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

IN THE MATTER OF APPLICATION OF THE OIL CONSERVATION DIVISION UPON ITS OWN MOTION FOR AN ORDER EXTENDING AND AND CREATING CERTAIN POOLS IN SAN JUAN COUNTY, NEW MEXICO.

NOMENCLATURE CASE NO. 21470 ORDER NO. R-21529

ORDER

The Director of the New Mexico Oil Conservation Division ("OCD"), having heard this matter through a Hearing Examiner on November 5, 2020, and after considering the testimony, evidence, and recommendation of the Hearing Examiner, issues the following Order.

FINDINGS OF FACT

- 1. Due public notice has been given, and the Division has jurisdiction of the case and the subject matter.
- 2. Katherine Pickford, a geologist in the Oil Conservation Division ("OCD"), testified in support of certain modifications of the Redfern Farmington Oil Pool, Blanco; Farmington Sand Gas Pool, Bloomfield-Farmington Oil Pool, and Kutz Farmington Gas Pool, all located in San Juan County.
- 3. No other party entered an apperance or opposed this application.
- 4. The Refern Farmington Oil Pool was discovered by Dugan Production Corporation on May 28, 1956, when it drilled and completed the Redfern #1 well (30-045-07517) in Unit letter A of Section 16, Township 28 North, Range 11 West NMPM in San Juan County. The top perforation is located at 668 feet.
- 5. The Blanco; Farmington Sand Gas Pool, Bloomfield-Farmington Oil Pool, and Kutz Farmington Gas Pool should be extended to include additional acreage.

CONCLUSIONS OF LAW

- 6. OCD satisfied the notice requirements for the Application and the hearing as required by 19.15.4.12 NMAC.
- 7. OCD satisfied the notice requirements for the hearing as required by 19.15.4.9 NMAC.

ORDER

8. The Redfern Farmington Oil Pool (Pool Code 96328) is created to include the following acreage:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 16: NE/4

9. The Blanco; Farmington Sand Gas Pool (Pool Code 96755) is extended to include the following acreage:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 26: NE/4

10. The Bloomfield-Farmington Oil Pool (Pool Code 6740) is extended to include the following acreage:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 29: S/2 NW/4 & SW/4 NE/4

Section 30: E/2 NE/4

11. The Kutz Farmington Gas Pool (Pool Code 79560) is extended to include the following acreage:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 26: S/2 Section 34: NW/4

- 12. Pursuant to Section 70-2-18, NMSA 1978, an operator of any well that, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have sixty (60) days from the effective date of this order to file a Form C-102 dedicating a standard unit for the pool to that well or to obtain OCD's approval for a nonstandard unit. Pending such filing or approval, 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. An operator's failure to file a Form C-102 or to obtain OCD's approval of a nonstandard unit as specified above shall subject the well to cancellation of its allowable.
- 13. This Order shall be effective on the date of signature by the OCD Director.
- 14. OCD retains jurisdiction of this matter for the entry of such orders as it deems necessary.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

ADRIENNE SANDOVAL DIRECTOR

AES/jag

CASE NO. 21470 ORDER NO. R-21529 Date: 11/13/2020