

Entered January 30, 1969

A.P.

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION TO CONSIDER THE ESTABLISHMENT OF NON-STANDARD GAS PRORATION UNITS AND UNORTHODOX GAS WELL LOCATIONS, WHERE NECESSARY, IN THE AZTEC AND BLANCO-PICTURED CLIFFS GAS POOLS IN SECTIONS 6, 7, 18, 19, 30, AND 31, TOWNSHIPS 29 AND 30 NORTH, RANGES 8 AND 9 WEST, NMPM, SAN JUAN COUNTY, NEW MEXICO.

CASE No. 4032
Order No. R-3669

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on January 22, 1969, at Santa Fe, New Mexico, before Examiner Elvis A. Utz.

NOW, on this 30th day of January, 1969, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 due to variations in legal subdivisions of the U. S. Public Land Surveys along the west sides of Township 29 North, Range 8 West, Township 29 North, Range 9 West, Township 30 North, Range 8 West, and Township 30 North, Range 9 West, NMPM, San Juan County, New Mexico, the west halves of Sections 6, 7, 18, 19, 30, and 31 in each of said townships are irregular in size.

(3) That said irregularity in size precludes the establishment of standard 160-acre drilling and proration units.

(4) That said irregularity in size precludes the drilling of wells at locations prescribed for standard 160-acre units.

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(5) That the principal gas producing formation in the area is the Pictured Cliffs.

(6) That a standard gas proration unit in the Pictured Cliffs formation in the area of the subject sections is 160 acres.

(7) That the principal gas producing pools in the subject area are the Aztec-Pictured Cliffs Gas Pool and the Blanco-Pictured Cliffs Gas Pool.

(8) That the applicable rules provide that gas wells in the Aztec-Pictured Cliffs and Blanco-Pictured Cliffs Gas Pools be located not closer than 790 feet to any outer boundary of the tract nor closer than 130 feet to any quarter-quarter section line or subdivision inner boundary.

(9) That in order to ensure systematic development and thereby prevent waste and protect correlative rights, non-standard gas proration units approximating 160 acres each should be established for the Pictured Cliffs formation along the west side of the subject sections.

(10) That gas wells drilled on said units should be located not closer than 500 feet to any outer boundary of the tract nor closer than 130 feet to any quarter-quarter section line or subdivision inner boundary.

(11) That Administrative Order No. NWU 3-75, dated March 18, 1968, approved a non-standard gas proration unit in the Blanco-Pictured Cliffs Gas Pool comprising the W/2 of Section 31, Township 30 North, Range 8 West, NMPM, San Juan County, New Mexico.

(12) That Administrative Order No. NWU 3-75 should be superseded by this order.

IT IS THEREFORE ORDERED:

(1) That the following-described non-standard gas spacing and proration units in the Pictured Cliffs formation, San Juan County, New Mexico, are hereby established:

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TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM

<u>Unit</u>	<u>Acres</u>	<u>Description</u>
1	131.24	Section 6: Lots 8, 9, 10, 11, and 12
2	159.99	Section 6: Lots 14 and 15 Section 7: Lots 5, 6, 7, and 8
3	168.01	Section 7: Lots 9, 10, 11, and 12 Section 18: Lot 1 and NE/4 NW/4
4	173.87	Section 18: Lots 2, 3, 4, SE/4 NW/4, and E/2 SW/4
5	173.85	Section 19: Lots 1, 2, 3, E/2 NW/4, and NE/4 SW/4
6	173.75	Section 19: Lot 4 and SE/4 SW/4 Section 30: Lots 1, 2, and E/2 NW/4

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM

<u>Unit</u>	<u>Acres</u>	<u>Description</u>
1	172.00	Section 6: Lots 8, 9, 10, 11, 12, 13, and 14
2	171.16	Section 6: SE/4 SW/4 Section 7: Lots 5, 6, 7, 9, and E/2 NW/4
3	177.18	Section 7: Lot 8 and SE/4 SW/4 Section 18: Lot 1 and E/2 NW/4
4	169.34	Section 18: Lots 2, 3, 4, and E/2 SW/4 Section 19: Lot 1 and NE/4 NW/4
5	166.18	Section 19: Lots 6, 9, 4, SE/4 NW/4, and E/2 SW/4 Section 30: Lot 1
6	187.16	Section 30: Lots 6, 10, 11, 12, 13, and E/2 NW/4

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TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM

<u>Unit</u>	<u>Acres</u>	<u>Description</u>
1	164.28	Section 6: Lots 3, 4, 5, 6, SE/4 NW/4, and NE/4 SW/4
2	166.72	Section 6: Lot 7 and SE/4 SW/4 Section 7: Lots 1, 2, and E/2 NW/4
3	167.32	Section 7: Lots 3, 4, and E/2 SW/4 Section 18: Lot 1 and NE/4 NW/4
4	167.62	Section 18: Lots 2, 3, 4, SE/4 NW/4, and E/2 SW/4
5	169.64	Section 19: Lots 1, 2, 8, E/2 NW/4, and NE/4 SW/4
6	172.90	Section 19: Lot 9 and SE/4 SW/4 Section 30: Lots 6, 2, and E/2 NW/4
7	154.19	Section 30: Lots 3, 10, 11, and NE/4 SW/4 Section 31: Lots 7 and 8
8	128.31	Section 31: Lots 9, 10, 15, 16, 17, and 18

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

<u>Unit</u>	<u>Acres</u>	<u>Description</u>
1	148.69	Section 6: Lots 4, 5, 6, E/2 NW/4, and NE/4 SW/4
2	151.16	Section 6: Lot 7 and SE/4 SW/4 Section 7: Lots 1, 2, and E/2 NW/4
3	150.94	Section 7: Lots 3, 4, and E/2 SW/4 Section 18: Lot 1 and NE/4 NW/4
4	153.45	Section 18: Lots 2, 3, 4, SE/4 NW/4, and E/2 SW/4

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<u>Unit</u>	<u>Acres</u>	<u>Description</u>
5	155.16	Section 19: Lots 1, 2, 3, E/2 NW/4, and NE/4 SW/4
6	152.48	Section 31: Lots 2, 3, 4, SE/4 NW/4, and E/2 SW/4

(2) That each well drilled to or completed in the Pictured Cliffs formation on one of the above-described units shall be located not closer than 500 feet to any outer boundary of such unit nor closer than 130 feet to any quarter-quarter section line or subdivision inner boundary.

(3) That Administrative Order No. NWU 3-75 is hereby superseded.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


DAVID F. CARGO, Chairman


ALEX J. ARMIJO, Member


A. L. PORTER, Jr., Member & Secretary

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