from the Dakota formation, said pool to bear the designation East Companero-Dakota Gas Pool. Said East Companero-Dakota Gas Pool was discovered by El Paso Natural Gas Company, San Juan 27-4 Unit #5, located in the NE/4 NE/4, Section 7, Township 27 North, Range 4 West, NNPM. It was completed September 14, 1955.
- 3. That there is need for the creation of a new pool in San Juan County, New Mexico, for the production of gas from the Dakota formation, said pool to bear the designation Largo-Dakota Gas Pool. Said Largo-Dakota Gas Pool was discovered by J. Glenn Turner, Christine Hughes #2-3, located in the SE/4 SW/4, Section 3, Township 27 North, Range 9 West, NMPM. It was completed April 21, 1955.
- 4. That there is need for the creation of a new pool in San Juan County, New Mexico, for the production of oil from the Lower Gallup formation, said pool to bear the designation Bisti-Lower Gallup Pool. Said Bisti-Lower Gallup Pool was discovered by El Paso Natural Gas Company, Kelly-State #1, located in the NE/4 NE/4, Section 16, Township 25 North, Range 12 West, NMPM. It was completed September 21, 1955. The top of the perforations is at 47601.
- 5. That there is need for certain extensions to the Blanco Mesaverde Pool, the Canyon Largo-Pictured Cliffs Pool, the West Kutz-Pictured Cliffs Pool and the Fulcher Kutz-Pictured Cliffs Pool, all in San Juan and/or Rio Arriba Counties, New Mexico.

- 6. That the subject of the creation of a new pool in Rio Arriba County, New Mexico, for the production of gas from the Dakota formation, designated and advertised as the Otero-Dakota Pool, should be deferred for further study.
- 7. That the subject of the creation of a new pool in San Juan County, New Mexico, for the production of oil from the Upper Gallup formation, designated and advertised as the South Barker-Upper Gallup Pool should be dismissed.

IT IS THEREFORE ORDERED:

(a) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Dakota production, be and the same is hereby created. Said pool is hereby designated as the East Companero-Dakota Gas Pool, consisting of the following described area:

TOWNSHIP 27 NORTH, RANGE & WEST, NMPM

Section 5: SW/4 Section 6: S/2 Section 7: All Section 8: W/2

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

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 3: S/2 Section 4: SE/4 Section 9: NE/4 Section 10: N/2

- (c) That the subject of the creation of a new pool in Rio Arriba County, New Mexico, designated as the Otero-Dakota Gas Pool, be and the same is hereby deferred pending further study.
- (d) That a new pool in San Juan County, New Mexico, classified as an oil pool for Lower Gallup Production, be and the same is hereby created. Said pool is hereby designated as the Bisti-Lower Gallup Pool, consisting of the following described area:

TOWNSHIP 25 NORTH, RANGE 12 WEST, KMPM

Section 9: S/2 SE/4 Section 10: SW/4 SW/4 Section 15: W/2 NW/4 Section 16: NE/4

- (e) That the subject of the creation of a new pool in San Juan County, New Mexico, advertised as the South Barker-Upper Callup Pool, be and the same is hereby dismissed.
- (f) That the Blanco-Mesaverde Pool, as heretofore classified, defined and described be and the same is hereby extended to include therein:

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 3: All Section 4: E/2 Section 9: NE/4 Section 10: N/2

(g) That the Canyon Largo-Pictured Cliffs Pool, as heretofore classified, defined and described, be and the same is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM Section 5: NW/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM Section 32: N/2 and SW/4

(h) That the West Kutz-Pictured Cliffs Pool, as heretofore classified, defined and described, be and the same is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM Section 3: S/2

(i) That the Fulcher Kutz-Pictured Cliffs Pool, as heretofore classified, defined and described, be and the same is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM Section 7: W/2

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

JOHN F. SIMMS, Chairman

E. S. WALKER, Member

W. B. MACEY, Member and Secretary

SEAL