### 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. 8331 Order No. R-7720

APPLICATION OF AMOCO PRODUCTION COMPANY FOR AN EXTENSION OF THE GAVILAN-MANCOS OIL POOL, RIO ARRIBA COUNTY, NEW MEXICO

## ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 8 a.m. on September 5, 1984, at Santa Fe, New Mexico, before Examiner Gilbert P. Quintana.

NOW, on this 9th day of November, 1984, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

## FINDS THAT:

- (1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) The applicant, Amoco Production Company, seeks the extension of the Gavilan-Mancos Oil Pool to include Sections 10, 11, 12, 13, 14, 23, and 24 in Township 24 North, Range 2 West, NMPM, Rio Arriba County, New Mexico.
- (3) The end boundary of the proposed Gavilan-Mancos Oil Pool extension is approximately three miles from the current end boundaries of said pool.
- (4) A two well cross section was introduced into evidence utilizing the Northwest Exploration Gavilan Well No. 1 located in the NE/4 NE/4 of Section 26, Township 25 North, Range 2 West and the Amoco Federal Oso Canyon Well No. 1 located in the NW/4 of Section 24, Township 24 North, Range 2 West.
- (5) The two wells utilized in said cross section are approximately 5 miles apart and there exist additional wells in

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this 5 mile interval productive in the Mancos formation that were not utilized in said cross section.

- (6) There was no engineering evidence presented to show that the single well completed in said Section 24 of the proposed expansion was completed in the Gavilan-Mancos reservoir.
- (7) Insufficient and inconclusive evidence was submitted to justify the proposed Gavilan-Mancos Oil Pool extension and the application should be <u>denied</u>.

# IT IS THEREFORE ORDERED THAT:

- (1) The application of Amoco Production Company to extend the Gavilan-Mancos Oil Pool to include Sections 10, 11, 12, 13, 14, 23 and 24 in Township 24 North, Range 2 West, NMPM, Rio Arriba County, New Mexico, is hereby denied.
- (2) Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

of Stain C

R. L. STAMETS, Director

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