## 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. 11478 Order No. R-10557

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

### ORDER OF THE DIVISION

## **BY THE DIVISION**:

This cause came on for hearing at 8:15 a.m. on February 22, 1996, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this <u>11th</u> day of March, 1996, 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 Angels Peak-Gallup Associated Pool and the South Bisti-Gallup Oil Pool, both in San Juan County, New Mexico, the Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, and the La Jara-Pictured Cliffs Pool and the Otero-Chacra Pool, both in Rio Arriba and San Juan Counties, New Mexico.

(3) The effective date of this order and all extensions included herein should be March 1, 1996.

Case No. 11478 Order No. R-10557 -2-

## IT IS THEREFORE ORDERED THAT:

(a) The Angels Peak-Gallup Associated Pool in San Juan County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM Sections 20 and 21: All

(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 10 WEST, NMPM Section 7: N/2 Section 8: N/2

TOWNSHIP 23 NORTH, RANGE 11 WEST, NMPM Section 1: W/2 NW/4 and SW/4 Section 12: N/2

(c) The Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM Section 29: All

(d) The La Jara-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM Section 2: NW/4 Section 3: All

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM Section 34: SW/4

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

Case No. 11478 Order No. R-10557 -3-

> TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM Sections 1 and 2: All Section 3: N/2 and SE/4 Section 4: NE/4 Section 10: E/2 Sections 11 through 14: All Section 15: E/2 Section 23: All Section 24: N/2 and SE/4 Section 25: NE/4 Section 26: 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 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 March 1, 1996.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION WILLIAM J. I ĔMAY Director

SEAL