

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. 11855
Order No. R-10902

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on October 9, 1997, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 17th day of October, 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 the creation of a new pool in San Juan County, New Mexico, for the production of gas from the Farmington Sand formation, said pool to bear the designation of Blanco-Farmington Sand Pool. Said Blanco-Farmington Sand Pool was discovered by the Amoco Production Company Abrams Gas Com A Well No. 1 located in Unit I of Section 26, Township 29 North, Range 10 West, NMPM. It was completed in the Farmington Sand formation on May 5, 1997. The top of the perforations is at 1,016 feet.
- (3) There is need for the creation of a new pool in San Juan County, New Mexico, for the production of gas from the Fruitland Sand formation, said pool to bear the designation of South Crouch Mesa-Fruitland Sand Pool. Said South Crouch Mesa-Fruitland

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Sand Pool was discovered by the Burlington Resources Oil and Gas Company Cooper Well No. 6 located in Unit F of Section 6, Township 29 North, Range 11 West, NMPM. It was completed in the Fruitland Sand formation on April 7, 1997. The top of the perforations is at 1,622 feet.

(4) There is need for certain extensions to the Aztec-Fruitland Sand Pool, the Barker Dome-Desert Creek Pool, the Blanco-Mesaverde Pool, the West Kutz-Pictured Cliffs Pool, and the Pinon-Gallup Pool, all in San Juan County, New Mexico, and the Eagle Mesa-Entrada Oil Pool in Sandoval County, New Mexico, and the Otero-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in San Juan County, New Mexico, classified as a gas pool for Farmington Sand production is hereby created and designated as the Blanco-Farmington Sand Pool, consisting of the following described area:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Section 26: SE/4

(b) A new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland Sand production is hereby created and designated as the South Crouch Mesa-Fruitland Sand Pool, consisting of the following described area:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 6: NW/4

(c) The Aztec-Fruitland Sand Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
Section 17: NE/4

(d) 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: W/2

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

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TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 20: E/2
Section 29: E/2
Section 32: E/2
Sections 33 and 34: All

(f) The Eagle Mesa-Entrada Oil Pool in Sandoval County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 NORTH, RANGE 4 WEST, NMPM

Section 13: SW/4 NW/4

(g) 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 29 NORTH, RANGE 13 WEST, NMPM

Section 14: W/2
Section 15: S/2 and NE/4
Section 16: S/2
Section 17: SE/4
Section 21: N/2 and SE/4
Section 22: All
Section 23: W/2

(h) 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 27 NORTH, RANGE 8 WEST, NMPM

Section 4: N/2 and SW/4
Sections 5 and 6: All

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 1: All

(i) The Pinon-Gallup 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 20: SW/4

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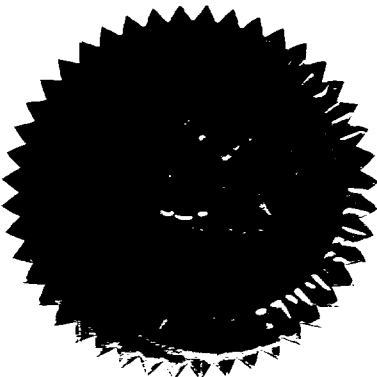
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IT IS FURTHER ORDERED THAT:

(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.

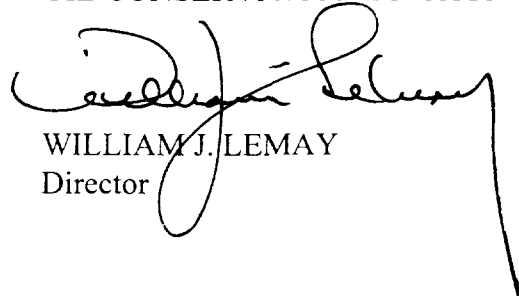
(2) The effective date of this order and all creations and extensions included herein shall be November 1, 1997.

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



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STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

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