

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 8851
Order No. R-8180

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CONTRACTING, AND
EXTENDING CERTAIN 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 March 5, 1986, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 14th day of March, 1986, 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 Organ Rock formation, said pool to bear the designation of Big Gap-Organ Rock Pool. Said Big Gap-Organ Rock Pool was discovered by the Petroleum Energy, Inc. Navajo Tribal AS Well No. 1, located in Unit M of Section 28, Township 27 North, Range 19 West, NMPM. It was completed in the Organ Rock formation on August 11, 1965. The top of the perforations is at 3,550 feet.

(3) There is need for the contraction of the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, and the deleted acreage is to be included in the West Lindrith Gallup-Dakota Oil Pool.

(4) There is need for the contraction of the Otero-Sanastee Oil Pool in Sandoval County, New Mexico, and the deleted acreage is to be included in the South Lindrith Gallup-Dakota Oil Pool.

(5) There is need for certain extensions to the Armenta-Gallup Oil Pool, the Bisti-Lower Gallup Oil Pool, the Blanco-Fruitland Pool, the Gallegos-Gallup Associated Pool, the West Kutz-Pictured Cliffs Pool, the South Los Pinos Fruitland-Pictured Cliffs Pool, and the North Pinon-Fruitland Pool, all in San Juan County, New Mexico, and the BS Mesa-Gallup Pool and the Laguna Seca-Gallup Pool, both in Rio Arriba County, New Mexico, and the Blanco-Mesaverde Pool and the Blanco-Pictured Cliffs Pool, both in Rio Arriba and San Juan Counties, New Mexico, and the South Blanco-Pictured Cliffs Pool in Rio Arriba, San Juan, and Sandoval Counties, New Mexico, and the Counselors Gallup-Dakota Oil Pool, the South Lindrith Gallup-Dakota Oil Pool, and the West Lindrith Gallup-Dakota Oil Pool, all in Rio Arriba and Sandoval Counties, New Mexico, and the Rio Puerco-Mancos Oil Pool in Sandoval County, New Mexico.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 26 NORTH, RANGE 19 WEST, NMPM
Section 5: W/2

TOWNSHIP 27 NORTH, RANGE 19 WEST, NMPM
Section 28: SW/4
Section 32: N/2 and SW/4
Section 33: NW/4

(b) The Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 15: SE/4

(c) The Otero-Sanastee Oil Pool in Sandoval County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following

described area:

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM
Section 36: SE/4

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

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 33: NW/4

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

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

(f) 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 25 NORTH, RANGE 12 WEST, NMPM
Section 21: N/2 SE/4
Section 22: S/2 SW/4 and E/2
Section 27: N/2 NE/4

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

TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM
Section 4: S/2 and NW/4
Section 5: S/2
Section 6: S/2
Section 18: S/2

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Section 1: S/2
Section 10: N/2 and SE/4
Section 11: All
Section 12: W/2
Section 13: S/2 and NW/4
Sections 14 and 15: All
Section 16: SW/4
Section 19: E/2
Section 20: All
Section 21: W/2

Sections 22 and 23: All
Section 26: N/2
Section 27: N/2
Section 28: W/2
Section 29: All
Section 30: E/2

TOWNSHIP 31 NORTH, RANGE 8 WEST, NMPM
Section 33: W/2

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

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM
Section 3: S/2
Section 9: All
Section 10: All

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM
Section 4: W/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Section 8: All
Section 9: S/2
Sections 16 and 17: All
Sections 20 and 21: All
Sections 28 and 29: All
Section 35: All

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM
Section 15: E/2

(i) 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 29 NORTH, RANGE 8 WEST, NMPM
Section 3: SE/4
Section 23: NE/4
Section 24: W/2

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
Section 4: NW/4
Section 10: SE/4
Section 13: NW/4

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
Section 26: S/2 and NW/4

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

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPM

Section 30: SE/4

Section 31: NE/4

Section 32: NW/4

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 13: SW/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 28: NW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 15: SE/4

Section 21: NE/4

Section 22: N/2 and SW/4

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

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM

Section 7: NE/4

(l) The Gallegos-Gallup Associated Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Section 22: SW/4

Section 27: SW/4

Section 28: S/2

Section 29: E/2 SE/4

(m) 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 27 NORTH, RANGE 11 WEST, NMPM

Section 13: S/2

Section 14: SE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 25: S/2

Section 26: SE/4

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM
Section 33: S/2

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM
Section 24: NW/4

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

TOWNSHIP 31 NORTH, RANGE 5 WEST, NMPM
Section 30: S/2
Section 31: All
Section 32: S/2 and NW/4

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM
Section 14: E/2
Section 20: SE/4
Section 21: S/2
Section 22: S/2 and NE/4
Sections 23 through 26: All
Section 36: NE/4

(o) The South Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM
Section 2: S/2
Section 13: SW/4
Section 21: NW/4
Section 23: NW/4

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM
Section 25: E/2
Section 36: E/2

(p) The West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM
Section 7: S/2
Section 8: W/2
Section 17: W/2

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM
Section 1: N/2
Section 2: N/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 15: E/2

Section 23: NE/4

Section 24: N/2

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 33: All

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

TOWNSHIP 31 NORTH, RANGE 7 WEST, NMPM

Section 1: E/2

Section 11: S/2

Sections 14 and 15: All

Sections 22 and 23: All

Sections 26 and 27: All

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

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM

Section 10: All

Section 14: NW/4

Section 15: NE/4

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 29: NE/4

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

TOWNSHIP 20 NORTH, RANGE 3 WEST, NMPM

Sections 5 through 8: All

Sections 17 and 18: All

TOWNSHIP 20 NORTH, RANGE 4 WEST, NMPM

Sections 1 through 3: All

Sections 11 and 12: All

TOWNSHIP 21 NORTH, RANGE 3 WEST, NMPM

Section 27: All

Section 31: All

Section 34: All

TOWNSHIP 21 NORTH, RANGE 4 WEST, NMPM

Sections 25 and 26: All

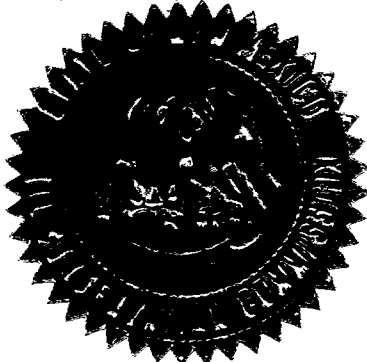
Sections 35 and 36: All

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, contractions, and extensions included herein shall be April 1, 1986.

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "R. L. Stamets", written over the printed name.

R. L. STAMETS
Director

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