

Entered March 8, 1978
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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. 6142
Order No. R-5662

APPLICATION OF ATLANTIC RICHFIELD
COMPANY FOR COMPULSORY POOLING,
RIO ARriba COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 8, 1978, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this 8th day of March, 1978, 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 the applicant, Atlantic Richfield Company, seeks an order pooling all mineral interests in the Dakota formation underlying the E/2 of Section 29, Township 24 North, Range 3 West, NMPM, Chacon-Dakota Associated Pool, Rio Arriba County, New Mexico.
- (3) That the applicant would dedicate said lands to a well proposed to be drilled in the SW/4 SE/4 of said Section 29.
- (4) That the entire E/2 of Section 29, Township 24 North, Range 3 West, appears to be situate in a portion of the Chacon-Dakota Associated Pool where low gas-liquid ratios have been encountered in other wells.
- (5) That it is likely that a well drilled to the Dakota formation at the location described in Finding No. (3) above would produce with a relatively low gas-oil ratio and would be classified as an oil well in the Chacon Dakota Associated Pool.
- (6) That the pool rules for the Chacon-Dakota Associated Pool call for the dedication of 160 acres to oil wells and 320 acres to gas wells.

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(7) That the applicant in this case is seeking the compulsory pooling of 320 acres to form a gas spacing and proration unit for a well which is more likely to be an oil well than a gas well.

(8) That the dedication of 320 acres to an oil well in the Chacon Dakota Associated Pool would be in violation of the spacing rules for said pool and would cause otherwise recoverable oil to remain unproduced, resulting in waste, inasmuch as the Commission has previously found that one oil well in said pool will adequately drain only 160 acres, and not 320 acres.

(9) That the application should be denied.

IT IS THEREFORE ORDERED:

(1) That the application of Atlantic Richfield Company for an order pooling all mineral interests in the Dakota formation underlying the E/2 of Section 29, Township 24 North, Range 3 West, NMPM, Chacon-Dakota Associated Pool, Rio Arriba County, New Mexico, be and the same is hereby denied.

(2) 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

PHIL R. LUCERO, Chairman



EMERY C. ARNOLD, Member



JOE D. RAMEY, Member & Secretary

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