

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. 377
Order No. R-172-B

THE MATTER OF THE HEARING CALLED
BY THE OIL CONSERVATION COMMISSION
UNDER THE TERMS OF ORDER NO. R-172
DIRECTING BENSON & MONTIN TO APPEAR
AND SHOW CAUSE WHY 160 ACRE SPACING
PATTERN SHOULD NOT BE INSTITUTED FOR
PICTURED CLIFFS GAS WELLS IN THE GALLEGOS
CANYON UNIT AREA, SAN JUAN COUNTY, NEW
MEXICO TO SUPERSEDE THE 320 ACRE SPACING
GRANTED FOR ONE YEAR AFTER ORIGINAL
HEARING.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on regularly for hearing at 9 o'clock a.m., August 20, 1953, and on good cause shown by Benson and Montin was continued to September 17, 1953 at 9 o'clock a.m., at which time hearing was duly held on the above captioned matter before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 17th day of December, 1953, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-172, duly signed by the Commission on July 24, 1952, a well spacing pattern based upon 320 acres was established for the development of the Pictured Cliffs formation on the following described acreage for a temporary period of one year from date of said order, said described acreage being within the defined limits of the West Kutz-Pictured Cliffs Gas Pool, as heretofore classified, defined, described and extended by various Commission orders.

Township 28 North, Range 11 West, NMPM
All of Partial Section 7,
All of Sections 18 and 19.

Township 28 North, Range 12 West, NMPM
Partial Sections 7 through 12, and
Sections 13 through 34, incl.

Township 28 North, Range 13 West, NMPM
Partial Sections 10, 11 and 12,
Sections 13, 14 and 15, Sections 23
through 26, incl., and Sections 35
and 36.

Township 29 North, Range 12 West, NMPM
SW/4 Section 16, Sections 17 through 21, W/2
and SE/4 of Section 22, W/2 and SE/4 of
Section 25, and Sections 26 through 36, incl.

Township 29 North, Range 13 West, NMPM
Sections 9 through 16, Sections 21 through
28, and Sections 33 through 36, incl.

(3) That the remaining portion of the West Kutz-Pictured Cliffs Pool lying to the south has been developed on the basis of 160 acre well spacing and production units.

(4) That the Gallegos Canyon Unit Area established under the provisions of the Gallegos Canyon Unit Agreement, approved by the Commission, by Order R-68, comprises approximately the northwesterly one-half of the West Kutz-Pictured Cliffs Pool and that this area has been developed and produced on the basis of 320 acre spacing and production units.

(5) That the West Kutz-Pictured Cliffs gas pool embraces a common source of gas supply and that there is no known underground barrier which would impede the flow of gas within the common source of supply.

(6) That the development of the West Kutz-Pictured Cliffs pool on two different spacing patterns is not in the best interest of conservation and will impair correlative rights.

(7) That the development of lands committed to the Gallegos Canyon Unit Agreement is subject to the terms of the Unit Agreement.

(8) That for the prevention of waste and protection of correlative rights, a uniform spacing pattern should be established for the orderly development and production of the West Kutz-Pictured Cliffs gas pool.

IT IS THEREFORE ORDERED:

- (1) That Order R-~~182~~ is hereby terminated.

(2) That the land embraced in said Order No. R-172, as extended, be developed on a 160-acre spacing pattern provided, however, that development on lands committed to the Gallegos Canyon Unit Agreement shall be subject to the terms of the Unit Agreement.

DONE at Santa Fe, New Mexico on the day and year first above written.

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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