

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 598
ORDER NO. R-397

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR A REVISION
OF RULE 104 (b) PERTAINING IN
PART TO WELL SPACING IN SAN
JUAN, RIO ARRIBA, SANDOVAL AND
MCKINLEY COUNTIES, NEW MEXICO
AND FOR A REVISION OF ORDERS R-59,
R-46 AND R-110 PERTAINING TO
SPACING OF GAS WELLS TO BE
DRILLED TO THE PICTURED CLIFFS
FORMATION AND TO THE MESAVERDE
FORMATION.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on for hearing at 9 o'clock a. m., on October 15, 1953, at Santa Fe, New Mexico, before the Oil Conservation Commission, herein-after referred to as the "Commission".

NOW, on this 17th day of December, 1953, the Commission, a quorum being present, having considered the records and the testimony adduced and being fully advised in the premises,

FINDS:

(1) That the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for a revision of Rule 104, Paragraph (b) of the Commission's Rules and Regulations; and for a revision of Commission Orders R-46, R-59, and R-110, pertaining to the spacing of gas wells in gas pools producing from the Pictured Cliffs and Mesaverde formation.

IT IS THEREFORE ORDERED:

(1) That the application of the Oil Conservation Commission be and the same hereby is approved.

(2) That Rule 104, Paragraph (b) of the Commission's Rules and Regulations be and the same hereby is revised as follows:

"RULE 104 (b): Any well classified as a wildcat shall be located on a tract of not less than 40 surface contiguous acres substantially in the form of a square which is a quarter quarter section or lot, being a legal subdivision of the U. S. Public Land Surveys and shall be located within 100 feet of the center of the 40 acre subdivision, except in San Juan, Rio Arriba and Sandoval Counties, where a wildcat well shall be located on a designated drilling tract of not less than 160 surface contiguous acres substantially in the form

of a square which is a quarter section being a legal subdivision of the U. S. Public Land Surveys, and shall be located 990 feet from the outer boundary line of the tract provided however that a tolerance of 200 feet is permissible."

(3) That those portions of Orders R-46 and R-59 pertaining to the spacing of gas wells within the defined limits of gas pools producing from the Pictured Cliffs formation be and the same hereby are amended and revised as follows:

"Any well drilled within the defined limits of a designated gas pool producing from the Pictured Cliffs formation shall be located on a designated drilling tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which is a quarter section being a legal subdivision of the U. S. Public Land Surveys, and shall be located 990 feet from the outer boundary line of the quarter section, provided however that a tolerance of 200 feet is permissible."

(4) That Paragraph (c) of Section 1 of Order R-110 pertaining to the location of wells drilled within the defined limits of the Blanco Mesaverde Gas Pool be and the same hereby is amended and revised as follows:

"Section 1. (c) Such well shall be located 990 feet from the outer boundary of either the northeast or southwest quarter of the section, subject to variation of 200 feet for topographic conditions. Further tolerance shall be allowed by the Commission only in cases of extremely rough terrain where compliance would necessarily increase drilling costs.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION



EDWIN L. MECHEM, Chairman



E. S. WALKER, Member



R. R. SPURRIER, Member and Secretary

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