

**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:**

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

**NOMENCLATURE
CASE NO. 15754
ORDER NO. R-14393**

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on July 6, 2017, at Santa Fe, New Mexico before Examiner William V. Jones.

NOW, on this 20th day of July, 2017, the Division Director, having considered the record and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and the subject matter thereof.

(2) The District III geologist, Ms. Katherine Pickford, identified the need for certain extensions of Chacra pools, the abolishment and certain extensions of Mesaverde pools, and certain extensions of a Menefee pool, all located in the Oil Conservation Division District III.

(3) There is need for the abolishment of the San Luis-Mesaverde Oil Pool in Sandoval County, New Mexico. The abolished acreage will be placed in the South San Luis-Mesaverde Oil Pool.

(4) There is need for the abolishment of the Torreon-Mesaverde Oil Pool in McKinley County, New Mexico, because no wells have been drilled in this pool.

(5) There is need for certain extensions to the Bisti-Chacra Gas Pool, the Crouch Mesa-Mesaverde Gas Pool, the Flora Vista-Mesaverde Gas Pool, and the Twin Mounds-Mesaverde Gas Pool, all in San Juan County, New Mexico; the Devils Fork-Mesaverde Oil Pool in Rio Arriba County, New Mexico; the Rusty-Chacra Gas Pool in Sandoval and San Juan Counties, New Mexico; the Otero-Chacra Gas Pool and the Blanco-Mesaverde Gas Pool, all in Rio Arriba and San Juan Counties, New Mexico; the Blackeye-Mesaverde Oil Pool, the Blue Mesa-Mesaverde Oil Pool, the Chaco Wash-Mesaverde Gas Pool, the Franciscan Lake-Mesaverde Oil Pool, the Red Mountain-Mesaverde Oil Pool, the Star-Mesaverde Oil Pool, and the Seven Lakes-Menefee Gas Pool, all in McKinley County, New Mexico; the Parlay-Mesaverde Oil Pool, the San Isidro-Mesaverde Oil Pool, the South San Luis-Mesaverde Oil Pool, and the Venado-Mesaverde Oil Pool, all in Sandoval County, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) The San Luis-Mesaverde Oil Pool (**Pool Code 53620**) in Sandoval County, New Mexico, consisting of the following described area, is hereby abolished:

TOWNSHIP 18 NORTH, RANGE 3 WEST, NMPM
Section 21: NW/4 SE/4

(b) The Torreon-Mesavrd Oil Pool (**Pool Code 59560**) in McKinley County, New Mexico, consisting of the following described area, is hereby abolished:

TOWNSHIP 19 NORTH, RANGE 4 WEST, NMPM
Section 17: All
Section 18: E/2
Section 19: NE/4
Section 20: N/2

(c) The Bisti-Chacra Gas Pool (**Pool Code 70120**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 8 WEST, NMPM
Section 5: S/2
Section 6: SE/4
Section 16: N/2
Section 17: N/2
Section 18: NE/4
Section 20: NE/4

TOWNSHIP 22 NORTH, RANGE 9 WEST, NMPM
Section 24: SE/4

(d) The Rusty-Chacra Gas Pool (**Pool Code 84360**) in Sandoval and San Juan Counties, New Mexico, is hereby extended to include:

TOWNSHIP 21 NORTH, RANGE 5 WEST, NMPM
Section 18: S/2 and NW/4

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM
Section 5: N/2

TOWNSHIP 22 NORTH, RANGE 8 WEST, NMPM
Section 23: SW/4

(e) The Otero-Chacra Gas Pool (**Pool Code 92329**) in Rio Arriba and San Juan Counties, New Mexico, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 5: S/2
Section 7: W/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 1: NW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Section 15: NW/4

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 27: N/2 and SE/4
Section 34: NE/4
Section 36: SE/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
Section 36: NW/4

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM
Section 29: SE/4
Section 30: SE/4
Section 33: S/2

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM
Section 10: S/2
Section 11: S/2

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
Section 20: W/2
Section 27: W/2
Section 28: All
Section 33: N/2 and SW/4
Section 34: NE/4

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 14: NE/4
Section 23: NE/4
Section 24: NW/4

TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM

Section 35: S/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 10: NW/4
Section 12: NW/4
Section 13: W/2 and SE/4

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 15: SE/4
Section 16: SW/4
Section 20: N/2
Section 21: NW/4
Section 24: NE/4
Section 25: SW/4
Section 26: SW/4
Section 36: SW/4

(f) The Seven Lakes-Menefee Gas Pool (**Pool Code 55660**) in McKinley County, New Mexico, is hereby extended to include:

TOWNSHIP 18 NORTH, RANGE 10 WEST, NMPM

Section 18: SE/4 SW/4

TOWNSHIP 18 NORTH, RANGE 11 WEST, NMPM

Section 24: NE/4 NE/4

(g) The Blackeye-Mesaverde Oil Pool (**Pool Code (6290)**) in McKinley County, New Mexico, is hereby extended to include:

TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPM

Section 32: NW/4 NE/4, NE/4 NW/4, S/2 N/2, and NW/4 SW/4

(h) The Blanco-Mesaverde Gas Pool (**Pool Code 72319**) in Rio Arriba and San Juan Counties, New Mexico, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 2: SE/4
Section 12: W/2

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM

Section 26: W/2
Section 36: NE/4

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM

Section 29: NE/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 12: N/2
Section 15: All
Section 22: All
Section 27: All

TOWNSHIP 26 NORTH, RANGE 1 WEST, NMPM

Section 31: W/2

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM

Section 22: All
Section 23: W/2
Section 36: All

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 24: SE/4

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM

Section 4: S/2
Section 7: NW/4

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM

Section 2: W/2
Section 3: E/2
Section 11: SW/4

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM

Section 21: NE/4
Section 22: All
Section 23: All
Section 24: W/2
Section 28: E/2

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 5: All
Section 9: W/2

TOWNSHIP 28 NORTH, RANGE 3 WEST, NMPM

Section 10: S/2

Section 36: E/2

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 22: N/2 and SW/4

Section 27: W/2

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 12: S/2

Section 13: All

Section 24: N2 and SW/4

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 31: N/2 and SW/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 36: All

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 18: All

Section 19: All

Section 29: W/2

Section 30: All

Section 32: W/2

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM

Section 6: N/2

Section 11: S/2

Section 24: All

TOWNSHIP 31 NORTH, RANGE 4 WEST, NMPM

Section 7: W/2

Section 11: N/2 and SE/4

Section 14: E/2

Section 18: W/2

Section 19: W/2

Section 23: E/2

Section 26: N/2

Section 27: N/2

Section 28: N/2 and SW/4

Section 30: W/2

Section 31: N/2

Section 32: N/2

Section 33: NW/4

TOWNSHIP 31 NORTH, RANGE 5 WEST, NMPM

Section 36: N/2 and SW/4

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPPM

Section 4: W/2
Section 26: All
Section 27: All
Section 28: N/2 and SE/4
Section 33: E/2

TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPPM

Section 26: W/2
Section 29: W/2
Section 30: E/2
Section 34: N/2
Section 35: NW/4

TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPPM

Section 9: S/2
Section 10: S/2

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPPM

Section 27: All

(i) The Blue Mesa-Mesaverde Oil Pool (**Pool Code 6760**) in McKinley County, New Mexico, is hereby extended to include:

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPPM

Section 12: NE/4 SW/4

(j) The Chaco Wash-Mesaverde Gas Pool (**Pool Code 11930**) in McKinley County, New Mexico, is hereby extended to include:

TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPPM

Section 21: SE/4 NE/4 and SE/4 SW/4
Section 22: NW/4 SW/4 and SW/4 SE/4
Section 27: NW/4
Section 28: N/2 NW/4, SW/4 NW/4, W/2 SW/4, and NW/4 SE/4

(k) The Crouch Mesa-Mesaverde Gas Pool (**Pool Code 76580**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPPM

Section 6: SW/4

(l) The Devils Fork-Mesaverde Oil Pool (**Pool Code 17620**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM

Section 8: SW/4 NW/4

Section 9: SW/4 SW/4

Section 16: S/2 SE/4, SE/4 NW/4, and N/2 N/2

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 1: SE/4 NE/4

(m) The Flora Vista-Mesaverde Gas Pool (**Pool Code 76680**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 2: NW/4

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM

Section 15: W.2

Section 35: SW/4

(n) The Franciscan Lake-Mesaverde Oil Pool (**Pool Code 26710**) in McKinley County, New Mexico, is hereby extended to include:

TOWNSHIP 20 NORTH, RANGE 5 WEST, NMPM

Section 18: NW/4 SE/4

TOWNSHIP 20 NORTH, RANGE 6 WEST, NMPM

Section 12: SE/4 SW/4

Section 13: NW/4 SE/4

(o) The Parlay-Mesaverde Oil Pool (**Pool Code 49643**) in Sandoval County, New Mexico, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 29: E/2 SW/4

(p) The Red Mountain-Mesaverde Oil Pool (**Pool Code 51680**) in McKinley County, New Mexico, is hereby extended to include:

TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPM

Section 19: SE/4 NE/4

Section 21: NW/4 SW/4

(q) The San Isidro-Mesaverde Oil Pool (**Pool Code 53590**) in Sandoval County, New Mexico, is hereby extended to include:

TOWNSHIP 20 NORTH, RANGE 3 WEST, NMPM

Section 25: S/2 NW/4 and E.2 SW/4

Section 26: S/2 NW/4 and SE/4 NE/4
Section 27: NW/4 SE/4 and S/2 NE/4
Section 36: E/2 NW/4 and NE/4 SW/4

(r) The South San Luis-Mesaverde Oil Pool (**Pool Code 53630**) in Sandoval County, New Mexico, is hereby extended to include:

TOWNSHIP 17 NORTH, RANGE 3 WEST, NMPM

Section 4: E/2 NW/4 and SW/4 NE/4

TOWNSHIP 18 NORTH, RANGE 3 WEST, NMPM

Section 21: S/2 NE/4, NW/4 SE/4, SW/4 NW/4, and SW/4
Section 27: W/2 SW/4 and SW/4 NW/4
Section 28: E/2 NE/4, SE/4 SE/4, N/2 SW/4, SE/4 SW/4, and NW/4
Section 29: N/2 SE/4, NE/4 SW/4, and NE/4 NE/4
Section 33: E/2 SW/4 and NW/4 SE/4
Section 34: NW/4 NW/4

(s) The Star-Mesaverde Oil Pool (**Pool Code 57790**) in McKinley County, New Mexico, is hereby extended to include:

TOWNSHIP 19 NORTH, RANGE 6 WEST, NMPM

Section 9: SE/4 SE/4
Section 10: SW/4 SW/4
Section 17: NE/4 NE/4

(t) The Twin Mounds-Mesaverde Gas Pool (**Pool Code 86640**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 15: N/2
Section 16: NE/4

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM

Section 31: SE/4
Section 32: SW/4

(u) The Venado-Mesaverde Oil Pool (**Pool Code 62490**) in Sandoval County, New Mexico, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 5 WEST, NMPM

Section 5: SE/4 NW/4

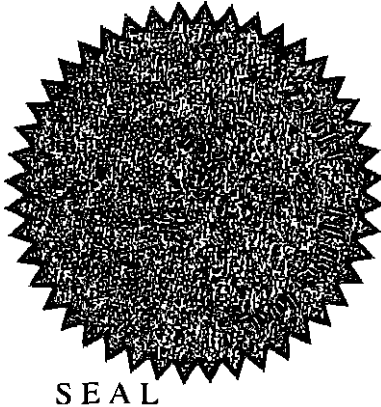
IT IS FURTHER ORDERED THAT:

(1) 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 60 days from the effective date of this order to file Form C-102 dedicating a standard unit for the pool to that 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 that 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all abolishments and extensions included herein shall be August 1, 2017.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director