

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. 377
ORDER NO. R-172

THE APPLICATION OF BENSON & MONTIN
FOR AN ORDER ESTABLISHING UNIFORM
SPACING OF WELLS FOR THE PICTURED
CLIFFS FORMATION OF THE GALLEGOS
CANYON UNIT AREA AND CERTAIN LANDS
ADJACENT THERETO, SAN JUAN COUNTY,
NEW MEXICO

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on regularly for hearing at 9 o'clock a. m. June 19, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 24th day of July, 1952, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearings, 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 the following described lands in San Juan County, New Mexico in all probability, embrace a common source of supply of gas in the Pictured Cliffs formation, and include the approximate northwesterly one-half of the West Kutz-Pictured Cliffs Pool as presently defined by Commission Order R-42 in Case No. 244, Commission Order R-156 in Case No. 363, and Commission Order R-156-A in Case No. 363, to-wit:

Township 28 North, Range 11 West, NMPM
All of Partial Section 7,
All of Sections 18 and 19.

Township 28 North, Range 12 West, NMPM
Partial Sections 7 through 12, and
sections 13 through 34 incl.

Township 28 North, Range 13 West, NMPM
Partial Sections 10, 11, and 12,
Sections 13, 14 and 15, Sections 23
through 26, incl., and Sections 35
and 36.

Township 29 North, Range 12 West, NMPM
SW/4 Section 16, Sections 17 through
21, W/2 and SE/4 of Section 22, W/2
and SE/4 of Section 25, and Sections
26 through 36, incl.

Township 29 North, Range 13 West, NMPM
Sections 9 through 16, Sections 21
through 28, and Sections 33 through
36, incl.

3. That apparently one gas well to the Pictured Cliffs Formation of the above lands will efficiently, effectively and economically drain an area of 320

acres, and that testimony indicated that drilling wells in a pattern of greater density is unnecessary, and not to the best interest of conservation and could result in wasteful use of critical materials.

7 4. That in an effort to determine whether such measures will insure orderly development, protect correlative rights and prevent possible waste, the above lands should be developed on a 320-acre spacing pattern for a period of one year from date of this order, and at the end of one year applicant shall present testimony to show why 320-acre spacing should be retained.

5. That to insure the proper and uniform spacing of all wells drilled to the common source of supply under the above lands and to protect the correlative rights of all the parties interested therein, all wells drilled therein should be located in the southwest and northeast quarters of each governmental section conforming with Rule 104 of the Commission's Rules and Regulations, with only such exceptions as are necessary for existing non-conforming wells, future wells on good cause shown, and such off-set wells as may be necessary and that approval for such non-conforming locations may be given by the Secretary of the Commission upon proper application therefor.

6. That the existing Commission Order No. R-46 in Case No. 237, relating to the former West Kutz-Pictured Cliffs Pool, and the former South Kutz-Pictured Cliffs Pool, now consolidated into the West Kutz-Pictured Cliffs Pool, should be remain in full effect and undisturbed hereby.

IT IS THEREFORE ORDERED:

1. That the following described lands in San Juan County, New Mexico, embrace a common source of supply of gas in the Pictured Cliffs formation, and include the approximate northwesterly one-half of the West Kutz-Pictured Cliffs Pool as presently defined by Commission Order R-42 in Case No. 244, Commission Order R-156 in Gas No. 363, and Commission Order R-156-A in Case No. 363, to-wit:

Township 28 North, Range 11 West, NMPM
All of Partial Section 7,
All of Sections 18 and 19.

Township 28 North, Range 12 West, NMPM
Partial Sections 7 through 12, and
Sections 13 through 34, incl.

Township 28 North, Range 13 West, NMPM
Partial Sections 10, 11 and 12,
Sections 13, 14 and 15, Sections
23 through 26, incl., and Sections
35 and 36

Township 29 North, Range 12 West, NMPM
SW/4 Section 16, Sections 17 through
21, W/2 and SE/4 of Section 22, W/2
and SE/4 of Section 25, and Sections
26 through 36, incl.

2. That the above lands be developed on a 320-acre spacing pattern for a period of one year from the date of this order; That at the regular Commission hearing for the month of June, 1953, the operators shall show cause why the above described area should not be developed on a 160-acre pattern.

3. That all wells drilled therein to the Pictured Cliffs formation be located in the southwest and northeast quarters of each governmental section, conforming to Rule 104, of the Commission's Rules and Regulations with only such exceptions as are necessary for existing non-conforming wells future wells on good cause shown, and such off-set wells as may be necessary, and that approval for such non-conforming locations may be given by the Secretary of the Commission upon proper application therefor.

4. That the existing Commission Order No. R-46 in Case No. 237 relating to the former West Kutz-Pictured Cliffs Pool, and the former South Kutz-Pictured Cliffs Pool, now consolidated into the West Kutz-Pictured Cliffs Pool, be and remain in full effect and undisturbed hereby.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

GUY SHEPARD, Member

R. R. SPURRIER, Secretary

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