Entered November 2, 1978 SOR

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 6311 Order No. R-5843

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

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on August 30, 1978, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this <u>2nd</u> day of November, 1978, the Division Director being present and 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 Division has jurisdiction of this cause and the subject matter thereof.

(2) 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 Nacimiento formation, said pool to bear the designation of Arch-Nacimiento Pool. Said Arch-Nacimiento Pool was discovered by the El Paso Natural Gas Company San Juan 32-9 Unit Well No. 84, located in Unit N of Section 14, Township 31 North, Range 10 West, NMPM. It was completed in the Nacimiento formation on June 5, 1975. The top of the perforations is at 978 feet.

(3) That there is need for the extension of the horizontal limits of the Blanco Mesaverde Pool in Rio Arriba and San Juan Counties; the South Blanco-Pictured Cliffs Pool in Rio Arriba, Sandoval and San Juan Counties; the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties; the Choza Mesa-Pictured Cliffs Pool, the West Lindrith Gallup-Dakota Oil Pool, -2-Case No. 6311 Order No. R-5843

the Otero-Chacra Pool, and the Tapacito-Pictured Cliffs Pool, all in Rio Arriba County; the Rusty-Chacra Pool in Sandoval County; and the Blanco-Pictured Cliffs Pool, the Cha Cha-Gallup Oil Pool, the Dufers Point Gallup-Dakota Oil Pool, the South Gallegos-Fruitland Pool, the Mount Nebo-Fruitland Pool, the Tocito Dome-Pennsylvanian D Oil Pool, and the WAW Fruitland-Pictured Cliffs Pool, all in San Juan County.

IT IS THEREFORE ORDERED:

(a) That a new pool in San Juan County, New Mexico, classified as a gas pool for Nacimiento production, is hereby created and designated as the Arch-Nacimiento Pool, comprising the following described area:

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM Section 14: SW/4

(b) 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 29 NORTH, RANGE 4 WEST, NMPM Section 5: SE/4

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

> TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM Section 35: SE/4 Section 36: S/2 TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM Section 32: NE/4 and S/2 TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM Section 30: N/2 TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM Section 24: E/2 Section 25: S/2 Section 26: SE/4 Section 36: N/2

-3-Case No. 6311 Order No. R-5843

(d) That the South Blanco-Pictured Cliffs 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 3 WEST, NMPM Section 3: SW/4 Section 4: S/2 Section 10: N/2 Section 11: NW/4 TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM Section 2: SE/4 Section 11: NE/4

(e) That the Cha Cha-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

```
TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM Section 25: W/2 NW/4
```

(f) That the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM Section 2: W/2 TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM Section 4: NE/4 W/2 Section 27: Section 28: Section 34: Section 35: E/2 NW/4 and SE/4 SW/4 TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM Section 29: SW/4 S/2 (partial) NW/4 (partial) Section 30: Section 31: Section 32: E/2 Section 33: W/2 and SE/4

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

TOWNSHIE					WEST,	NMPM
Section	15:	N/2 a	nd SW/4	1		
Section	22:	W/2				

-4-Case No. 6311 Order No. R-5843

(h) That the Dufers Point Gallup-Dakota Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 NORTH, RANGE 9 WEST, NMPM Section 12: E/2

(i) That the South Gallegos-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM Section 14: NE/4

(j) That the West Lindrith Gallup-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 4 WEST, NMPM Section 1: N/2 TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM Section 30: SE/4 Section 32: SW/4

(k) That the Mount Nebo-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM Section 28: S/2 Section 33: NW/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 18: N/2

(m) That the Rusty-Chacra Pool in Sandoval County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM Section 24: SE/4 Section 27: NE/4 -5-Case No. 6311 Order No. R-5843

(n) 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 25 NORTH, RANGE 3 WEST, NMPM Section 2: NW/4

(0) 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 14: SW/4 Section 23: W/2

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

> TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM Section 2: NE/4 Section 4: All Section 5: SE/4 TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM Section 27: SW/4

IT IS FURTHER ORDERED:

(1) That, pursuant to Section 65-3-14.5, NMSA 1953 Comp., 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 approved by the Division within said 60-day 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 December 1, 1978.

-6-Case No. 6311 Order No. R-5843

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION h 1 Eng JOE D. ť1 RAMEY Director

SEAL

fd/