

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. 377
ORDER NO. R-172

THE APPLICATION OF BENSON & MONTIN
FOR AN ORDER ESTABLISHING UNIFORM
SPACING OF WELLS FOR THE PICTURED
CLIFFS FORMATION OF THE GALLEGOS
CANYON UNIT AREA AND CERTAIN LANDS
ADJACENT THERETO, SAN JUAN COUNTY,
NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on regularly for hearing at 9 o'clock a.m. June 19, 1952, at Santa Fe, New Mexico, before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this 24 day of July, 1952, the Commission, a quorum being present, having considered the testimony adduced and the exhibits received at said hearings, and being fully advised in the premises,

FINDS:

1. That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.
2. That the following described lands in San Juan County, New Mexico, in all probability, embrace a common source of supply of gas in the Pictured Cliffs formation, and include the approximate northwesterly one-half of the West Kutz-Pictured Cliffs Pool as presently defined by Commission Order R-42 in Case No. 244, Commission Order R-156 in Case No. 363, and Commission Order R-156-A in Case No. 363, to-wit:

Township 28 North, Range 11 West, NMPM
All of Partial Section 7,
All of Sections 18 and 19.

Township 28 North, Range 12 West, NMPM
Partial Sections 7 through 12, and
Sections 13 through 34, incl.

Township 28 North, Range 13 West, NMPM
Partial Sections 10, 11, and 12,
Sections 13, 14 and 15, Sections 23
through 26, incl., and Sections 35
and 36.

Township 29 North, Range 12 West, NMPM
SW/4 Section 16, Sections 17 through
21, W/2 and SE/4 of Section 22, W/2
and SE/4 of Section 25, and Sections
26 through 36, incl.

Township 29 North, Range 13 West, NMPM
Sections 9 through 16, Sections 21
through 28, and Sections 33 through
36, incl.

3. That apparently one gas well to the Pictured Cliffs formation of the above lands will efficiently, effectively and economically drain an area of 320 acres, and that testimony indicated that drilling wells in a pattern of greater density is unnecessary, and not to the best interests of conservation, and could result in wasteful use of critical materials.

4. That in an effort to determine whether such measures will insure orderly development, protect correlative rights and prevent possible waste, the above lands should be developed on a 320-acre spacing pattern for a period of one year from date of this order, and at the end of one year applicant shall present testimony to show why 320-acre spacing should be retained.

5. That to insure the proper and uniform spacing of all wells drilled to the common source of supply under the above lands and to protect the correlative rights of all the parties interested therein, all wells drilled therein should be located in the southwest and northeast quarters of each governmental section conforming with Rule 104 of the Commission's Rules and Regulations, with only such exceptions as are necessary for existing non-conforming wells, future wells on good cause shown, and such off-set wells as may be necessary and that approval for such non-conforming locations may be given by the Secretary of the Commission upon proper application therefor.

6. That the existing Commission Order No. R-46 in Case No. 237, relating to the former West Kutz-Pictured Cliffs Pool, and the former South Kutz-Pictured Cliffs Pool, now consolidated into the West Kutz-Pictured Cliffs Pool, should be and remain in full effect and undisturbed hereby.

IT IS THEREFORE ORDERED:

1. That the following described lands in San Juan County, New Mexico, embrace a common source of supply of gas in the Pictured Cliffs formation, and include the approximate northwesterly one-half of the West Kutz-Pictured Cliffs Pool as presently defined by Commission Order R-42 in Case No. 244, Commission Order R-156 in Case No. 363, and Commission Order R-156-A in Case No. 363, to-wit:

Township 28 North, Range 11 West, NMPM
All of Partial Section 7,
All of Sections 18 and 19.

Township 28 North, Range 12 West, NMPM
Partial Sections 7 through 12, and
Sections 13 through 34, incl.

Township 28 North, Range 13 West, NMPM
Partial Sections 10, 11 and 12,
Sections 13, 14 and 15, Sections 23
through 26, incl., and Sections 35
and 36.

Township 29 North, Range 12 West, NMPM
SW/4 Section 16, Sections 17 through
21, W/2 and SE/4 of Section 22, W/2
and SE/4 of Section 25, and Sections
26 through 36, incl.

Township 29 North, Range 13 West, NMPM
Sections 9 through 16, Sections 21
through 28, and Sections 33 through
36, incl.

2. That the above lands be developed on a 320-acre spacing pattern for a period of one year from the date of this order; That at the regular Commission hearing for the month of June, 1953, the operators shall show cause why the above described area should not be developed on a 160-acre pattern.

3. That all wells drilled therein to the Pictured Cliffs formation be located in the southwest and northeast quarters of each governmental section, conforming to Rule 104, of the Commission's Rules and Regulations with only such exceptions as are necessary for existing non-conforming wells, future wells on good cause shown, and such off-set wells as may be necessary, and that approval for such non-conforming locations may be given by the Secretary of the Commission upon proper application therefor.

4. That the existing Commission Order No. R-46 in Case No. 237 relating to the former West Kutz-Pictured Cliffs Pool, and the former South Kutz-Pictured Cliffs Pool, now consolidated into the West Kutz-Pictured Cliffs Pool, be and remain in full effect and undisturbed hereby.

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

STATE OF NEWMEXICO
OIL CONSERVATION COMMISSION

Edwin L. Mechem

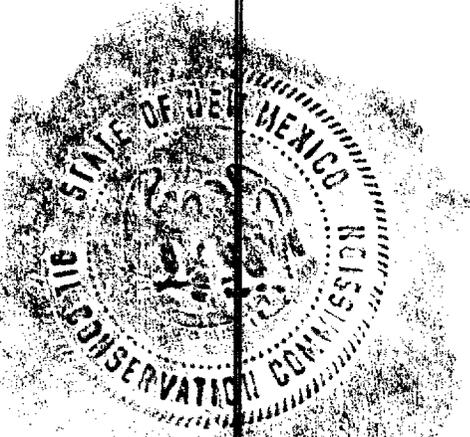
EDWIN L. MECHEM, Chairman

Guy Shepard

GUY SHEPARD, Member

R. R. Spurrler

R. R. SPURRLER, Secretary



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. 377
ORDER NO. R-172-A

THE COMMISSION'S ORDER DIRECTED TO
BENSON-MONTIN TO SHOW CAUSE WHY
160-ACRE SPACING SHOULD NOT BE INSTI-
TUTED FOR PICTURED CLIFFS PRODUCTION
IN THE GALLEGOS CANYON UNIT AREA,
SAN JUAN COUNTY, NEW MEXICO, TO
SUPERSEDE TEMPORARY 320-ACRE SPACING
AUTHORIZED BY ORDER NO. R-172.

INTERLOCUTORY ORDER

WHEREAS on the 24th day of July, 1952, the Oil Conservation Commis-
sion of New Mexico issued Order No. R-172 authorizing among other things
320-acre spacing for a period of one year for the Gallegos Canyon Unit
from and after the date aforesaid, and

WHEREAS Said authorization of 320-acre spacing will expire by its
own terms unless extended, and

WHEREAS Due notice to show cause why the Gallegos Canyon Unit Area in
San Juan County, New Mexico, should not be placed on 160-acre spacing was
served upon all interested parties, returnable June 16, 1953, and such parties
duly appeared and moved the Commission for continuance, and good cause being
shown therefor,

IT IS THEREFORE ORDERED:

First, That said cause be, and the same hereby is continued to the
regular hearing date officially set for August 20, 1953, in Santa Fe, New
Mexico, by the Oil Conservation Commission.

Second, That all the rights, obligations and duties in the matter of
spacing in the Gallegos Canyon Unit Area included and imposed by Order R-172,
dated July 24, 1952, be and the same hereby are extended and remain in full
force and effect until said hearing date of August 20, 1953, as aforesaid,
and the regular issuance thereafter of the Commission order in the premises,
but in no event later than September 17, 1953.

DONE at Santa Fe, New Mexico, this 23rd day of June, 1953.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
Edwin L. Mechem, Chairman

E. S. Walker
E. S. Walker, Member

R. R. Spurrier
R. R. Spurrier, Secretary



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. 377
ORDER NO. R-172-B

THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
COMMISSION UNDER THE TERMS OF
ORDER NO. R-172 DIRECTING BENSON
& MONTIN TO APPEAR AND SHOW CAUSE
WHY 160 ACRE SPACING PATTERN SHOULD
NOT BE INSTITUTED FOR PICTURED CLIFFS
GAS WELLS IN THE GALLEGOS CANYON UNIT
AREA, SAN JUAN COUNTY, NEW MEXICO TO
SUPERSEDE THE 320 ACRE SPACING GRANTED
FOR ONE YEAR AFTER ORIGINAL HEARING.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This case came on regularly for hearing at 9 o'clock a. m., August 20, 1953, and on good cause shown by Benson and Montin was continued to September 17, 1953 at 9 o'clock a. m., at which time hearing was duly held on the above captioned matter before the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission".

NOW, on this th 17 day of December, 1953, 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 due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That by Order No. R-172, duly signed by the Commission on July 24, 1952, a well spacing pattern based upon 320 acres was established for the development of the Pictured Cliff Formation on the following described acreage for a temporary period of one year from date of said order, said described acreage being within the defined limits of the West Kutz-Pictured Cliffs Gas Pool, as heretofore classified, defined, described and extended by various Commission Orders.

Township 28 North, Range 11 West, NMPM
All of Partial Section 7,
All of Sections 18 and 19.

Township 28 North, Range 12 West, NMPM
Partial Sections 7 through 12, and
Sections 13 through 34, incl.

Township 28 North, Range 13 West, NMPM
Partial Sections 10, 11 and 12,
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21, W/2 and SE/4 of Section 22, W/2
and SE/4 of Section 25, and Sections
26 through 36, incl.

Township 29 North, Range 13 West, NMPM
Sections 9 through 16, Sections 21
through 28, and Sections 33 through
36, incl.

(3) That the remaining portion of the West Kutz-Pictured Cliffs Pool lying to the south has been developed on the basis of 160 acre well spacing and production units.

(4) That the Gallegos Canyon Unit Area established under the provisions of the Gallegos Canyon Unit Agreement, approved by the Commission, by Order R-68, comprises approximately the northwesterly one-half of the West Kutz-Pictured Cliffs Pool and that this area has been developed and produced on the basis of 320 acre spacing and production units.

(5) That the West Kutz-Pictured Cliffs gas pool embraces a common source of gas supply and that there is no known underground barrier which would impede the flow of gas within the common source of supply.

(6) That the development of the West Kutz-Pictured Cliffs pool on two different spacing patterns is not in the best interest of conservation and will impair correlative rights.

(7) That the development of lands committed to the Gallegos Canyon Unit Agreement is subject to the terms of the Unit Agreement.

(8) That for the prevention of waste and protection of correlative rights, a uniform spacing pattern should be established for the orderly development and production of the West Kutz-Pictured Cliffs gas pool.

IT IS THEREFORE ORDERED:

(1) That Order R-172 is hereby terminated.

(2) That the land embraced in said Order No. R-172, as extended, be developed on a 160-acre spacing pattern provided, however, that development on lands committed to the Gallegos Canyon Unit Agreement shall be subject to the terms of the Unit Agreement.

DONE at Santa Fe, New Mexico on the day and year first above written.

STATE OF NEW MEXICO
OIL CONSERVATION COMMISSION

E. L. Mechem
EDWIN L. MECHEM, Chairman

E. S. Walker
E. S. WALKER, Member

R. R. Spurrer
R. R. SPURRIER, Member and Secretary

