Conten October 22, 1994

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. 5335 Order No. R-4888

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

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 a.m. on October 2, 1974, at Santa Fe, New Mexico, before Examiner, Daniel S. Nutter.

NOW, on this <u>22nd</u> day of October, 1974, the Commission, a quorum being present, having considered the testimony, the record, and the recommendations of the Examiner, 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 proposed creation of a new pool in Section 29, Township 16 North, Range 6 West, NMPM, McKinley County, New Mexico, for the production of oil from the Gallup formation should be dismissed. Said production was previously designated as the Miguel Creek-Gallup Pool by Order No. R-4875.

(3) That the proposed creation of a new pool in Sections 7, 18, 19, and 20, Township 29 North, Range 10 West, and Sections 4, 5, 9, 10, 11, 12, 13, 14, 23, 24, and 26, Town-ship 29 North, Range 11 West, NMPM, San Juan County, New Mexico, for the production of gas from the Chacra formation should be dismissed due to improper notification.

(4) That there is need for the creation of a new pool in Rio Arriba County, New Mexico, for the production of gas from the Gallup formation, said pool to bear the designation of Campo-Gallup Pool. Said Campo-Gallup Pool was discovered by the Continental Oil Co. Conoco 29-4 Well No. 2 located in Unit H of Section 11, Township 29 North, Range 4 West, NMPM. It was completed in the Gallup formation on November 26, 1973. The top of the perforated interval is at 7380 feet. -2-Case No. 5335 Order No. R-4888

(5) That there is need for the creation of a new pool in Rio Arriba County, New Mexico, for the production of gas from the Pictured Cliffs formation, said pool to bear the designation of Gobernador-Pictured Cliffs Pool. Said Gobernador-Pictured Cliffs Pool was discovered by the Lone Star Industries, Inc. Schalk 52 Well No. 1, located in Unit M of Section 24, Township 29 North, Range 5 West, NMPM. It was completed in the Pictured Cliffs formation on March 11, 1973. The top of the perforated interval is at 3483 feet.

(6) That there is need for the creation of a new pool in Rio Arriba County, New Mexico, for the production of gas from the Gallup formation, said pool to bear the designation of Rosa-Gallup Pool. Said Rosa-Gallup Pool was discovered by the J. Gregory Merrion & R. L. Bayless Gibbons Well No. 1, located in Unit L of Section 20, Township 32 North, Range 5 West, NMPM. It was completed in the Gallup formation on November 1, 1971. The top of the perforated interval is at 6600 feet.

(7) That there is need for certain extensions to the Aztec-Pictured Cliffs Pool, the Harris Mesa-Chacra Pool and the Tocito Dome-Pennsylvanian D Oil Pool, all in San Juan County, New Mexico; the Gonzales-Mesaverde Pool, the Otero-Chacra Pool, and the Tapacito-Pictured Cliffs Pool, all in Rio Arriba County, New Mexico, and the Blanco-Mesaverde Pool, the Blanco-Pictured Cliffs Pool and the Largo-Chacra Pool, all in San Juan and Rio Arriba Counties, New Mexico.

IT IS THEREFORE ORDERED:

(a) That the proposed creation of a new pool in McKinley County, New Mexico, classified as an oil pool for Gallup production and designated as the Arroyo Chico-Gallup Oil Pool, consisting of the following described area:

> TOWNSHIP 16 NORTH, RANGE 6 WEST, NMPM Section 29: SW/4 NE/4

is hereby dismissed.

(b) That the proposed creation of a new pool in San Juan County, New Mexico, classified as a gas pool for Chacra production and designated as the Bloomfield-Chacra Pool, consisting of the following described area:

TOWNSHIP			RANGE	10	WEST,	NMPM
Section	7:	SW/4				
Section	18:	A11				
Section	19:	A11				
Section	20:	NW/4				

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> TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM Section 4: SW/4 Section 5: SE/4 Section 9: N/2 & SE/4 Section 10: S/2 Section 11: S/2 Section 12: W/2 & SE/4 Section 13: All Section 14: E/2 Section 23: E/2 Section 24: All Section 26: E/2

is hereby dismissed.

(c) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Gallup production, is hereby created and designated as the Campo-Gallup Pool, consisting of the following described area:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM Section 11: NE/4

(d) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Pictured Cliffs production, is hereby created and designated as the Gobernador-Pictured Cliffs Pool, consisting of the following described area:

> TOWNSHIP 29 NORTH, RANGE 5 WEST, NMPM Section 24: All

(e) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Gallup production is hereby created and designated as the Rosa-Gallup Pool, consisting of the following described area:

TOWNSHIP 32 NORTH, RANGE 5 WEST, NMPM Section 20: S/2 Section 28: SW/4 Section 29: E/2 Section 33: NW/4

(f) That the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined, and described is hereby extended to include therein:

> TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM Section 15: SW/4

> TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM Section 7: N/2

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(g) That the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described is hereby extended to include therein:

> TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM Section 16: All

(h) That the Blanco-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 28 NORTH, RANGE 7 WEST, NMPM Section 7: All TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM Section 9: SW/4 TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM Section 17: SW/4 TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM Section 25: NE/4 TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM Section 5: SW/4 Section 26: SE/4 TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM Section 2: NW/4 Section 7: E/2 TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM Section 19: E/2 Section 20: All

(i) That the Gonzales-Mesaverde Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM Section 1: NE/4

W/2

SE/4

Section 21:

Section 22:

(j) That the Harris Mesa-Chacra Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM Section 34: NE/4

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(k) That the Largo-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include therein:

TOWNSHIP 27		RANGE	7	WEST,	NMPM
Section 5:	SW/4				
Section 6:	E/2				
Section 7:	E/2				
Section 8:	A11				
Section 9:	W/2 &	SE/4			
Section 16:	A11				
Section 17:	A11				
Section 18:	A11				
Section 19:	N/2				
Section 20:	A11				
Section 21:	A11				
Section 28:	₩/2				
Section 29:	N/2				
Section 30:	A11				
Section 33:	W/2				
TOWNSHIP 27	NORTH,	RANGE	8	WEST,	NMPM
Section 13:	NE/4				
Section 24:	N/2				
Section 25:	E/2				
TOWNSHIP 28	NORTH,	RANGE	7	WEST,	NMPM
Section 31:	SE/4				

(1) That the Otero-Chacra Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM Section 36: NE/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM Section 24: E/2

(m) That the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described is hereby extended to include therein:

TOWNSHIP			RANGE	4	WEST,	NMPM
Section	3:	N/2				
Section	4:	N/2				
TOWNSHIP	27	NORTH,	RANGE	4	WEST.	ΝΜΡΜ
Section 1		$\frac{1}{NW/4}$				
Section 2		SE/4				
Section 2	26:	NW/4				
Section 2	27:	A11				
Section 2	28:	A11				
Section 3	33:	E/2				
Section 3	84:	A11				

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TOWNSHIP			RANGE	5	WEST,	NMPM
Section						
Section						
Section	27:	SE/4				
Section	34:	NE/4				
Section	35:	NW/4				

(n) That the Tocito Dome-Pennsylvanian D Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described is hereby extended to include therein:

> TOWNSHIP 26 NORTH, RANGE 18 WEST, NMPM Section 7: SW/4 Section 15: S/2 & NE/4 Section 20: NW/4 Section 22: N/2 Section 26: NE/4 Section 27: SE/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 60day period shall subject the well to cancellation of allowable.

(2) That the effective date of this order and all creations and extensions included herein shall be November 1, 1974.

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

> STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

I. R. TRUJILLO, Chairman

ALEX J. ARMIJO, Membe Member A. L. PORTER, Jr., Member/& Secretary

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