

Entered May 3, 1956
(92)

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. 977
Order No. R-794

THE APPLICATION OF SOUTHERN UNION
GAS COMPANY FOR AN ORDER CREATING
THE TAPACITO-PICTURED CLIFFS GAS
POOL IN RIO ARriba COUNTY, NEW
MEXICO AND FOR THE TEMPORARY
ESTABLISHMENT OF 320 ACRE DRILLING
UNITS WITHIN SAID POOL.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 16, 1955 at Santa Fe, New Mexico, before the Oil Conservation Commission hereinafter referred to as the "Commission".

NOW, on this 18th day of April 1956, the Commission, a quorum being present, having considered the testimony presented and the exhibits received at said hearing, and being fully advised in the premises,

FINDS:

(1) That the subject acreage of paragraph (e) of application for creation of new pool in Rio Arriba County as set forth in Case 964, was consolidated with Case 977 by paragraph (2) of Order No. R-709. Subject acreage is described as follows:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
NE/4 Section 9
W/2 Section 10
SW/4 Section 13
S/2 Section 14
All Section 15
SE/4 Section 16
NE/4 Section 22
W/2 & NE/4 Section 23

(2) That there is sufficient evidence to justify creation of a new gas pool, said pool to be designated as the Tapacito-Pictured Cliffs Gas Pool.

(3) That the delineation of said Tapacito-Pictured Cliffs Gas Pool should conform to the area presently outlined by development.

(4) That there is sufficient evidence to justify establishment of 320 acre drilling units within said gas pool.

IT IS THEREFORE ORDERED:

(1) That the Tapacito-Pictured Cliffs Gas Pool be and the same is hereby created. Said pool to consist of the following described acreage in Rio Arriba County, New Mexico:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM
N/2 Section 4
N/2 Section 5

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
S/2 Section 7
All Section 18
All Section 19
All Section 29
All Section 30
All Section 32

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
E/2 Section 9
S/2 Section 10
All Section 13
All Section 14
All Section 15
E/2 Section 16
E/2 Section 22
All Section 23
All Section 24

(2) That applicant's request for an order granting temporary establishment of 320 acre drilling units in the Tapacito-Pictured Cliffs Gas Pool, be and the same is hereby approved.

(3) Any well drilled a distance of two miles or more from the outer boundary of the Tapacito-Pictured Cliffs Gas Pool shall be classified as a wildcat. Any well drilled less than two miles from the outer boundary of said pool shall be spaced, drilled and operated in accordance with the temporary rules of the Tapacito-Pictured Cliffs Gas Pool.

(4) That all wells shall be drilled in the NE/4 or the SW/4 of the governmental sections of all units in said Tapacito-Pictured Cliffs Gas Pool.

(5) That all wells shall be located at least 990 feet from the outer boundary of the quarter section in which the well is drilled, provided however, that a tolerance of plus or minus 200 feet will be permissible. Provided further that the wells shall not be drilled closer than 130 feet to any quarter quarter section, or subdivision, inner boundary.

(6) That the following wells having been drilled prior to the effective date of this order shall be exceptions to the spacing rules provided in Paragraph 4 above:

1. Southern Union Gas Company, Jicarilla
Well No. 1-E, located in the NW/4 SE/4
Section 16, Township 26 North, Range
4 West.

2. Southern Union Gas Company's Jicarilla No. 1-D located in NW/4 NW/4 Section 32, Township 26 North, Range 3 West.
3. Gunsite Butte Uranium Corporation's Florence Well No. 1 located in NE/4 NW/4 Section 4, Township 25 North, Range 3 West.

(7) That the applicant, Southern Union Gas Company, shall perform an interference test involving four wells. Said test shall be for a period of one year or until definite proof of communication among the wells has been established in a lesser period. The applicant's Jicarilla Well No. 2-E located in the NE/4 SW/4 Section 15, Township 26 North, Range 4 West shall be shut-in for the duration of the test. Shut-in pressure tests on this well shall be taken each month beginning April 1, 1956. The valves on said well shall be sealed in the interim between pressure tests. All tests shall be witnessed by a Commission representative or other personnel authorized by the Commission. The other three wells involved in this interference test were producing as of April 1, 1956 and shall continue to be produced unrestrictedly into the pipeline for the duration of the test. Said wells are the applicant's, Jicarilla Well 3-E located in the NW/4 NE/4 Section 15, Township 26 North, Range 4 West, Jicarilla Well No. 1-E located in NW/4 SW/4 Section 16, Township 26 North, Range 4 West, and the Jicarilla Well No. 4-E located in the NE/4 NE/4 Section 22, Township 26 North, Range 4 West.

(8) That the Commission, at its discretion may order additional interference tests on any of applicants wells.

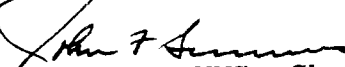
(9) That the completion data and the results of a one point back pressure test, as prescribed in the Commission's Memorandum NO. 1-56, on all wells completed within the area effected by this order will be reported to the Commission before any of the wells are put on production. All wells completed between April 1, 1956 and rehearing date of this temporary order shall be so reported.

(10) That a rehearing will be held on the date of the regular January 1957 monthly hearing of the Commission, at which time applicant will make an appearance to show cause why rules herein adopted should be continued.

(11) The effective date of this order shall be April 1, 1956 and unless otherwise adduced shall remain in full force and effect until April 1, 1957.

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

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION


JOHN F. SIMMS, Chairman


E. S. WALKER, Member


A. L. PORTER, Jr., Member & Secretary

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