

*Entered February 22, 1972
R.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 THE STATE OF
NEW MEXICO FOR THE PURPOSE
OF CONSIDERING:

CASE NO. 4667
Order No. R-4260

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 16, 1972, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 22nd day of February, 1972, 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 pool in San Juan County, New Mexico, for the production of oil from the Pennsylvanian formation, said pool to bear the designation of Buena Suerte-Pennsylvanian Oil Pool. Said Buena Suerte-Pennsylvanian Oil Pool was discovered by the Tenneco Oil Company Pah Well No. 1, located in Unit L of Section 3, Township 25 North, Range 11 West, NMPM. It was completed in the Pennsylvanian formation on July 28, 1971. The top of the perforations is at 10,956 feet.

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(3) That there is need for the creation of a new pool in Sandoval County, New Mexico, for the production of oil from the Dakota formation, said pool to bear the designation of Five Lakes-Dakota Oil Pool. Said Five Lakes-Dakota Oil Pool was discovered by the Refiners Petroleum Corporation Cuba Union Well No. 1, located in Unit A of Section 25, Township 22 North, Range 3 West, NMPM. It was completed in the Dakota formation on October 8, 1970. The top of the perforations is at 6,878 feet.

(4) That there is need for the creation of a new pool in San Juan County, New Mexico, for the production of gas from the Fruitland formation, said pool to bear the designation of South Gallegos-Fruitland Pool. Said South Gallegos-Fruitland Pool was discovered by the Skelly Oil Company Navajo G Well No. 1, located in Unit K of Section 12, Township 26 North, Range 12 West, NMPM. It was completed in the Fruitland formation on May 27, 1968. The top of the perforations is at 1,100 feet.

(5) That there is need for the creation of a new pool in Rio Arriba County, New Mexico, for the production of oil from the Gallup-Dakota formation, said pool to bear the designation of West Lindrith Gallup-Dakota Oil Pool.

(6) That there is need for the creation of a new pool in Sandoval County, New Mexico, for the production of oil from the Mesaverde formation, said pool to bear the designation of Parlay-Mesaverde Oil Pool. Said Parley-Mesaverde Oil Pool was discovered by the Tesoro Petroleum Corporation Parlay Well No. 1, located in Unit H of Section 29, Township 22 North, Range 3 West, NMPM. It was completed in the Mesaverde formation on October 4, 1971. The top of the perforations is at 4,340 feet.

(7) That there is need for the creation of a new pool in San Juan County, New Mexico, for the production of oil from the Gallup formation, said pool to bear the designation of Rattlesnake-Gallup Oil Pool. Said Rattlesnake-Gallup Oil Pool was discovered by the Eastern Petroleum Company Navajo Well No. 23, located in Unit G of Section 2, Township 29 North, Range 19 West, NMPM. It was completed in the Gallup formation on July 19, 1968. The casing shoe is at 195 feet.

(8) That the proposed creation of a new pool in Sections 17 and 20, Township 21 North, Range 8 West, NMPM, San Juan County, New Mexico, for the production of oil from the Dakota formation should be dismissed.

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(9) That there is need for the creation of a new pool in San Juan County, New Mexico, for the production of gas from the Pennsylvanian formation, said pool to bear the designation of North Tocito Dome-Pennsylvanian Pool. Said North Tocito Dome-Pennsylvanian Pool was discovered by the Campbell, Kiel, & Rothwell Navajo Tocito Well No. 1, located in Unit G of Section 9, Township 26 North, Range 18 West, NMPM. It was completed in the Pennsylvanian formation on December 2, 1967. The top of the perforations is at 6,322 feet.

(10) That there is need for the creation of a new pool in San Juan County, New Mexico, for the production of gas from the Pictured Cliffs formation, said pool to bear the designation of Waw-Pictured Cliffs Pool. Said Waw-Pictured Cliffs Pool was discovered by the Dugan Production Corporation Waw Well No. 1, located in Unit L of Section 32, Township 27 North, Range 13 West, NMPM. It was completed in the Pictured Cliffs formation on June 20, 1970. The top of the perforations is at 1,325 feet.

(11) That there is need for certain extensions to the Lone Pine-Dakota Oil Pool in McKinley County, New Mexico, the BS Mesa-Gallup Pool, the Choza Mesa-Pictured Cliffs Pool, the Otero-Chacra Pool, the Otero-Gallup Oil Pool and the Wild Horse-Gallup Pool in Rio Arriba County, New Mexico, the Angels Peak-Gallup Oil Pool, the Aztec-Pictured Cliffs Pool, the Blanco-Pictured Cliffs Pool, the Fulcher Kutz-Pictured Cliffs Pool, the Gallegos-Gallup Oil Pool, the Hogback-Dakota Oil Pool, the Kutz-Fruitland Pool, the Pinion-Fruitland Pool and the Slick Rock-Dakota Oil Pool in San Juan County, New Mexico, the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, and the Ballard-Pictured cliffs, the South Blanco-Pictured Cliffs and the Lybrook-Gallup Oil Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM
Section 3: SW/4

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

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 24: SE/4 SW/4

Section 25: N/2

Section 26: NE/4 NE/4

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

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 11: S/2 and NW/4

Section 12: All

(d) That a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup-Dakota production, is hereby created 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: SE/4

Section 20: SE/4

Section 21: S/2 and NE/4

Section 22: All

Section 27: All

Section 28: All

Section 29: E/2

Section 32: E/2

Section 33: All

Section 34: All

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

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 29: N/2

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

TOWNSHIP 29 NORTH, RANGE 19 WEST, NMPM
Section 2: NE/4

(g) That the proposed creation of a new pool in San Juan County, New Mexico, classified as an oil pool for Dakota production and designated as the Snake Eyes-Dakota Oil Pool, consisting of the following-described area:

TOWNSHIP 21 NORTH, RANGE 8 WEST, NMPM
Section 17: SW/4 SE/4
Section 20: N/2 and SW/4

is hereby dismissed.

(h) That a new pool in San Juan County, New Mexico, classified as a gas pool for Pennsylvanian production, is hereby created and designated as the North Tocito Dome-Pennsylvanian Pool, consisting of the following-described area:

TOWNSHIP 26 NORTH, RANGE 18 WEST, NMPM
Section 9: E/2
Section 10: SW/4

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

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM
Section 32: SW/4

(j) That the Angels Peak-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM
Section 17: E/2

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(k) That the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 31: SW/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 27: N/2
Section 28: N/2 and SE/4

(l) That the Ballard-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 22 NORTH, RANGE 2 WEST, NMPM
Section 6: SW/4

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM
Section 2: NE/4

TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM
Section 24: SE/4

(m) That 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 26 NORTH, RANGE 5 WEST, NMPM
Section 13: All
Section 24: W/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Section 3: All
Section 10: All

(n) That the Blanco-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
Section 1: W/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
Section 25: NW/4

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

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM

Section 16: SW/4

Section 17: SE/4

Section 20: N/2

Section 21: All

Section 28: NW/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 2: W/2

Section 3: All

Section 4: All

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 35: SW/4

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

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 3: N/2

Section 9: NE/4

Section 10: NW/4

(q) That the Choza Mesa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

Section 30: S/2

(r) That the Fulcher Kutz-Pictured Cliffs 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 6: NE/4

(s) That the Gallegos-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and

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described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM
Section 24: S/2

(t) That the Hogback-Dakota Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 16 WEST, NMPM
Section 7: SW/4 SW/4
Section 18: NW/4 NW/4

(u) That the Kutz-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 24: NW/4
Section 25: N/2

(v) That the Lone Pine-Dakota Oil Pool in McKinley County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
Section 7: S/2
Section 8: E/2 NW/4, N/2 SW/4 and SE/4 SW/4
Section 17: NE/4 NW/4
Section 18: E/2 SE/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM
Section 12: E/2 SE/4
Section 13: NE/4 NW/4
Section 24: E/2 NW/4

(w) That the Lybrook-Gallup Oil Pool in Rio Arriba, Sandoval and San Juan Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM
Section 7: SW/4 and SE/4 NW/4
Section 18: W/2
Section 19: All
Section 20: SW/4
Section 30: W/2
Section 31: NW/4 NW/4

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TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM

Section 3: SW/4
Section 4: E/2 SE/4
Section 5: All
Section 13: All
Section 14: SE/4 and E/2 NE/4
Section 22: NE/4 and NE/4 SE/4
Section 23: N/2
Section 24: NW/4 and NW/4 SW/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 29: SW/4
Section 32: W/2

(x) That the Otero-Chacra Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 31: NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 3: W/2
Section 10: N/2
Section 11: NW/4
Section 35: N/2
Section 36: N/2

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 1: All
Section 3: N/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 34: W/2

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Section 18: SW/4
Section 19: W/2 and SE/4
Section 20: SW/4
Section 26: SW/4
Section 28: All
Section 29: W/2
Section 30: All
Section 31: N/2

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TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 12: W/2

Section 13: N/2 and SE/4

(y) That the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 3: W/2

Section 4: All

Section 5: SE/4, S/2 NE/4 and NE/4 NE/4

Section 9: N/2 and E/2 SW/4

Section 10: NW/4, SW/4 NE/4, and NW/4 SW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 33: SE/4

(z) That the Pinion-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 19: W/2

(aa) That the Slick Rock-Dakota Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 30 NORTH, RANGE 16 WEST, NMPM

Section 31: W/2 SW/4 and SW/4 NW/4

TOWNSHIP 30 NORTH, RANGE 17 WEST, NMPM

Section 36: NE/4 NE/4

(bb) That the Wild Horse-Gallup Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM

Section 19: SW/4

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 12: SW/4

Section 13: NW/4

Section 24: NW/4

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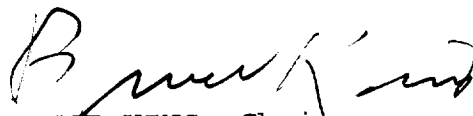
IT IS FURTHER ORDERED:


(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.

(2) That the effective date of this order and all creations and extensions included herein shall be March 1, 1972.

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

S E A L

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