

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. 9650
Order No. R-8915

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER EXTENDING CERTAIN EXISTING POOLS
IN RIO ARRIBA, SANDOVAL, 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 April 12, 1989, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 24th day of April, 1989, 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) Mallon Oil Company appeared at the hearing and requested a continuance of that portion of this case relating to the extension of the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, in order to allow a sufficient period of time in which to determine reservoir continuity.

(3) The proposed extension to the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, should be dismissed pending further study.

(4) There is need for certain extensions to the Alamito-Gallup Oil Pool in Sandoval and San Juan Counties, New Mexico, and the Bisti-Lower Gallup Oil Pool, the South

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Bisti-Gallup Oil Pool, and the South Gallegos Fruitland Sand-Pictured Cliffs Pool, all in San Juan County, New Mexico, the Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, and the East Blanco-Pictured Cliffs Pool, the Gavilan-Mancos Oil Pool, the Regina-Gallup Oil Pool, and the Wildhorse-Gallup Pool, all in Rio Arriba County, New Mexico, and the South Blanco-Pictured Cliffs Pool and the Lybrook-Gallup Oil Pool, both in Rio Arriba, Sandoval, and San Juan Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) The Alamito-Gallup Oil Pool in Sandoval and San Juan Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM

Section 28: S/2 SE/4

Section 33: N/2 NE/4

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

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPM

Section 29: S/2 SW/4

Section 30: SE/4

Section 31: NE/4 and S/2 NW/4

Section 32: NW/4

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM

Section 31: S/2 NE/4 and S/2

(c) 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 10 WEST, NMPM

Section 5: N/2 SE/4

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM

Section 36: S/2 SW/4 and SW/4 SE/4

(d) The proposed extension to the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, is hereby dismissed.

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(e) 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 31 NORTH, RANGE 9 WEST, NMPM
Section 28: NW/4

(f) The East Blanco-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 3 WEST, NMPM
Section 5: NW/4

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

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
Section 19: SE/4

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM
Section 25: All
Section 36: All

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

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM
Section 35: SW/4

(i) The Gavilan-Mancos Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM
Sections 8 and 9: All
Section 16: All

(j) The Lybrook-Gallup Oil Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as

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

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM
Section 35: SW/4 NE/4, SE/4 NW/4,
NE/4 SW/4, and W/2 SE/4

(k) The Regina-Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM
Section 36: SE/4 NW/4 and NE/4 SE/4

(l) The Wildhorse-Gallup Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
Section 20: NW/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 May 1, 1989.

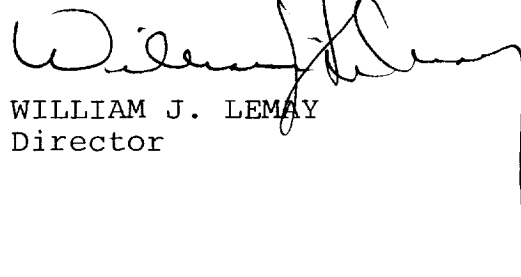
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DONE at Santa Fe, New Mexico, on the day and year
hereinabove designated.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in dark ink, appearing to read 'William J. Lemay', is written over the printed name. The signature is fluid and cursive, with a long vertical stroke extending downwards from the end of the name.

WILLIAM J. LEMAY
Director

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