## STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION

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

> CASE NO. 10611 Order No. R-9801

THE APPLICATION OF THE OIL CONSERVATION DIVISION UPON ITS OWN MOTION FOR AN ORDER ABOLISHING, CONTRACTING, 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 8:15 a.m. on December 3, 1992, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this <u>16th</u> day of December, 1992, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) There is need for the abolishment of the Lindrith-Dakota Oil Pool in Rio Arriba County, New Mexico, in order to include all of its productive acreage in the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico.

(3) There is need for the abolishment of the Lindrith-Gallup Pool in Rio Arriba County, New Mexico, in order to include all of its productive acreage in the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico.

(4) There is need for the abolishment of the Media-Gallup Oil Pool in Sandoval County, New Mexico, because its acreage is included in the Rock Mesa-Mancos Oil Pool created by Division Order No. R-9701.

(5) There is need for the contraction of the Basin-

Case No. 10611 Order No. R-9801 -2-

Dakota Pool in Rio Arriba and San Juan Counties, New Mexico, in order to correct pool nomenclature by including the deleted acreage in the Snake Eyes-Dakota "D" Pool in San Juan County, New Mexico.

(6) There is need for the contraction of the Gavilan Greenhorn-Graneros-Dakota Oil Pool in Rio Arriba County, New Mexico, in order to correct pool nomenclature by including the deleted acreage in the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico.

(7) There is need for the contraction of the Gavilan-Mancos Oil Pool in Rio Arriba County, New Mexico, in order to correct pool nomenclature by including the deleted acreage in the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico.

(8) There is need for certain extensions to the Angels Peak-Gallup Associated Pool, the Bisti-Lower Gallup Oil Pool, the South Bisti-Gallup Oil Pool, the West Kutz-Pictured Cliffs Pool, the Snake Eyes-Dakota "D" Pool, and the Verde-Gallup Oil Pool, all in San Juan County, New Mexico, and the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, and the Counselors Gallup-Dakota Oil Pool and the West Lindrith Gallup-Dakota Oil Pool, both in Rio Arriba and Sandoval Counties, New Mexico, and the South San Luis-Mesaverde Oil Pool in Sandoval County, New Mexico, and the Lybrook-Gallup Oil Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) The Lindrith-Dakota Oil Pool in Rio Arriba County, New Mexico, consisting of the following described area:

> TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM Sections 20 and 21: All Sections 28 and 29: All

is hereby abolished.

(b) The Lindrith-Gallup Gas Pool in Rio Arriba County, New Mexico, consisting of the following described area:

> TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM Sections 20 and 21: All Sections 28 and 29: All

Case No. 10611 Order No. R-9801 -3-

is hereby <u>abolished</u>.

(c) The Gavilan Greenhorn-Graneros-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

### TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM Section 5: All

(d) The Gavilan-Mancos Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the deletion of the following described area:

TOWNSHIP 24	NORTH,	RANGE	2	WEST,	NMPM
Section 5:	W/2				
Section 6:	E/2				
Section 8:	E/2				

(e) The West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM Section 5: W/2 Section 6: E/2 Sections 7 and 8: All Sections 16 through 21: All TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM Section 1: S/2 Sections 2 and 3: All Section 10: N/2 Sections 11 through 14: All Section 15: E/2 Section 22: E/2 Sections 23 and 24: All

(f) The Media-Gallup Oil Pool in Sandoval County, New Mexico, consisting of the following described area:

> TOWNSHIP 19 NORTH, RANGE 3 WEST, NMPM Section 22: S/2 NE/4 and NE/4 SE/4 Section 23: NW/4 SW/4

is hereby abolished.

(g) The Basin-Dakota Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined, and described, is hereby contracted by the Case No. 10611 Order No. R-9801 -4-

deletion of the following described area:

TOWNSHIP 21 NORTH, RANGE 8 WEST, NMPM Section 8: SW/4

(h) The Snake Eyes-Dakota "D" Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 21 NORTH, RANGE 8 WEST, NMPM Section 8: SW/4

(i) The Angels Peak-Gallup Associated Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM Section 5: S/2 Sections 6 through 8: All

> TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM Section 30: W/2 Section 31: W/2

(j) The Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM Section 32: N/2 S/2

(k) The South Bisti-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 23 NORTH, RANGE 10 WEST, NMPM Section 9: SE/4

> TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM Section 26: S/2 SW/4 Section 27: S/2 SE/4 Section 35: NW/4

(1) 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: Case No. 10611 Order No. R-9801 -5-

> TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM Section 26: W/2 Sections 27 and 28: All Sections 33 through 36: All

(m) The Counselors Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM Section 32: S/2 Section 33: SW/4

(n) The West Kutz-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 12 WEST, NMPM Section 25: SW/4 Section 36: NW/4

(o) The South San Luis-Mesaverde Oil Pool in Sandoval County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 18 NORTH, RANGE 3 WEST, NMPM Section 33: NE/4 NW/4

(p) The Lybrook-Gallup Oil 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 7 WEST, NMPM Section 22: NW/4 SE/4 and S/2 SE/4 Section 23: S/2 Section 26: N/2 Section 27: NE/4

(q) The Verde-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

> TOWNSHIP 31 NORTH, RANGE 14 WEST, NMPM Section 28: NE/4 SW/4 and S/2 SW/4

IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which,

Case No. 10611 Order No. R-9801 -6-

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 nonstandard 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 to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all abolishments, contractions, and extensions included herein shall be January 1, 1993.

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

STATE OF NEW MEXICO OIL CONSERVATION DIVISION 09 WILLIAM J. LEMAY Director

SEAL

fd/