

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. 8680
Order No. R-8022

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, CONTRACTING, AND
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 8 a.m. on August 14, 1985, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 22nd day of August, 1985, 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) There is need for the creation of a new pool in McKinley County, New Mexico, for the production of oil from the Mesaverde formation, said pool to bear the designation of Papers Wash-Mesaverde Oil Pool. Said Papers Wash-Mesaverde Oil Pool was discovered by the James L. Ludwick Federal 8 Well No. 4 located in Unit M of Section 8, Township 19 North, Range 5 West, NMPM. It was completed in the Mesaverde formation on June 21, 1983. The top of the perforations is at 1,945 feet.

(3) There is need for the contraction of the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico. The deleted acreage will be included in the West Lindrith Gallup-Dakota Oil Pool.

-2-

Case No. 8680
Order No. R-8022

(4) There is need for certain extensions to the BS Mesa-Gallup Pool, the Devils Fork-Gallup Associated Pool, the Devils Fork-Mesaverde Oil Pool, the Gavilan-Mancos Oil Pool, the Ojito Gallup-Dakota Oil Pool, the Tapacito-Gallup Associated Pool, and the Wild Horse-Gallup Pool, all in Rio Arriba County, New Mexico, and the Bisti-Lower Gallup Oil Pool, the Dufers Point Gallup-Dakota Oil Pool, the South Gallegos Fruitland-Pictured Cliffs Pool, the North Pinon-Fruitland Pool, the Twin Mounds-Mesaverde Pool, and the WAW Fruitland-Pictured Cliffs Pool, all in San Juan County, New Mexico, and the South Lindrith Gallup-Dakota Oil Pool and the West Lindrith Gallup-Dakota Oil Pool, both in Rio Arriba and Sandoval Counties, New Mexico, and the Otero-Chacra Pool in San Juan and Rio Arriba Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

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

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM
Section 7: S/2 N/2 and SE/4
Section 8: SW/4 SW/4
Section 17: NW/4 and NW/4 SW/4
Section 18: NE/4 and NE/4 SE/4

(b) The Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 14: S/2 SW/4

(c) 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 8: SE/4

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 1: All
Section 2: SE/4

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM
Section 35: SE/4

-3-

Case No. 8680

Order No. R-8022

(d) 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 11 WEST, NMPM
Section 29: NE/4 and N/2 SE/4

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM
Section 22: N/2 SW/4

TOWNSHIP 25 NORTH, RANGE 13 WEST, NMPM
Section 13: E/2 SE/4

(e) 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 7 WEST, NMPM
Section 2: SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Section 17: All
Section 20: N/2
Section 26: E/2
Section 29: N/2
Section 32: SW/4

(f) The Devils Fork-Mesaverde Oil 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 6: W/2 SW/4
Section 7: NW/4 NW/4

(g) 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 24 NORTH, RANGE 8 WEST, NMPM
Section 11: SW/4
Section 15: NE/4

(h) 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 28: W/2
Section 29: NE/4
Section 33: NW/4

(i) The Gavilan-Mancos Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 11: W/2

Section 12: All

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM

Section 17: W/2

(j) The South Lindrith Gallup-Dakota 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 4 WEST, NMPM

Section 12: SW/4

Section 13: NW/4

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM

Section 24: SE/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 20: All

(k) The West Lindrith Gallup-Dakota Oil 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 9: SE/4

Section 10: S/2

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 13: SE/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 13: All

Section 14: All

(l) 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 12: NW/4

-5-

Case No. 8680
Order No. R-8022

(m) The Otero-Chacra Pool in San Juan and Rio Arriba Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
Section 27: NE/4

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
Section 26: SW/4
Section 27: S/2
Section 29: SW/4
Section 30: S/2
Section 31: All
Section 32: N/2 and SW/4
Section 33: N/2
Section 34: N/2
Section 35: N/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Section 21: SE/4
Section 22: S/2
Section 23: S/2
Section 25: S/2
Section 26: All
Section 27: E/2 and NW/4
Section 28: NE/4
Section 36: All

(n) The North Pinon-Fruitland 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 15: W/2 and SE/4
Section 16: NW/4

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM
Section 29: S/2

(o) The Tapacito-Gallup Associated Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 8: W/2
Section 35: All

-6-

Case No. 8680
Order No. R-8022

(p) The Twin Mounds-Mesaverde Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
Section 7: SE/4

(q) 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 11 WEST, NMPM
Section 31: SW/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 36: S/2 and NE/4

(r) 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 4 WEST, NMPM
Section 16: N/2
Section 17: NE/4

IT IS FURTHER ORDERED:

(1) 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) The effective date of this order and all creations, contractions, and extensions included herein shall be September 1, 1985.

-7-

Case No. 8680
Order No. R-8022

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in cursive script, appearing to read "R. L. Stamets", is written over the printed name.

R. L. STAMETS
Director

S E A L

fd/