

Case Number

4499

Application
Transcripts.

Small Exhibits

ETC.

dearnley-meier reporting service, inc.

SPECIALIZING IN: DEPOSITIONS, HEARINGS, STATEMENTS, EXPERT TESTIMONY, DAILY COPY, CONVENTIONS
209 SIMMS BLDG. • P.O. BOX 1072 • PHONE 243-4491 • ALBUQUERQUE, NEW MEXICO

BEFORE THE
NEW MEXICO OIL CONSERVATION COMMISSION
Santa Fe, New Mexico

February 17, 1971

REGULAR HEARING

IN THE MATTER OF:

Northwestern New Mexico nomenclature
case calling for an order for the
creation and extension of certain
pools in San Juan, McKinley and Rio
Arriba Counties, New Mexico.

Case No. 4499

BEFORE: Mr. A. L. Porter
Governor Bruce King

TRANSCRIPT OF HEARING

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 FIRST NATIONAL BANK BLDG. EAST • ALBUQUERQUE, NEW MEXICO 87108

1 MR. PORTER: We'll proceed to Case 4499.

2 MR. WATCH: Case 4499, Northwestern New Mexico
 3 nomenclature case calling for an order for the creation and
 4 extension of certain pools in San Juan, McKinley and Rio
 5 Arriba Counties, New Mexico.

6 (Witness sworn.)

7 A. R. KENDRICK

8 called as a witness, having been first duly sworn, was
 9 examined and testified as follows:

10 DIRECT EXAMINATION

11 BY MR. WATCH:

12 Q Will you state your name and position for the record.

13 A A. R. Kendrick, Engineer for the Oil Conservation
 14 Commission.

15 Q Are you prepared to make recommendations to the
 16 Commission concerning the creation and extension of
 17 certain pools in San Juan, McKinley and Rio Arriba
 18 Counties, New Mexico?

19 A Yes, I am.

20 Q Are your recommendations prepared in the form of an
 21 exhibit?

22 A Yes.

23 Q Is that Exhibit 1, paragraphs (a) through (f)?

24 A Yes.

25

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(Whereupon, Exhibit 1 was
 duly marked for identification.)

Q Would you refer to Exhibit 1, paragraphs (a) through
 (f) and point out any differences between it and the
 docket that has been distributed and any corrections
 that should be made.

A The exhibit is identical or is compatible with the docket,
 with the exception that paragraph (b) as shown on the
 exhibit should be dismissed because of an error in legal
 advertising.

Q All right. And your recommendation is that the rest of
 the docket be taken under advisement, except for the
 dismissal of paragraph (b)?

A That is correct.

Q Was Exhibit 1 prepared by you or by someone under your
 supervision?

A Yes, sir.

MR. HATCH: I would like to move the introduction
 of Exhibit 1, and that's all the questions I have.

MR. PORTER: Exhibit 1 will be admitted if there's
 no objection.

(Whereupon, Exhibit 1 was admitted)

MR. PORTER: Are there any questions of Mr.
 Kendrick concerning any portion of his testimony? If not,
 the Commission will dismiss paragraph (b) and it will be

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1 readadvertised as recommended by the witness. The balance of
 2 the case will be taken under advisement.
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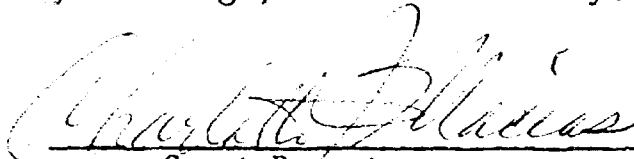
1	<u>I N D E X</u>		
2	<u>WITNESS</u>		<u>PAGE</u>
3	A. R. KENDRICK		
4	Direct Examination by Mr. Hatch		2
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12	<u>EXHIBIT</u>	<u>MARKED</u>	<u>OFFERED AND ADMITTED</u>
13	Exhibit Number 1	3	3
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1 STATE OF NEW MEXICO)
) SS
 2 COUNTY OF BERNALILLO)

3 I, CHARLOTTE J. MACIAS, Court Reporter in and for the
 4 County of Bernalillo, State of New Mexico, do hereby certify
 5 that the foregoing and attached Transcript of Hearing before
 6 the New Mexico Oil Conservation Commission was reported by
 7 me and that the same is a true and correct record of the said
 8 proceedings, to the best of my knowledge, skill and ability.

9
 10 
 11 Court Reporter

25

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF NEW MEXICO FOR
THE PURPOSE OF CONSIDERING:

CASE No. 4499
Order No. R-4108

THE APPLICATION OF THE OIL CONSERVATION
COMMISSION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN POOLS
IN MCKINLEY, RIO ARriba, AND SAN JUAN
COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on February 17, 1971, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission."

NOW, on this 23rd day of February, 1971, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That there is need for the creation of a new oil pool in McKinley County, New Mexico, for the production of oil from the Dakota formation, said pool to bear the designation of Hospah-Dakota Oil Pool. Said Hospah-Dakota Oil Pool was discovered by the Tenneco Oil Company Hospah Well No. 10, located in Unit C of Section 12, Township 17 North, Range 9 West, NMPM. It was completed in the Dakota formation on May 10, 1967. The top of the perforations is at 2498 feet.

(3) That the proposed creation of a new pool in Township 25 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, for the

production of oil from the Gallup-Dakota formation should be dismissed due to an error in advertising.

(4) That there is need for the creation of a new gas pool in San Juan County, New Mexico, for the production of gas from the Fruitland-Pictured Cliffs formation, said pool to bear the designation of Harper Hill Fruitland-Pictured Cliffs Pool. Said Harper Hill Fruitland-Pictured Cliffs Pool was discovered by the Dugan Production Corporation Federal "I" Well No. 4, located in Unit C of Section 1, Township 29 North, Range 14 West, NMPM. It was completed in the Fruitland-Pictured Cliffs formation on November 10, 1969. The top of the perforations is at 860 feet.

(5) That there is need for certain extensions to the Aztec-Pictured Cliffs Pool and the Blanco-Pictured Cliffs Pool both in San Juan County, New Mexico, and to the Lone Pine-Dakota "D" Oil Pool in McKinley County, New Mexico.

IT IS THEREFORE ORDERED:

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

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM

Section 7: NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM

Section 11: E/2 SE/4 and SE/4 NE/4

Section 12: N/2 and N/2 SW/4

(b) That the proposed creation of a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup-Dakota production and designated as the West Lindrith Gallup-Dakota Oil Pool, consisting of the following-described area:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 15: W/2 SE/4

Section 21: SE/4

Section 22: W/2 and W/2 E/2

Section 27: W/2 and W/2 E/2

Section 28: E/2, SW/4, and E/2 NW/4

Section 32: N/2 SE/4

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CASE No. 4499
Order No. R-4108

(b) - continued from Page 2 -

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 33: N/2 and N/2 S/2

Section 34: NW/4, N/2 SW/4, W/2 NE/4,
N/2 SE/4, and SE/4 SE/4

is hereby dismissed.

(c) That a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland-Pictured Cliffs production, is hereby created and designated as the Harper Hill Fruitland-Pictured Cliffs Pool, consisting of the following-described area:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 1: All

(d) That the horizontal limits of the Aztec-Pictured Cliffs Pool, San Juan County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 9: W/2 (partial)

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM

Section 19: All

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

Section 31: NW/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

Section 2: S/2

Section 11: E/2

Section 12: SW/4

Section 13: NW/4

(e) That the horizontal limits of the Blanco-Pictured Cliffs Pool, San Juan County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

Section 7: SW/4

Section 14: NW/4

Section 18: W/2

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CASE No. 4499
Order No. R-4108

(e) - Continued from Page 3 -

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 1: SE/4

Section 12: E/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

Section 7: NW/4

Section 13: W/2

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM

Section 29: SW/4

Section 30: SE/4

(f) That the horizontal limits of the Lone Pine-Dakota "D" Oil Pool, McKinley County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM

Section 8: SW/4 SW/4

Section 17: NW/4 NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM

Section 13: SE/4 NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, 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 Commission. 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 Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

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CASE No. 4499

Order No. R-4108

(2) That the effective date of this order and all creations and extensions included herein shall be March 1, 1971.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


BRUCE KING, Chairman


ALEX J. ARMILLO, Member


A. L. PORTER, Jr., Member & Secretary



esr/

(Case 4498 continued)

(g) Extend the South Prairie-Cisco Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM
SECTION 21: E/2

(h) Extend the Rock Tank-Lower Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
SECTION 1: All

(i) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
SECTION 28: N/2 and SW/4

(j) Extend the Scarborough Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM
SECTION 25: SE/4

CASE 4499:

Northwestern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in San Juan, McKinley and Rio Arriba Counties, New Mexico.

(a) Create a new pool in McKinley County, New Mexico, classified as an oil pool for Dakota production and designated as the Hospah Dakota Oil Pool. The discovery well is the Tenneco Oil Corporation Hospah Well No. 10 located in Unit 'C' of Section 12, Township 17 North, Range 9 West, NMPM. Said pool would comprise:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
SECTION 7: NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM
SECTION 11: E/2 SE/4 and SE/4 NE/4
SECTION 12: N/2 & N/2 SW/4

(b) Create a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup-Dakota production and designated as the West Lindrith Gallup-Dakota Oil Pool. The discovery well is the Continental Oil Company Jicarilla 28 Well No. 1 located in Unit J of Section 28, Township 25 North, Range 4 West, NMPM. Said pool would comprise:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
SECTION 15: W/2 SE/4
SECTION 21: SE/4
SECTION 22: W/2 & W/2 E/2

(Case 4499 (b) continued)

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

SECTION 27: W/2 & W/2 E/2

SECTION 28: E/2, SW/4, & E/2 NW/4

SECTION 32: N/2 SE/4

SECTION 33: N/2 & N/2 S/2

SECTION 34: NW/4, N/2 SW/4, W/2 NE/4

N/2 SE/4 and SE/4 SE/4

(c) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland-Pictured Cliffs production and designated as the Harper Hill Fruitland Pictured Cliffs Pool. The discovery well is the Dugan Production Corporation Federal "I" Well No. 4 located in Unit C of Section 1, Township 29 North, Range 14 West, NMPM. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

SECTION 1: All

(d) Extend the Aztec-Pictured Cliffs Pool, San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

SECTION 9: W/2 Partial

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM

SECTION 19: All

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

SECTION 31: NW/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

SECTION 2: S/2

SECTION 11: E/2

SECTION 12: SW/4

SECTION 13: NW/4

(e) Extend the Blanco-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

SECTION 7: SW/4

SECTION 14: NW/4

SECTION 18: W/2

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

SECTION 1: SE/4

SECTION 12: E/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

SECTION 7: NW/4

SECTION 13: W/2

(Case 4499 (e) continued)

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM
SECTION 29: SW/4
SECTION 30: SE/4

(f) Extend the Lone Pine-Dakota "D" Oil Pool in McKinley County,
New Mexico, to include therein:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
SECTION 8: SW/4 SW/4
SECTION 17: NW/4 NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM
SECTION 13: SE/4 NW/4

NMOCC Exhibit No. 1
Case No. 4499

The following is recommended for the northwest nomenclature case for February, 1971:

- (a) Create a new pool in McKinley County, New Mexico, classified as an oil pool for Dakota production, designated as the Hospah-Dakota Oil Pool and described as:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM,

Section 7: NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM,

Section 11: ~~E/2 SW/4~~ & SE/4 NE/4

Section 12: N/2 & N/2 SW/4

Based on:

Discovery Well:

Tenneco Oil Company #10 Hospah

C-12-17N-9W

IP 384 MCFPD

Perforated 2498' to 2750'

Tesoro Petroleum Corporation #16 Santa Fe

C-7-17N-8W

IP 81 BOPD

Tesoro Petroleum Corporation #17 Santa Fe

F-7-17N-8W

IP 1675 MCFPD

Tenneco Oil Company #3 Whigham

H-11-17N-9W

IP 930 MCFPD

Tenneco Oil Company #2 Whigham

P-11-17N-9W

IP 154 BOPD

Tenneco Oil Company #23 Hospah "A"

K-12-17N-9W

IP 2904 MCFPD

- (b) Create a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup-Dakota production, designated as the West Lindrith-Gallup-Dakota Oil Pool and described as:

TOWNSHIP 25 NORTH, RANGE 4 WEST, MNPM

Section 15: W/2 SE/4

Section 21: SE/4

Section 22: W/2 & W/2 E/2

Section 27: W/2 & W/2 E/2

Section 28: E/2, SW/4, & E/2 NW/4

Section 32: N/2 SE/4

Section 33: N/2 & N/2 S/2

Section 34: NW/4, N/2 SW/4, W/2 NE/4, N/2 SE/4 & SE/4 SE/4

Based on the following Continental Oil Company wells:

(All potential tests shown are initial packer test results shown on attached copy of an exhibit in Case No. 4462)

Jicarilla 22 #4

J-15-25N-4W

IP 66 BOPD

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Case No. 4499

Jicarilla 22 #2
J-21-25N-4W
IP 73 BOPD

Jicarilla 22 #3
D-22-25N-4W
IP 70 BOPD

Jicarilla 22 #1
J-22-25N-4W
IP 73 BOPD

Jicarilla 28 #2
D-27-25N-4W
IP 42 BOPD

Jicarilla 28 #7
J-27-25N-4W
IP 120 BOPD

Jicarilla 28 #8
C-28-25N-4W
IP 66 BOPD

Jicarilla 28 #1 -
J-28-25N-4W
IP 26 BOPD

Discovery Well:
Perforations 6525'-6855' & 7396'-7617'
Commingle Gallup & Dakota Sept., 1970

Jicarilla 30 #3
J-32-25N-4W
IP 128 BOPD

Jicarilla 28 #6
D-33-25N-4W
IP 138 BOPD

Jicarilla 28 #5
J-33-25N-4W
IP 148 BOPD

Jicarilla 28 #4
D-34-25N-4W
IP 60 BOPD

Jicarilla 28 #3
P-34-25N-4W
IP 110 BOPD

- (c) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland-Pictured Cliffs production, designated as the Harper Hill-Fruitland-Pictured Cliffs Pool and described as:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM,
Section 1; All

Discovery well:
Dugan Production Corporation #4 Federal 1
C-1-29N-14W
AOF 1069 MCFPD, SICP 367 #/7 days
Perforations: 860'-865' and 1203'-1208'
Downhole Commingle Order R-3752

Jerome P. McHugh #1 Sun
J-1-29N-14W
AOF 1200 MCFPD, SICP 297 #/7 days

- (d) Extend the Aztec-Pictured Cliffs Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM,
Section 9: W/2 (partial)

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM,
Section 19: All

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM,
Section 31: NW/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM,
Section 2: S/2
Section 11: E/2
Section 12: SW/4
Section 13: NW/4

Based on:

Skelly Oil Company #1 Mexico Federal B
N-9-28N-10W
IP 2127 MCFPD

El Paso Natural Gas Company #4 Lackey
H-19-29N-9W
AOF 1882 MCFPD, SICP 710 #/12 days

Pan American Petroleum Corporation #1 Texas National Gas Com
K-19-29N-9W
AOF 2901 MCFPD, SICP 630 #/7 days

El Paso Natural Gas Company #3 Lackey
O-19-29N-9W
AOF 2931 MCFPD, SICP 714 #/12 days

Aztec Oil & Gas Company #1 Thurston
E-31-31N-11W
AOF 684 MCFPD, SICP 578 #

Aztec Oil & Gas Company #3 Patterson
N-2-31N-12W
AOF 574 MCFPD, SICP 869 #

Aztec Oil & Gas Company #1 Patterson C Com
P-2-31N-12W
AOF 1091 MCFPD, SICP 745 #

Aztec Oil & Gas Company #15 Davis
A-11-31N-12W
AOF 1495 MCFPD, SICP 760 #

Aztec Oil & Gas Company #14 Davis
M-12-31N-12W
AOF 1232 MCFPD, SICP 739 #

- (e) Extend the Blanco-Pictured Cliffs Pool boundary in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM,
Section 7: SW/4
Section 14: NW/4
Section 18: W/2

Case No. 4499

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM,
Section 1: SE/4
Section 12: E/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM,
Section 7: NW/4
Section 13: W/2

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM,
Section 29: SW/4
Section 30: SE/4

Based on:

Pan American Petroleum Corporation #1 Shaw Gas Com B
D-14-30N-9W

AOB 1038 MCFPD, SICP 740 #/7 days

El Paso Natural Gas Company #3 Sunray B
P-1-30N-10W

AOB 2737 MCFPD, SICP 887 #/11 days

El Paso Natural Gas Company #7 Grambling C
A-12-30N-10W

AOB 3172 MCFPD, SICP 852 #/11 days

El Paso Natural Gas Company #8 Grambling C
L-12-30N-10W

AOB 835 MCFPD, SICP 722 #/7 days

Aztec Oil & Gas Company #4 Grenier
D-7-31N-11W

AOB 1418 MCFPD, SICP 783 #

Aztec Oil & Gas Company #3 Randleman
D-13-31N-11W

AOB 1958 MCFPD, SICP 872 #

Aztec Oil & Gas Company #2 Randleman
M-13-31N-11W

AOB 2105 MCFPD, SICP 832 #

El Paso Natural Gas Company #2 Horton
M-29-32N-11W

AOB 3299 MCFPD, SICP 973 #/9 days

- (f) Extend the Lone Pine-Dakota "D" Oil Pool boundary in McKinley County, New Mexico, to include therein:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM,
Section 8: SW/4 SW/4
Section 17: NW/4 NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM,
Section 13: SE/4 NW/4

Based on:

Beard Oil Company #1 Joe Toledo
M-8-17N-8W
IP 385 BOPD

Tenneco Oil Company #9 SFP-RR
F-9-17N-9W
IP 51 BOPD

*Jim please check this
o/a*

(a) Create a new pool in McKinley County, New Mexico, classified as an oil pool for Dakota production designated as the Hospah-Dakota Oil Pool and described as:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
SECTION 7: NW/4

TOWNSHIP 17 NORTH, RANGE 9 WEST, NMPM
SECTION 11: E/2 SE/4 and SE/4 NE/4
SECTION 12: N/2 & N/2 SW/4

(b) Create a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup-Dakota production designated as the West Lindrith-Gallup-Dakota Oil Pool in:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
SECTION 15: W/2 SE/4
SECTION 21: SE/4
SECTION 22: W/2 & W/2 E/2
SECTION 27: W/2 & W/2 E/2
SECTION 28: E/2, SW/4, & E/2 NW/4
SECTION 32: N/2 SE/4
SECTION 33: N/2 & N/2 S/2
SECTION 34: NW/4, N/2 SW/4, W/2 NE/4
N/2 SE/4 and SE/4 SE/4

(c) Create a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland-Pictured Cliffs production designated as the Harper Hill Fruitland-Pictured Cliffs Pool and described as follows:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
SECTION 1: All

(d) Extend the Aztec-Pictured Cliffs Pool, San Juan County, New Mexico, and described as follows: *to include Section 1:*

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
SECTION 9: W/2 Partial
SECTION 11: SW/4 E/2
SECTION 12: SW/4
SECTION 13: NW/4

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
SECTION 19: All

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
SECTION 31: NW/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
SECTION 2: S/2
11: E/2
12: SW/4
13: NW/4

(e) Extend the Blanco-Pictured Cliffs Pool in San Juan County,
New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM
✓ SECTION 7: SW/4
✓ SECTION 14: NW/4
✓ SECTION 18: W/2

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM
✓ SECTION 1: SE/4
SECTION 12: E/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM
✓ SECTION 7: NW/4
SECTION 13: W/2

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM
✓ SECTION 29: SW/4
Section 30: SE/4

(f) Extend the Lone Pine-Dakota "D" Oil Pool in McKinley County,
New Mexico, to include therein:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
✓ SECTION 8: SW/4 SW/4
SECTION 17: NW/4 NW/4

✓ TOWNSHIP 17 NORTH, RANGE 9 WEST
SECTION 13: SE/4 NW/4

BEFORE THE OIL CONSERVATION COMMISSION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION OF THE STATE OF
NEW MEXICO FOR THE PURPOSE
OF CONSIDERING:

CASE No. 4499
Order No. R-4108

THE APPLICATION OF THE OIL
CONSERVATION COMMISSION UPON
ITS OWN MOTION FOR AN ORDER

Creating and extending
certain pools in McKinley,
Rio Arriba, and San Juan
Counties, New Mexico.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on February 17, 1971
at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico,
hereinafter referred to as the "Commission."

NOW, on this _____ day of February, 1971, the Commission, a quorum
being present, having considered the testimony presented and the exhibits
received at said hearing, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the
Commission has jurisdiction of this cause and the subject matter thereof.

(2) *That there is need for the creation of a new oil pool in McKinley
County, New Mexico, for the production of oil from the Dakota formation, said
pool to bear the designation of Hospah - Dakota Oil Pool. Said Hospah - Dakota
Oil Pool was discovered by the Tenneco Oil Company Hospah Well No. 10, located
in Unit C of Section 12, Township 17 North, Range 9 West, N14PM. It was
completed in the Dakota formation on May 10, 1967. The top of the perforations
is at 2498 feet.*

(3) That the proposed creation of a new pool in ~~Sutton~~ Township 25 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, for the production of oil from the Gallup-Dakota formation should be dismissed due to an error in advertising.

(4) That there is need for the creation of a new gas pool in San Juan County, New Mexico, for the production of gas from the Fruitland - Pictured Cliffs formation, said pool to bear the designation of Harper Hill Fruitland-Pictured Cliffs Pool. Said Harper Hill Fruitland-Pictured Cliffs Pool was discovered by the Dugan Production Corporation Federal "I" Well No. 4, located in Unit C of Section 1, Township 29 North, Range 14 West, NMPM. It was completed in the Fruitland-Pictured Cliffs formation on November 10, 1969. The top of the perforations is at 860 feet.

(5) That there is need for certain extensions to the Aztec - Pictured Cliffs Pool and the Blanco - Pictured Cliffs Pool both in San Juan County, New Mexico, and to the Lone Pine - Dakota "D" Oil Pool in McKinley County, New Mexico.

It Is Therefore Ordered:

(a)

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

Township 17 North, Range 8 West, NMPM
Section 7: NW $\frac{1}{4}$

Township 17 North, Range 9 West, NMPM
Section 11: E $\frac{1}{2}$ SE $\frac{1}{4}$ and SE $\frac{1}{4}$ NE $\frac{1}{4}$
Section 12: N $\frac{1}{2}$ and N $\frac{1}{2}$ SW $\frac{1}{4}$

(b) That the proposed creation of a new pool in Rio Arriba
County, New Mexico, classified as an oil pool for Gallup-Dakota
production and designated as the West Lindrith Gallup-Dakota
Oil Pool, consisting of the following-described area:

Township 25 North, Range 4 West, NMPM

Section 15: W $\frac{1}{2}$ SE $\frac{1}{4}$

Section 21: SE $\frac{1}{4}$

Section 22: W $\frac{1}{2}$ and W $\frac{1}{2}$ E $\frac{1}{2}$

Section 27: W $\frac{1}{2}$ and W $\frac{1}{2}$ E $\frac{1}{2}$

Section 28: E $\frac{1}{2}$, SW $\frac{1}{4}$, and E $\frac{1}{2}$ NW $\frac{1}{4}$

Section 32: N $\frac{1}{2}$ SE $\frac{1}{4}$

Section 33: N $\frac{1}{2}$ and N $\frac{1}{2}$ S $\frac{1}{2}$

Section 34: NW $\frac{1}{4}$, N $\frac{1}{2}$ SW $\frac{1}{4}$, W $\frac{1}{2}$ NE $\frac{1}{4}$, N $\frac{1}{2}$ SE $\frac{1}{4}$, and SE $\frac{1}{4}$ SE $\frac{1}{4}$

is hereby dismissed.

(c) That a new pool in San Juan
County 4, New Mexico, classified as a gas pool for
Fruitland-Pictured Cliffs production, is hereby created and designated as the
Harper Hill Fruitland-Pictured Cliffs Pool, consisting
of the following-described area:

Township 29 North, Range 14 West, NMPM
Section 1: All

(d) That the horizontal limits of the Aztec-Pictured Cliffs Pool, San Juan County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 28 NORTH, RANGE 10 West NMPM

Section 9: W/2 (partial)

Township 29 North, Range 9 West, NMPM

Section 19: All

Township 31 North, Range 11 West, NMPM

Section 31: NW/4

Township 31 North, Range 12 West, NMPM

Section 2: S/2

Section 11: E/2

Section 12: SW/4

Section 13: NW/4

(e) That the horizontal limits of the Blanco-Pictured Cliffs Pool, San Juan County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 30 NORTH, RANGE 9 West, NMPM

Section 7: SW/4

Section 14: NW/4

Section 18: W/2

Township

~~Section~~ 30 North, Range 10 West, NMPM

Section 1: SE/4

Section 12: E/2

Township

~~Section~~ 31 North, Range 11 West, NMPM

Section 7: NW/4

Section 13: W/2

Township 32 North, Range 11 West, NMPM

Section 29: NW/4

Section 30: SE/4

(f) That the horizontal limits of the Lone Pine-Dakota "D" Oil Pool, McKinley County, New Mexico, are hereby extended to include the following-described area:

TOWNSHIP 17 NORTH, RANGE 8 West NMPM

Section 8: SW/4 SW/4

Section 17: NW/4 NW/4

Township 17 North, Range 9 West, NMPM

Section 13: SE/4 NW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953, 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 Commission. 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 Forms C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Commission within said 60-day period shall subject the well to cancellation of allowable.

~~IT IS FURTHER ORDERED:~~

(2) That the effective date of this order and all creations, extensions, and abolishments included herein shall be March 1, 1971.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION