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. 908 Order No. R-672

THE APPLICATION OF THE OIL CONSERVATION COMMISSION UPON ITS OWN MOTION AT THE REQUEST OF SKELLY OIL COMPANY FOR AN ORDER AMENDING, CLARIFYING AND REVISING PRESENTLY ESTABLISHED HORIZONTAL LIMITS OF THE BALLARD-PICTURED CLIFFS, FULCHER KUTZ-PICTURED CLIFFS, AZTEC-PICTURED CLIFFS, SOUTH BLANCO-PICTURED CLIFFS, ALL GAS POOLS IN SAN JUAN AND RIO ARRIBA COUNTIES, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on May 18, 1955, at Santa Fe, New Mexico, before the Oil Conservation Commission, hereinafter referred to as the "Commission".

NOW, on this $1/2^{\frac{1}{2}}$ day of August, 1955, the Commission, a quorum being present having considered the records and testimony adduced and being fully advised in the premises,

FINDS:

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That proration within the Huerfanito Unit is complicated by the fact that the north end of said unit is prorated and included within the South Blanco-Pictured Cliffs Gas Pool while those wells located in the southern and central portions of the Huerfanito Unit are located within the horizontal limits of the Ballard-Pictured Cliffs Gas Pool; the same being a non-prorated and non-allocated pool, and

(3) That the problem of gas proration within the Ballard-Pictured Cliffs Gas Pool should be taken up by the Commission at the earliest instance.

Entered August 24. 1955 upm

-2-Order No. R-672

. . .

(4) That insufficient and inconclusive evidence was presented to support a connection between the Ballard-Pictured Cliffs Gas Pool and the South Blanco-Pictured Cliffs Gas Pool, and

(5) That it would be premature for the Commission to combine areas of production whose limits as presently defined are separate and individual.

(6) That certain extensions to the horizontal limits of the Ballard Pictured Cliffs Gas Pool are necessary to include wells completed in this common source of supply.

(7) That extensions to the South Blanco-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs and the Aztec-Pictured Cliffs are inadvisable.

IT IS THEREFORE ORDERED:

(1) That the delineation of the Ballard-Pictured Cliffs Gas Pool be, and the same is hereby amended. The following described property will hereinafter constitute said Ballard-Pictured Cliffs Gas Pool.

Ballard-Pictured Cliffs

TOWNSHIP 25 NORTH, RANGE 8 WEST, NMPM

 Sec. 2:
 All

 Sec. 3:
 All

 Sec. 4:
 N/2

 Sec. 5:
 N/2

 Sec. 11:
 All

 Sec. 12:
 All

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM

17:	SW/4
18:	A11
19:	A 11
20:	W/2
27:	A 11
28:	A 11
29:	A11
30:	A 11
31:	A 11
32:	A 11
3 3:	A 11
34:	A 11
	19: 20: 27: 28: 29: 30: 31: 32: 33:

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM

Sec.	3:	_ <u>\$/2</u>
Sec.	9:	A 11
Sec.	10:	A 11
Sec.	11:	A 11
Sec.	12:	A 11
Sec.	13:	A 11
Sec.	14:	A 11

-3-Order No. R-672

TOWNSHIP 26 NORTH, RANGE 9 WEST, NMPM (continued)

 Sec. 15:
 All

 Sec. 16:
 E/2

 Sec. 21:
 NE/4

 Sec. 22:
 N/2

 Sec. 23:
 All

 Sec. 24:
 All

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

STATE OF NEW MEXICO OIL CONSERVATION COMMISSION

ohn 7 Summe

JOHN F. SIMMS, Chairman

E. S. WALKER, Member-

W B. MACEY, Member and Secretary

SEAL

/ir