

**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:**

**NOMENCLATURE
CASE NO. 15921
ORDER NO. R-20289**

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

ORDER OF THE DIVISION

This case came on for hearing at 8:15 a.m. on December 21, 2017 at Santa Fe, New Mexico before Examiner Scott A. Dawson.

NOW, on this 19th day of December, 2018, the Division Director, having considered the testimony, the record and the recommendations of the Examiner,

FINDS THAT:

- (1) Due public notice has been given, and the Division has jurisdiction of this case and the subject matter thereof.
- (2) The Division as applicant in this case appeared at the hearing through counsel and presented expert testimony from the geologist of District III, Ms. Katherine Pickford. Ms. Pickford explained the process of locating wells completed in the Otero Chacra formation and how she thus adjusted the boundaries for the Otero Chacra pool. In addition, all proposed changes were verified against the official pool boundaries by Ms. Florene Davidson of the Santa Fe office of the Division.
- (3) No other party entered an appearance or otherwise opposed this application.
- (4) There is need for certain extensions to the Otero Chacra Gas Pool in San Juan and Rio Arriba Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) The Otero Chacra (Gas) Pool (**Pool Code 82329**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 5: SW/4

Section 6: SE/4

Section 8: W/2

Section 17: W/2

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 27: NE/4

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 15: NE/4

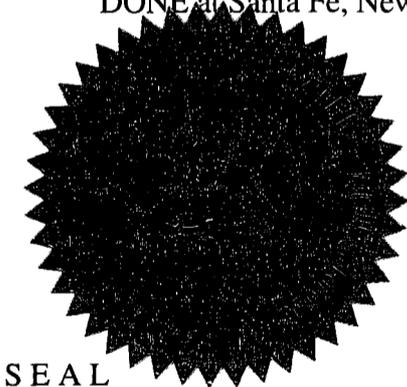
IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA, 1978, an operator of any well that, by virtue of the Otero Chacra (Gas) Pool extension for the lands described in this order, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have 60 days from the effective date of this order to file Form C-102 dedicating a standard unit for the pool to that 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 to the well or to obtain a non-standard unit approved by the Division within that 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all extensions included herein shall be August 1, 2018.

(3) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Heather Riley
HEATHER RILEY
Director