Entered april 5, 1984 AR

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 NO. 8131 Order No. R-7495

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

## ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 8 a.m. on March 28, 1984, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this <u>5th</u> day of April, 1984, 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 the proposed creation of the Gavilan-Dakota Oil Pool in Rio Arriba County, New Mexico, should be dismissed pending further study.

(3) That the proposed contraction of the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, should be dismissed pending further study.

(4) That there is need for the abolishment of the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico.

(5) That there is need for the abolishment of the Gavilan-Gallup Oil Pool in Rio Arriba County, New Mexico.

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(6) That there is need for the extension of the vertical limits of the Twin Mounds-Pictured Cliffs Pool in San Juan County, New Mexico, to include the Fruitland formation, the redesignation of said pool as the Twin Mounds Fruitland-Pictured Cliffs Pool, and the extension of the horizontal limits thereof.

(7) That there is need for certain extensions to the Armenta-Gallup Oil Pool, the Aztec-Pictured Cliffs Pool, the Beautiful Mountain-Mississippian Pool, the Bisti-Lower Gallup Oil Pool, the Bloomfield-Farmington Oil Pool, the Dufers Point Gallup-Dakota Oil Pool, the Flora Vista-Gallup Pool, the Gallegos-Gallup Associated Pool, the South Gallegos Fruitland-Pictured Cliffs Pool, the Kutz-Fruitland Pool, the West Kutz-Pictured Cliffs Pool, the La Plata-Gallup Oil Pool, the Meadows-Gallup Oil Pool, the Ojo Fruitland-Pictured Cliffs Pool, and the WAW Fruitland-Pictured Cliffs Pool, all in San Juan County, New Mexico, and the Ballard-Pictured Cliffs Pool in Rio Arriba, San Juan, and Sandoval Counties, New Mexico, and the South Blanco-Tocito Oil Pool, the Devils Fork-Gallup Associated Pool, the Gavilan-Pictured Cliffs Pool, the South Lindrith Gallup-Dakota Oil Pool, the West Lindrith Gallup-Dakota Oil Pool, and the Ojito Gallup-Dakota Oil Pool, all in Rio Arriba County, New Mexico, and the Blue Mesa-Mesaverde Oil Pool in McKinley County, New Mexico, and the Lybrook-Gallup Oil Pool in Rio Arriba and Sandoval Counties, New Mexico.

## IT IS THEREFORE ORDERED:

(a) That the proposed creation of the Gavilan-Dakota Oil Pool in Rio Arriba County, New Mexico, is hereby <u>dismissed</u>.

(b) That the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, consisting of the following described area:

> TOWNSHIP 22 NORTH, RANGE 2 WEST, NMPM Section 7: SW/4 TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM Sections 1 through 3: All Sections 10 through 12: All

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> TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM Section 2: W/2 Sections 3 through 5: All Section 8: E/2 Sections 9 through 11: All Section 13: W/2 Sections 14 through 16: All Section 20: N/2 and SE/4 Sections 21 through 23: All Section 25: W/2 Sections 26 and 27: A11 Section 28: E/2 Sections 34 and 35: A11 Section 36: W/2 and SE/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM Section 15: W/2 Section 16: All Section 17: SE/4 Sections 19 through 21: All Section 26: NW/4 Sections 27 through 34: All Section 35: SW/4

is hereby abolished.

(c) That the Gavilan-Gallup Oil Pool in Rio Arriba County, New Mexico, consisting of the following described area:

> TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM Section 26: NE/4

is hereby abolished.

(d) That the proposed contraction of the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, is hereby dismissed.

(e) That the vertical limits of the Twin Mounds-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, are hereby extended to include the Fruitland formation and said pool is redesignated as the Twin Mounds Fruitland-Pictured Cliffs Pool. The horizontal limits of said pool are hereby extended to include therein:

> TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM Section 6: SE/4

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(f) That the Armenta-Gallup Oil 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 Sections 10 and 11: All Section 13: SW/4 Section 14: Section 15: N/2 NE/4Sections 24 and 25: All TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM Section 15: W/2 Section 16: NE/4Section 22: A11 Section 23: SW/4 Section 26: SE/4 Section 27: NE/4 TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM Section 24: E/2 Section 25: All Section 26: SW/4 Section 27: S/2 Section 28: SE/4 Section 33: E/2 and SW/4 Section 34: W/2 and NE/4 Section 35: NW/4

(g) 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 30: SE/4

TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM Section 34: SE/4

(h) 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 5: SE/4 TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM Section 26: SW/4

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(i) That the Beautiful Mountain-Mississippian Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 27 NORTH, RANGE 19 WEST, NMPM Section 29: N/2 Section 32: NE/4

(j) 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 25 NORTH, RANGE 13 WEST, NMPM Section 2: SW/4 Section 11: NW/4

(k) That the South Blanco-Tocito Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM Section 4: NW/4

> TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM Section 33: S/2 SW/4

(1) That the Bloomfield-Farmington Oil 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 19: S/2 S/2

> TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM Section 24: S/2 SE/4

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

> TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM Section 12: SW/4 NW/4 and SW/4 SW/4

(n) That the Devils Fork-Gallup Associated Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP	24	NORTH,	RANGE	6	WEST,	NMPM
Section 4	1:	NW/4				
Section 5	5:	N/2				
Section (	5:	NE/4				
Section 1	11:	S/2				
Section 1	14:	N/2				

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> TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM Section 22: SE/4 Section 23: SW/4 Section 26: W/2 Section 27: E/2 Section 32: SE/4 Section 33: SW/4

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

> TOWNSHIP 25 NORTH, RANGE 8 WEST, NMPM Section 6: SW/4

> TOWNSHIP 25 NORTH, RANGE 9 WEST, NMPM Section 1: All Section 13: SE/4

> TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM Section 35: SE/4 Section 36: W/2 and SE/4

(p) That the Flora Vista-Gallup Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM Section 25: NW/4

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

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM Section 11: NE/4

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

> TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM Section 33: NE/4 Section 34: E/2 and NW/4

(s) 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 25 NORTH, RANGE 2 WEST, NMPM Section 35: NE/4

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(t) 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 14: S/2 and NE/4

(u) 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 11: W/2 TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM Section 33: NE/4 TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM Section 24: NE/4

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

> TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM Section 6: SE/4

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

> TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM Section 5: SW/4 Section 8: NW/4 Section 10: NW/4 and SE/4 Section 12: N/2 and SE/4 Section 13: NE/4

(x) 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 22 NORTH, RANGE 2 WEST, NMPM Section 7: SW/4

> TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM Sections 1 through 3: All Sections 10 through 12: All

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> TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM Section 2: W/2 Sections 3 through 5: All Section 8: E/2 Sections 9 through 11: All Section 13: W/2 Sections 14 through 16: All Section 20: N/2 and SE/4Sections 21 through 23: All Section 25: W/2 Sections 26 and 27: A11 Section 28: E/2 Sections 34 and 35: A11 Section 36: W/2 and SE/4 TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM Section 15: W/2

Section 15: W/2 Section 16: All Section 17: SE/4 Sections 19 through 21: All Section 22: W/2 Section 26: NW/4 Sections 27 through 34: All Section 35: SW/4

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

> TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM Section 29: S/2 SE/4

> TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM Section 3: NE/4 NW/4

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

> TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM Section 3: NW/4 SW/4 Section 10: NW/4 NE/4 Section 11: NW/4 NW/4

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

> TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM Section 9: SW/4 SW/4

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(bb) That the Ojo Fruitland-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 15 WEST, NMPM Section 25: NE/4

. . . . . . .

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

> TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM Section 23: NE/4

> TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM Section 32: SE/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM Section 22: SE/4

IT IS FURTHER ORDERED:

(1) That pursuant to Section 70-2-18, NMSA 1978, 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 abolishments and extensions of vertical and horizontal limits included herein shall be April 1, 1984.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION NX King JOE D. RAMEY / Director

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