



# NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

**GARY E. JOHNSON**  
Governor  
**Betty Rivera**  
Cabinet Secretary

November 19, 2002

**Lori Wrotenbery**  
Director  
Oil Conservation Division

**Amoco Production Company**  
c/o **BP America Production Company**  
P. O. Box 3092  
Houston, Texas 77253-3092

Attention: **Mary Corley**

**Re: Application for Wellhead Category Determination**  
**NGPA Section 107 - Tight Formation**  
**Gallegos Canyon Unit Well No. 323 (API No. 30-045-24615), located**  
**1030 feet from the South line and 860 feet from the West line (Unit M) of**  
**Section 32, Township 29 North, Range 12 West, NMPM, West Kutz-**  
**Pictured Cliffs Pool (79680), San Juan County, New Mexico.**

Dear Ms. Corley:

I have reviewed your application submitted to the New Mexico Oil Conservation Division ("Division") in Santa Fe on September 19, 2001, which also included the mandatory \$25.00 filing-fee.

Your application indicates that the subject Pictured Cliffs well is within the Designated Tight Formation Area New Mexico-55 ("NM-55") that was finalized by the Federal Energy Regulatory Commission on October 28, 1993. NM-55 covers an area of 1902 acres, more or less, comprising all of Sections 15, 16, and 23 of Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico (see attached documentation). The Gallegos Canyon Unit Well No. 323 is located in Section 32, Township 29 North, Range 12 West, NMPM, San Juan County, New Mexico; I therefore cannot approve this application at this time.

If applicable, please submit an amended Affidavit that references the appropriate Tight Formation Area, or confirm withdrawal of this application. Please submit your reply by Tuesday, December 10, 2002.

Sincerely,

Michael E. Stogner  
Chief Hearing Officer/Engineer

MES/ms

cc: ~~Kathy Valdes~~ - NMOCD, Santa Fe

OIL CONSERVATION DIVISION  
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FEDERAL ENERGY REGULATORY COMMISSION

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WASHINGTON, D. C. 20426

In reply refer to:  
PR25.2/MFP

December 7, 1993

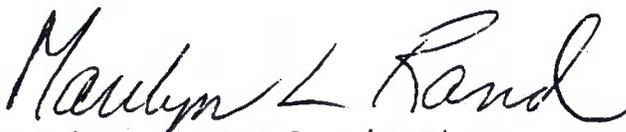
Allen F. Buckingham  
Natural Gas Regulatory Specialist  
Division of Mineral Resources  
Bureau of Land Management  
Albuquerque District Office (NGPA)  
435 Montano Road, NE  
Albuquerque, NM 87107

Re: Tight Formation Determination  
New Mexico-55  
Pictured Cliffs Formation  
San Juan County, New Mexico  
FERC No. JD93-14460T  
BLM Docket No. NM-1817-92

Dear Mr. Buckingham:

The 45-day period for Commission review of this notice of determination expired October 28, 1993, and the determination is final. Accordingly, the Pictured Cliffs Formation underlying Sections 15, 16 and 23 in T29N, R12W, in San Juan County, New Mexico has been approved for tight formation designation.

Sincerely,



Marilyn L. Rand, Director  
Division of Producer Regulation

cc: William J. LeMay, Director  
Oil Conservation Division  
New Mexico Department of Energy, Minerals,  
and Natural Resources  
P. O. Box 2088  
Santa Fe, New Mexico 87504

Texaco Exploration and Production, Inc.  
3300 North Butler  
Farmington, NM 87401

Commission within 60 days from the issuance date of this notice. (November 1, 1993 for Project No. 1922-008.) All reply comments must be filed with the Commission within 105 days from the date of this notice. (December 16, 1993 for Project No. 1922-008.)

Anyone may obtain an extension of time for these deadlines from the Commission only upon a showing of good cause or extraordinary circumstances in accordance with 18 CFR 385.2008.

All filings must (1) bear in all capital letters the title "COMMENTS", "REPLY COMMENTS", "RECOMMENDATIONS," "TERMS AND CONDITIONS," or "PRESCRIPTIONS;" (2) set forth in the heading the name of the applicant and the project number of the application to which the filing responds; (3) furnish the name, address, and telephone number of the person submitting the filing; and (4) otherwise comply with the requirements of 18 CFR 385.2001 through 385.2005. All comments, recommendations, terms and conditions or prescriptions must set forth their evidentiary basis and otherwise comply with the requirements of 18 CFR 4.34(b). Any of these documents must be filed by providing the original and the number of copies required by the Commission's regulations to: The Secretary, Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. An additional copy must be sent to Director, Division of Project Review, Office of Hydropower Licensing, Federal Energy Regulatory Commission, room 1027, at the above address. Each filing must be accompanied by proof of service on all persons listed on the service list prepared by the Commission in this proceeding, in accordance with 18 CFR 4.34(b), and 385.2010.

Dated: September 14, 1993, Washington, DC.

Lois D. Cashell;

Secretary.

[FR Doc. 93-22839 Filed 9-17-93; 8:45 am]

BILLING CODE 6717-01-M

[Docket No. JD93-14460T New Mexico-55]

**United States Department of the Interior, Bureau of Land Management; NGPA Notice of Determination by Jurisdictional Agency Designating Tight Formation**

September 14, 1993.

Take notice that on September 13, 1993, the United States Department of the Interior's Bureau of Land Management (BLM) submitted the

above-referenced notice of determination pursuant to § 271.703(c)(3) of the Commission's regulations, that the Pictured Cliffs Formation underlying certain lands in the Loe Area Fulcher-Kutz Pictured Cliffs Pools located in San Juan County, New Mexico, qualifies as a tight formulation under section 107(b) of the Natural Gas Policy Act of 1978. The area of application covers approximately 1,902 acres, more or less, consisting of 12.6% Fee, 33.6% State, and 53.8% Federal Lands. The recommended area is described as follows:

*Township 29 North, Range 12 West*

Sections 15-16: All

Section 23: All

The notice of determination also contains BLM's and the State of New Mexico's findings that the referenced portion of the Pictured Cliffs Formation meets the requirements of the Commission's regulations set forth in 18 CFR part 271.

The application for determination is available for inspection, except for material which is confidential under 18 CFR 275.206, at the Federal Energy Regulatory Commission, 825 North Capitol Street, NE., Washington, DC 20426. Persons objecting to the determination may file a protest, in accordance with 18 CFR 275.203 and 275.204, within 20 days after the date this notice is issued by the Commission.

Lois D. Cashell,

Secretary.

[FR Doc. 93-22832 Filed 9-17-93; 8:45 am]

BILLING CODE 6717-01-M

[Docket Nos. CP93-622-000, et al.]

**Tennessee Gas Pipeline Co., et al.; Natural Gas Certificate Filings**

September 13, 1993.

Take notice that the following filings have been made with the Commission:

**1. Tennessee Gas Pipeline Co.**

[Docket No. CP93-622-000]

Take notice that on August 6, 1993, Tennessee Gas Pipeline Company (Tennessee), P.O. Box 2511, Houston, Texas 77252, filed in Docket No. CP93-622-000, an application pursuant to Section 7(b) of the Natural Gas Act for permission and approval to abandon a firm transportation service to Columbia Gas Transmission Corporation (Columbia) under Tennessee's Rate Schedule T-20, all as more fully set forth in the application on file with the Commission and open to public inspection.

No facilities are proposed to be abandoned herein.

*Comment date:* October 4, 1993, in accordance with Standard Paragraph F at the end of this notice.

**2. U-T Offshore System**

[Docket No. CP93-693-000]

Take notice that on August 30, 1993, U-T Offshore System, (U-TOS) P.O. Box 1396, Houston, Texas 77251, filed in Docket No. CP93-693-000 an application pursuant to Section 7(b) of the Natural Gas Act (NGA), as amended, and the Rules and Regulations of the Federal Energy Regulatory Commission (Commission), for authorization to abandon transportation service currently being rendered for CNG Transmission Corporation (CNG), all as more fully set forth in the application which is on file with the Commission and open to public inspection.

U-TOS proposes to terminate 36,417 Mcf per day in currently effective firm transportation service it renders for CNG according to U-TOS' Rate Schedule T-5. U-TOS also proposes to terminate 70,000 Mcf per day in associated Interruptible Overrun Transportation Service volumes rendered according to its Rate Schedule I. Service for CNG was certificated in Docket No. CP76-118 by order issued June 12, 1978, 3 FERC ¶ 61,232 (1978). U-TOS states that according to timely notice given to it by CNG's letter dated July 26, 1993, it proposes to terminate these services effective August 9, 1994—the end of the primary term of an agreement between U-TOS and CNG dated May 1, 1978, and designated as U-TOS' Rate Schedule T-5.

U-TOS states that it proposes no abandonment of facilities. U-TOS states that it anticipates no adverse impact on its supply of natural gas or transportation services as a result of the requested abandonment.

*Comment date:* October 4, 1993, in accordance with Standard Paragraph F at the end of this notice.

**3. U-T Offshore System**

[Docket No. CP93-694-000]

Take notice that on August 30, 1993, U-T Offshore System (U-TOS), P.O. Box 1396, Houston, Texas 77251, filed in Docket No. CP93-694-000 an application pursuant to Section 7(b) of the Natural Gas Act (NGA), as amended, and the Rules and Regulations of the Federal Energy Regulation Commission (Commission), for authorization to abandon transportation service currently being rendered for United Gas Pipe Line Company (United), all as more fully set forth in the application



# United States Department of the Interior



## BUREAU OF LAND MANAGEMENT

New Mexico State Office

1474 Rodeo Rd.

P.O. Box 27115

Santa Fe, New Mexico 87502-0115

IN REPLY REFER TO:  
3160 (921)

NGPA Location: 435 Montano Road NE, Albuquerque, NM 87107-4935

CERTIFIED MAIL NO. P 071 878 832  
RETURN RECEIPT REQUESTED

September 10, 1993

Marilyn L. Rand, Director  
Division of Producer Regulation  
Federal Energy Regulatory Commission  
825 North Capitol Street NE  
Washington, DC 20426

Dear Ms. Rand:

This jurisdictional agency hereby designates the Pictured Cliffs formation underlying the following described lands in the Loe Area Fulcher-Kutz Pictured Cliffs Pool located in San Juan County, New Mexico, as a tight formation, assigned BLM Docket No. NM-1817-92, under Section 107 of the NGPA:

Township 29 North, Range 12 West, NMPM

Sections 15, 16, and 23: All

The total area encompasses 1,902 acres, more or less, consisting of 12.6% Fee, 33.6% State, and 53.8% Federal Lands.

A copy of this designation is being furnished to the New Mexico Oil Conservation Division.

The applicant is Texaco Exploration and Production Inc., 3300 North Butler, Farmington, New Mexico 87401. The application was prepared by Rose Exploration Inc., 518 17th Street, Suite 740, Denver, Colorado 80202.

Existing Federal and State of New Mexico Regulations administered by the U.S. Bureau of Land Management and the New Mexico Oil Conservation Division relating to drilling, casing, and cementing of wells are in effect to help assure that development of the Pictured Cliffs formation will not adversely affect or impair any fresh water aquifers.

The estimated average in-situ gas permeability, throughout the pay section, is expected to be 0.1 millidarcy or less.

The stabilized production rate, against atmospheric pressure, of wells completed for production in the Pictured Cliffs formation, without stimulation, is not expected to exceed the maximum production rate contained in the FERC tight formation guidelines.

No well drilled into the designated tight formation is expected to produce, without stimulation, more than five barrels of crude oil per day.

The formation or any portion thereof has not been authorized to be developed by infill drilling.

The applicant does not seek to qualify gas produced from the tight formation for the incentive price.

Evidence was presented by the applicant to the BLM and the New Mexico Oil Conservation Division. The exhibits and other documentation discussed are enclosed. The BLM Tight Formation Review Report (Engineering and Geological) consisting of 3 pages and 34 pages of exhibits is enclosed.

Included with this designation is a letter dated September 7, 1993, from the Chief Hearing Officer/Engineer, New Mexico Oil Conservation Division signifying their concurrence with this designation.

It is requested that this jurisdictional agency be advised in writing when the 45 day review period will end and the appropriate FERC State No. (NM-\_\_) assigned to this tight formation be included.

Persons objecting to this determination may file a protest directly with the Federal Energy Regulatory Commission, in accordance with 18 CFR Part 275.203 and 275.204, within 20 days after the notice is published in the Federal Register by the FERC.

If you have any questions please contact Allen F. Buckingham (505) 761-8765 or FAX (505) 761-8911.

Sincerely yours,

  
for Deputy State Director  
Lands and Minerals

Enclosures

cc:

Texaco E&P Inc., Farmington (Ted A. Tipton) (w/BLM Report)

Texaco E&P Inc., Houston (Julie Gibbs)

Rose Exploration Inc. (Mike Wynne) (w/BLM Report)

New Mexico Oil Conservation Div. (Michael Stogner) (w/BLM Report)

WO-610 (Donnie Shaw)

NM-921 (Steve Salzman)

NM-011 (Tom Hewitt/NGPA Liaison)

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

OIL CONSERVATION DIVISION



September 7, 1993

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

Allen F. Buckingham  
U.S. Bureau of Land Management  
Albuquerque District Office  
435 Montano, N.E.  
Albuquerque, New Mexico 87107

Dear Mr. Buckingham:

Enclosed are two signed original letters of concurrence for Texaco Exploration and Production Inc.'s Pictured Cliffs tight formation area designated the "Loe (Pictured Cliffs) Area" underlying the following described lands in San Juan County, New Mexico:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Sections 15 and 16: All  
Section 23: All

Please submit one copy to Ms. Marilyn L. Rand along with your determination to the FERC.

Should you have any questions or require additional information, please contact me at (505) 827-5811.

Sincerely,

MICHAEL E. STOGNER  
Chief Hearing Officer/Engineer

MES/ms



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

September 7, 1993

POST OFFICE BOX 2088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

Marilyn L. Rand, Director  
Division of Producer Regulation  
Federal Energy Regulatory Commission  
825 N. Capitol Street, N.E.  
Washington, DC 20426

---

Allen F. Buckingham  
U.S. Bureau of Land Management  
Albuquerque District Office  
435 Montano, N.E.  
Albuquerque, New Mexico 87107

Dear Ms. Rand and Mr. Buckingham:

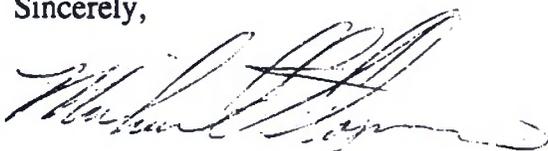
This letter is to be included with the submission of the U.S. Bureau of Land Management (USBLM) designation, assigned Docket No. NM-1817-92, to the Federal Energy Regulatory Commission (FERC). Said designation is for a "tight formation" in the State of New Mexico. The formation referred to is the Pictured Cliffs formation in portions of the designated and Undesignated West Kutz-Pictured Cliffs Pool and the designated and Undesignated Fulcher Kutz-Pictured Cliffs Pool herein designated the "Loe (Pictured Cliffs) Area" comprising 1,902 acres, more or less, (53.8% federal, 33.6% state, and 12.6% fee) all in San Juan County, New Mexico.

The New Mexico Oil Conservation Division as the jurisdictional agency over such matters on State and Fee lands in New Mexico has received and reviewed the copies of the application and supporting geological and technical data submitted by the applicant in this matter, Texaco Exploration and Production, Inc. Further, this jurisdictional agency concurs with the USBLMs findings and hereby supports the designation of said area as a recognized "tight formation" under Section 107 of the Natural Gas Policy Act of 1978.

Marilyn L. Rand, Director  
Allen F. Buckingham  
September 7, 1993  
Page 2

Should you have any questions or require additional information from the Division, please contact me at (505) 827-5811.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner", written in a cursive style.

**MICHAEL E. STOGNER**  
Chief Hearing Officer/Engineer

MES/ms

cc: Oil Conservation Division - Aztec  
Texaco Exploration & Production, Inc. - Midland, TX (J. Gibbs)  
U.S. Bureau of Land Management - Santa Fe (Steve Salzman)  
Rose Exploration - Denver, CO (M.E. Wynne)

Allen F. Buckingham  
Minerals Division (NGPA)  
Bureau of Land Management  
435 Montano NE  
Albuquerque, New Mexico 87107

December 22, 1992

William J. LeMay, Director  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504



Re: Application For Tight Formation Designation  
Pictured Cliffs Formation  
Loe Area - Fulcher-Kutz Pictured Cliffs Pool  
San Juan County, New Mexico

Pursuant to the regulations of the Federal Energy Regulatory Commission (FERC), Texaco Exploration and Production Inc. hereby makes application for designation of the Pictured Cliffs Formation as a "Tight Formation" in the following described lands in the Loe Area Fulcher-Kutz Pictured Cliffs Pool of San Juan County, New Mexico:

Township 29 North, Range 12 West

Section 15: All  
Section 16: All  
Section 23: All

hereafter referred to as the subject land.

Included in this application are the documentation and exhibits necessary to support the following:

1. Texaco Exploration and Production Inc. (Texaco) is an operator and owner of substantial mineral interest in the subject land.
2. The Pictured Cliffs Formation (the vertical limits of which are defined as the interval from from the base of the last Fruitland coal or shale downward to the top of the Lewis Shale) underlies the subject land and is productive of gas and associated hydrocarbon.

3. The estimated average in situ gas permeability throughout the pay section is expected to be 0.1 millidarcy or less.

4. The established production rate, against atmospheric pressure, of wells completed for production in the Pictured Cliffs Formation, without stimulation, is not expected to exceed the maximum production rate prescribed by the FERC regulations.

5. No well drilled into the Pictured Cliffs Formation is expected to produce, without stimulation, more than five barrels of crude oil per day.

6. Development of the Pictured Cliffs Formation will not adversely affect fresh water aquifers that may be used a domestic and agricultural water supplies.

Also attached are the Affidavit of Publication of Notice from the Farmington Daily Times of Farmington in San Juan County, New Mexico, and a Statement of Oath signed by each individual involved in the preparation of this application and notarized as to the accuracy and interpretation of same.

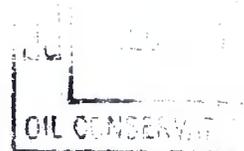
Sincerely,

TEXACO EXPLORATION & PRODUCTION INC

Ted A. Tipton  
Area Manager

TAT/MEW

Enclosure



**EXHIBIT 1A**

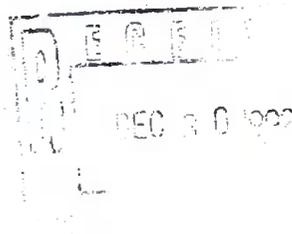
**LoeTight Formation Gas Area - San Juan County, New Mexico**

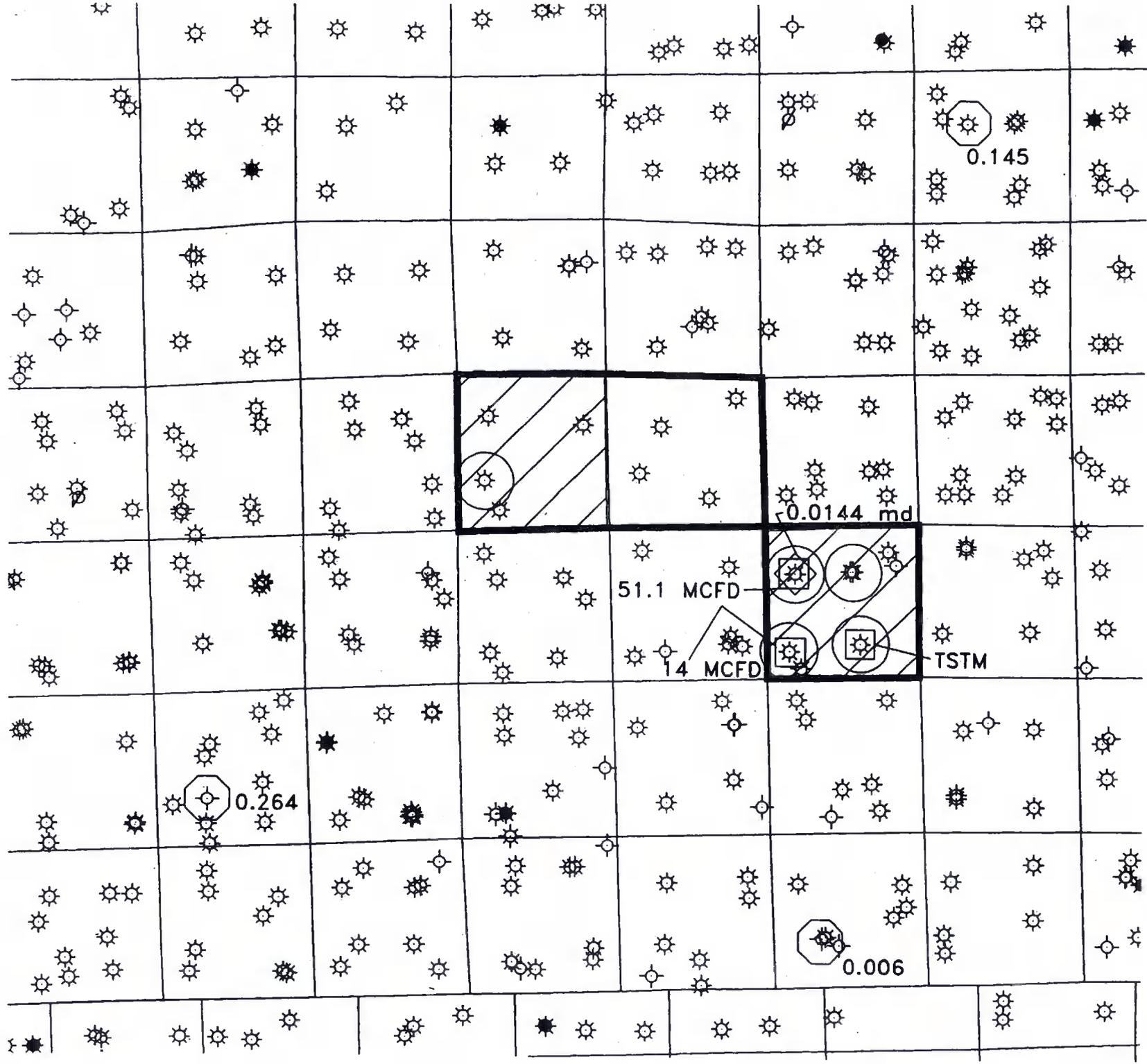
**Proposed Lands With Pictured Cliffs Mineral Ownership**

<u>Lands</u>	<u>Fee</u>	<u>Mineral Ownership</u>			<u>Total</u>
		<u>State</u>	<u>Federal</u>	<u>Indian</u>	
<u>T 29 N R12 W</u>					
Sec 15: All	240 ac	000	395 ac	000	635 ac
Sec 16: All	000	640 ac	000	000	640 ac
Sec 23: All	000	000	627 ac	000	627 ac
<b>TOTAL</b>	<b>240 ac</b>	<b>640 ac</b>	<b>1022 ac</b>	<b>000</b>	<b>1902 ac</b>

**TOTAL: 1902 acres more or less; ~~100% Federal, 0% Indian, and 53.3%~~  
Federal.**

**Texaco leased and operated: 1267 ac., 66.6%.**





DEC 10 1960