### STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 10165 Order No. R-9362

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

#### ORDER OF THE DIVISION

## BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on November 14, 1990, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this <u>19th</u> day of November, 1990, 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 certain extensions to the Bisti-Lower Gallup Oil Pool, the South Bisti-Gallup Oil Pool, and the Hogback-Dakota Oil Pool, all in San Juan County, New Mexico, and the South Blanco-Pictured Cliffs Pool and the Lybrook-Gallup Oil Pool, both in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, and the Devils Fork-Gallup Associated Pool, the Gavilan Greenhorn-Graneros-Dakota Oil Pool, and the Wildhorse-Gallup Pool in Rio Arriba County, New Mexico, and the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico. -2-Case No. 10165 Order No. R-9362

### IT IS THEREFORE ORDERED THAT:

(a) 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 9 WEST, NMPM Section 32: NE/4 and N/2 SE/4

TOWNSHIP 25 NOETH, RANGE 11 WEST, NMPM Section 29: S/2 SE/4 Section 32: E/2

(b) The South Bisti-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 23 NORTH, RANGE 11 WEST, NMPM Section 1: W/2 NE/4 and E/2 NW/4

(c) 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 therein:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM Section 17: NW/4 and SE/4

(d) 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 29: SE/4

(e) The Gavilan Greenhorn-Graneros-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 2 WEST, NMPM Sections 4 and 5: All

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM Sections 31 and 32: All

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(f) The Hogback-Dakota Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 16 WEST, NMPM Section 7: NW/4 SW/4

(g) 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 1: NW/4

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

> TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM Section 16: NE/4 SW/4 Section 22: S/2 NW/4

> TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM Section 32: SE/4 SE/4

(i) The Wildhorse-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 19: NE/4

IT IS FURTHER ORDERED THAT:

(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 -4-Case No. 10165 Order No. R-9362

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 extensions included herein shall be December 1, 1990.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION Q WILLIAM J. LEMAY Director

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