Entered August 4, 1980

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE ND. 6985 Order No. R-6421

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 23, 1980, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>4th</u> day of August, 1980, the Division Director, 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for certain extensions to the Aztec-Farmington Pool, the Aztec-Fruitland Pool, the Aztec-Pictured Cliffs Pool, the Barker Creek-Paradox Pool, the Bisti-Lower Gallup Oil Pool, the Fulcher Kutz-Pictured Cliffs Pool, the South Gallegos-Fruitland Pool, the West Kutz-Pictured Cliffs Pool, the South Los Pinos Fruitland-Pictured Cliffs Pool, and the Salt Creek-Dakota Oil Pool, all in San Juan County, New Mexico, and the Ballard-Pictured Cliffs Pool and the South Blanco-Pictured Cliffs Pool, both in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, and the Blanco Mesaverde and the Blanco-Pictured Cliffs Pool, both in Rio Arriba and San Juan Counties, New Mexico, and the Chaco Wash-Mesaverde Oil Pool and the Star-Mesaverde Oil Pool, both in McKinley County, New Mexico, and the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, -2-Case No. 6985 Order No. R-6421

and the Gavilan-Pictured Cliffs Pool, the West Lindrith Gallup-Dakota Oil Pool, the Lybrook-Gallup Oil Pool, and the Otero-Gallup Oil Pool, all in Rio Arriba County, New Mexico.

IT IS THEREFORE ORDERED:

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

> TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM Section 18: SE/4

(b) That the Aztec-Fruitland 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 34: W/2

(c) 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 29 NORTH, RANGE 10 WEST, NMPM Section 1: SW/4

> TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM Section 35: S/2

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

> TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM Section 8: NE/4 Section 9: NW/4

(e) That the Barker Creek-Paradox Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM Section 19: All

-3-Case No. 6985 Order No. R-6421

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

> TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM Section 5: N/2 NW/4

> TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM Section 31: N/2 SW/4

> TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM Section 36: N/2 NW/4

(g) 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 2 WEST, NMPM Section 5: All Section 6: All (Partial Section) TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM Section 18: All Section 19: All TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM Section 24: E/2

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

> TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM Section 4: SW/4 TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM Section 4: SW/4 TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM Section 22: SW/4 TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM Section 36: S/2

(i) That the South Blanco-Pictured Cliffs Pool in Rio Arriba, San Juan, and Sandoval Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include -4-Case No. 6985 Order No. R-6421

therein:

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM Section 11: W/2

(j) That the Chaco Wash-Mesaverde Oil Pool in McKinley County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPM Section 28: N/2 NE/4

(k) That the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM Section 28: W/2

(1) 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 28 NORTH, RANGE 11 WEST, NMPM Section 25: SW/4

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

> TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM Section 2: N/2 Section 3: NE/4 Section 11: NE/4 TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM Section 35: NE/4

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

> TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM Section 12: SE/4 Section 13: NE/4

-5-Case No. 6985 Order No. R-6421

(o) That the West Kutz-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 12 WEST, NMPM Section 10: W/2 TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 33: NW/4

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

> TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM Section 7: 5/2 Section 17: SW/4 TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM Section 7: SE/4 TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM Section 26: W/2 Section 35: NW/4

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

> TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM Section 34: SW/4 Section 35: E/2

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

> TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM Section 6: NE/4 NE/4

(s) 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 1: W/2 NW/4 and SE/4 NW/4

-6-Case No. 6985 Order No. R-6421

(t) That the Salt Creek-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 17 WEST, NMPM Section 4: SE/4 NW/4 and SW/4 NE/4

(u) That the Star-Mesaverde Oil Pool in McKinley County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 NORTH, RANGE 6 WEST, NMPM Section 9: SE/4 SW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 70-2-18, NMSA 1978 Comp., 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 Division. 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 Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all extensions included herein shall be August 1, 1980.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION An JOE D. RAMEY Director

S E A L fd/