

*Entered February 23, 1971  
L.P.*

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. 4499  
Order No. R-4108

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 17, 1971, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of February, 1971, 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 there is need for the creation of a new oil pool in McKinley County, New Mexico, for the production of oil from the Dakota formation, said pool to bear the designation of Hospah-Dakota Oil Pool. Said Hospah-Dakota Oil Pool was discovered by the Tenneco Oil Company Hospah Well No. 10, located in Unit C of Section 12, Township 17 North, Range 9 West, NMPM. It was completed in the Dakota formation on May 10, 1967. The top of the perforations is at 2498 feet.

(3) That the proposed creation of a new pool in Township 25 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, for the

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production of oil from the Gallup-Dakota formation should be dismissed due to an error in advertising.

(4) That there is need for the creation of a new gas pool in San Juan County, New Mexico, for the production of gas from the Fruitland-Pictured Cliffs formation, said pool to bear the designation of Harper Hill Fruitland-Pictured Cliffs Pool. Said Harper Hill Fruitland-Pictured Cliffs Pool was discovered by the Dugan Production Corporation Federal "I" Well No. 4, located in Unit C of Section 1, Township 29 North, Range 14 West, NMPM. It was completed in the Fruitland-Pictured Cliffs formation on November 10, 1969. The top of the perforations is at 860 feet.

(5) That there is need for certain extensions to the Aztec-Pictured Cliffs Pool and the Blanco-Pictured Cliffs Pool both in San Juan County, New Mexico, and to the Lone Pine-Dakota "D" Oil Pool in McKinley County, New Mexico.

IT IS THEREFORE ORDERED:

(a) That a new pool in McKinley County, New Mexico, classified as an oil pool for Dakota production, is hereby created and designated as the Hospah-Dakota Oil Pool, consisting of the following-described area:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM  
Section 7: NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM  
Section 11: E/2 SE/4 and SE/4 NE/4  
Section 12: N/2 and N/2 SW/4

(b) That the proposed creation of a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup-Dakota production and designated as the West Lindrith Gallup-Dakota Oil Pool, consisting of the following-described area:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM  
Section 15: W/2 SE/4  
Section 21: SE/4  
Section 22: W/2 and W/2 E/2  
Section 27: W/2 and W/2 E/2  
Section 28: E/2, SW/4, and E/2 NW/4  
Section 32: N/2 SE/4

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TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 33: N/2 and N/2 S/2

Section 34: NW/4, N/2 SW/4, W/2 NE/4,  
N/2 SE/4, and SE/4 SE/4

is hereby dismissed.

(c) That a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland-Pictured Cliffs production, is hereby created and designated as the Harper Hill Fruitland-Pictured Cliffs Pool, consisting of the following-described area:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 1: All

(d) That the horizontal limits of the Aztec-Pictured Cliffs Pool, San Juan County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 9: W/2 (partial)

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM

Section 19: All

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

Section 31: NW/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

Section 2: S/2

Section 11: E/2

Section 12: SW/4

Section 13: NW/4

(e) That the horizontal limits of the Blanco-Pictured Cliffs Pool, San Juan County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

Section 7: SW/4

Section 14: NW/4

Section 18: W/2

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TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 1: SE/4

Section 12: E/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

Section 7: NW/4

Section 13: W/2

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM

Section 29: SW/4

Section 30: SE/4

(f) That the horizontal limits of the Lone Pine-Dakota "D" Oil Pool, McKinley County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM

Section 8: SW/4 SW/4

Section 17: NW/4 NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM

Section 13: SE/4 NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, 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 Commission. 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 Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

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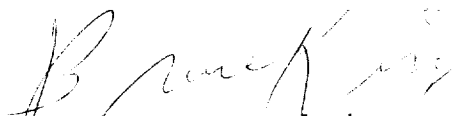
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(2) That the effective date of this order and all creations and extensions included herein shall be March 1, 1971.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

  
BRUCE KING, Chairman

  
ALEX J. ARMIJO, Member

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

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