

**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. 15474
ORDER NO. R-14144**

**APPLICATION OF THE OIL CONSERVATION DIVISION UPON ITS OWN
MOTION FOR AN ORDER ABOLISHING, CONTRACTING, AND EXTENDING
CERTAIN PICTURED CLIFFS 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 March 31, 2016, at Santa Fe, New Mexico before Examiner William V. Jones.

NOW, on this 18th day of May, 2016, 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 Pictured Cliffs formation and how she thus adjusted the boundaries for the Pictured Cliffs pools. 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 the abolishment of the Escavado-Pictured Cliffs Gas Pool in San Juan County, New Mexico, because there has never been any production in this pool.

(5) There is need for the contraction of the Aztec-Pictured Cliffs Gas Pool, the Harper Hill-Fruitland Sand-Pictured Cliffs Gas Pool, and the West Kutz-Pictured Cliffs Gas Pool, all in San Juan County, New Mexico; the Ballard-Pictured Cliffs Gas Pool and the South Blanco-Pictured Cliffs Gas Pool, both in Sandoval and Rio Arriba Counties, New Mexico; and the Blanco-Pictured Cliffs Gas Pool in San Juan and Rio Arriba Counties, New Mexico.

(6) There is need for certain extensions to the Albino-Pictured Cliffs Gas Pool, the Aztec-Pictured Cliffs Gas Pool, the Fulcher Kutz-Pictured Cliffs Gas Pool, the Harper Hill-Fruitland Sand-Pictured Cliffs Gas Pool, the Potwin-Pictured Cliffs Gas Pool, the South Gallegos-Fruitland Sand-Pictured Cliffs Gas Pool, the Twin Mounds-Fruitland Sand-Pictured Cliffs Gas Pool, the WAW-Fruitland Sand-Pictured Cliffs Gas Pool, the West Kutz-Pictured Cliffs Gas Pool, and the Witty Spring-Pictured Cliffs Gas Pool, all in San Juan County, New Mexico; the Ballard-Pictured Cliffs Gas Pool in Sandoval and Rio Arriba Counties, New Mexico; the Blanco-Pictured Cliffs Gas Pool and the Rosa-Pictured Cliffs Gas Pool, both in San Juan and Rio Arriba Counties, New Mexico; the Carracas-Pictured Cliffs Gas Pool, the Choza Mesa-Pictured Cliffs Gas Pool, the East Blanco-Pictured Cliffs Gas Pool, the Gavilan-Pictured Cliffs Gas Pool, the Gobernador-Pictured Cliffs Gas Pool, the La Jara-Pictured Cliffs Gas Pool, and the Tapacito-Pictured Cliffs Gas Pool, all in Rio Arriba County, New Mexico; and the South Blanco-Pictured Cliffs Gas Pool in San Juan, Sandoval, and Rio Arriba Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) The Escavado-Pictured Cliffs Gas Pool (**Pool Code 96386**) in San Juan County, New Mexico, consisting of the following described area, is hereby abolished:

TOWNSHIP 22 NORTH, RANGE 8 WEST, NMPM
Section 7: NE/4

(b) The Aztec-Pictured Cliffs Gas Pool (**Pool Code 71280**) in San Juan County, New Mexico, is hereby contracted by the deletion of the following described area:

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Section 11: SE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 2: E/2
Section 11: NE/4

(c) The Ballard-Pictured Cliffs Gas Pool (**Pool Code 71439**) in Sandoval and Rio Arriba Counties, New Mexico, is hereby contracted by the deletion of the following described area:

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM
Section 31: SE/4

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 28: SE/4

(d) The Blanco-Pictured Cliffs Gas Pool (**Pool Code 72359**) in San Juan and Rio Arriba Counties, New Mexico, is hereby contracted by the deletion of the following described area:

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 22: W/2

(e) The Harper Hill-Fruitland Sand-Pictured Cliffs Gas Pool (**Pool Code 78160**) in San Juan County, New Mexico, is hereby contracted by the deletion of the following described area:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 3: NW/4

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM

Section 28: E/2

(f) The South Blanco-Pictured Cliffs Gas Pool (**Pool Code 72439**) in Sandoval and Rio Arriba Counties, New Mexico, is hereby contracted by the deletion of the following described area:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 27: NE/4

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM

Section 25: N/2 and SE/4

(g) The West Kutz-Pictured Cliffs Gas Pool (**Pool Code 79680**) in San Juan County, New Mexico, is hereby contracted by the deletion of the following described area:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 11: SE/4

(h) The Albino-Pictured Cliffs Gas Pool (**Pool Code 70120**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPM

Section 10: SW/4

Section 15: NW/4

Section 16: NE/4

Section 23: NE/4

(i) The Aztec-Pictured Cliffs Gas Pool (**Pool Code 71280**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 1: SE/4
Section 30: NW/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 9: NE/4
Section 10: NE/4
Section 11: SE/4
Section 16: NW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 22: W/2
Section 27: NW/4

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 1: NE/4
Section 31: SE/4

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM

Section 13: W/2
Section 14: E/2
Section 23: SW/4
Section 36: NW/4

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPM

Section 20: NE/4
Section 21: NW/4 and SE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

Section 4: All
Section 5: S/2 and NW/4
Section 6: N/2
Section 8: SE/4
Section 9: S/2
Section 10: SW/4
Section 12: NW/4 and SE/4
Section 14: SW/4
Section 15: SE/4
Section 16: All
Section 22: NE/4
Section 23: NW/4
Section 27: S/2
Section 31: S/2

Section 32: S/2
Section 34: N/2 and SE/4
Section 35: S/2

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM

Section 13: W/2
Section 14: NE/4
Section 24: W/2
Section 25: E/2 and NW/4
Section 36: E/2

TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM

Section 28: SE/4
Section 29: NW/4
Section 30: N/2
Section 33: S/2

(j) The Ballard-Pictured Cliffs Gas Pool (**Pool Code 71439**) in Sandoval and Rio Arriba Counties, New Mexico, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 1: SW/4

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM

Section 14: NE/4
Section 16: NW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 32: NE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 27: NE/4

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM

Section 11: W/2
Section 12: E/2
Section 13: E/2

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 31: E/2

(k) The Blanco-Pictured Cliffs Gas Pool (**Pool Code 72359**) in San Juan and Rio Arriba Counties, New Mexico, are hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM

Section 11: SE/4

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPPM

Section 5: All
Section 14: W/2
Section 23: NW/4
Section 25: N/2 and SE/4
Section 26: N/2

TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPPM

Section 18: NW/4
Section 33: NE/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPPM

Section 8: S/2

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPPM

Section 21: E/2

TOWNSHIP 31 NORTH, RANGE 11 WEST, NMPPM

Section 7: SW/4
Section 22: S/2
Section 27: E/2
Section 36: S/2 and NE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPPM

Section 2: E/2
Section 11: NE/4

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPPM

Section 31: S/2
Section 32: S/2

TOWNSHIP 32 NORTH, RANGE 9 WEST, NMPPM

Section 20: E/2
Section 25: NW/4
Section 27: E/2
Section 29: E/2
Section 30: SE/4
Section 31: NE/4
Section 32: NE/4
Section 33: S/2
Section 34: S/2 and NE/4
Section 35: S/2
Section 36: S/2 and NW/4

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPPM

Section 28: SW/4

Section 29: SE/4

TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPPM

Section 26: SW/4

Section 27: S/2 and NW/4

(l) The Carracas-Pictured Cliffs Gas Pool (**Pool Code 96154**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPPM

Section 26: SW/4

Section 36: SW/4

(m) The Chosa Mesa-Pictured Cliffs Gas Pool (**Pool Code 74960**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 4 WEST, NMPPM

Section 8: S/2

Section 9: SW/4

Section 34: SE/4

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPPM

Section 10: E/2

Section 11: All

Section 14: NW/4

Section 15: NE/4

Section 24: N/2 and SE/4

Section 25: NE/4

(n) The East Blanco-Pictured Cliffs Gas Pool (**Pool Code 72400**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 2 WEST, NMPPM

Section 8: SW/4

TOWNSHIP 29 NORTH, RANGE 2 WEST, NMPPM

Section 4: SE/4

Section 9: SE/4

Section 15: SW/4

Section 16: SE/4

Section 19: SW/4

Section 21: SE/4

Section 22: SW/4

Section 27: SW/4

Section 28: NE/4

TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM

Section 5: S/2
Section 7: N/2
Section 8: All
Section 9: SW/4
Section 13: W/2
Section 24: S/2

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM

Section 2: NE/4

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM

Section 8: NW/4
Section 12: N/2
Section 34: NW/4
Section 35: S/2 and NE/4
Section 36: NW/4

(o) The Fulcher Kutz-Pictured Cliffs Gas Pool (**Pool Code 77200**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 10 WEST, NMPM

Section 2: NE/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 8: SE/4

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 24: SW4

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 3: S/2
Section 4: N/2 and SW/4
Section 5: N/2 and SE/4
Section 11: S/2 and NW/4

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM

Section 8: SE/4
Section 21: NW/4

TOWNSHIP 30 NORTH, RANGE 13 WEST, NMPM

Section 14: E/2
Section 20: N/2 and SE/4
Section 21: NW/4
Section 23: NE/4
Section 27: N/2 and SW/4

Section 29: N/2 and SW/4
Section 32: W/2
Section 33: NE/4
Section 34: NW/4

(p) The Gavilan-Pictured Cliffs Gas Pool (**Pool Code 77360**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM

Section 34: N/2
Section 35: NW/4

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM

Section 28: NW/4
Section 29: N/2
Section 30: N/2

(q) The Gobernador-Pictured Cliffs Gas Pool (**Pool Code 77440**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 4 WEST, NMPM

Section 18: NE/4

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 14: NW/4
Section 15: N/2 and SW/4

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM

Section 20: NE/4

TOWNSHIP 29 NORTH, RANGE 5 WEST, NMPM

Section 9: NW/4 and SE/4

TOWNSHIP 29 NORTH, RANGE 6 WEST, NMPM

Section 1: NW/4

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM

Section 16: SW/4
Section 21: E/2
Section 28: E/2
Section 33: NW/4

(r) The Harper Hill-Fruitland Sand-Pictured Cliffs Gas Pool (**Pool Code 78160**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 12: S/2

TOWNSHIP 30 NORTH, RANGE 13 WEST, NMPPM

Section 19: S/2

Section 20: SW/4

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPPM

Section 9: E/2

(s) The La Jara-Pictured Cliffs Gas Pool (**Pool Code 96199**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPPM

Section 16: W/2

Section 21: NW/4

Section 28: NE/4

Section 29: E/2

Section 32: NE/4

(t) The Potwin-Pictured Cliffs Gas Pool (**Pool Code 83000**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPPM

Section 5: SW/4

Section 8: NW/4

(u) The Rosa-Pictured Cliffs Gas Pool (**Pool Code 96175**) in San Juan and Rio Arriba Counties, New Mexico, is hereby extended to include:

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPPM

Section 6: All

Section 7: E/2

Section 19: SE/4

Section 20: S/2 and NE/4

Section 27: SE/4

Section 29: NW/4

(v) The South Blanco-Pictured Cliffs Gas Pool (**Pool Code 72439**) in San Juan, Sandoval, and Rio Arriba Counties, New Mexico, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPPM

Section 31: SE/4

Section 32: SW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPPM

Section 9: SW/4

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 33: NW/4

Section 36: SW/4

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM

Section 5: SW/4

Section 6: SE/4

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM

Section 1: N/2

Section 2: NE/4

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM

Section 31: SE/4

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 26: SE/4

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 7: SW/4

Section 18: NW/4

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Section 21: S/2 and NW/4

Section 34: SE/4

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Section 25: SW/4

Section 26: All

Section 35: E/2

Section 36: SW/4

TOWNSHIP 29 NORTH, RANGE 5 WEST, NMPM

Section 31: SW/4

TOWNSHIP 29 NORTH, RANGE 6 WEST, NMPM

Section 35: SE/4

Section 36: S/2

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM

Section 35: NE/4

(w) The South Gallegos-Fruitland Sand-Pictured Cliffs Gas Pool (**Pool Code 77310**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM

Section 8: SW/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 3: NW/4

(x) The Tapacito-Pictured Cliffs Gas Pool (**Pool Code 85920**) in Rio Arriba County, New Mexico, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 27: W/2

Section 36: NE/4

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM

Section 21: NE/4

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 34: SE/4

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 23: SE/4

Section 26: NE/4

Section 29: SE/4

(y) The Twin Mounds-Fruitland Sand-Pictured Cliffs Gas Pool (**Pool Code 86620**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 3: NW/4

Section 7: NW/4

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM

Section 28: E/2

(z) The WAW-Fruitland Sand-Pictured Cliffs Gas Pool (**Pool Code 87190**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 32: SW/4

(aa) The West Kutz-Pictured Cliffs Gas Pool (**Pool Code 79680**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM

Section 5: NW/4

Section 6: E/2

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM

Section 11: NE/4
Section 13: NE/4
Section 24: SE/4
Section 32: SW/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 23: SE/4
Section 26: NE/4

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 26: NW/4
Section 34: S/2

TOWNSHIP 29 NORTH, RANG 12 WEST, NMPM

Section 22: E/2

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 9: W/2
Section 16: NW/4
Section 18: NW/4
Section 29: W/2
Section 32: W/2

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 21: E/2
Section 22: S/2 and NE/4
Section 24: S/2
Section 25: All
Section 28: NE/4
Section 35: N/2 and SW/4
Section 36: N/2

(bb) The Witty Spring-Pictured Cliffs Gas Pool (**Pool Code 96872**) in San Juan County, New Mexico, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 10 WEST, NMPM

Section 12: SW/4

IT IS FURTHER ORDERED THAT:

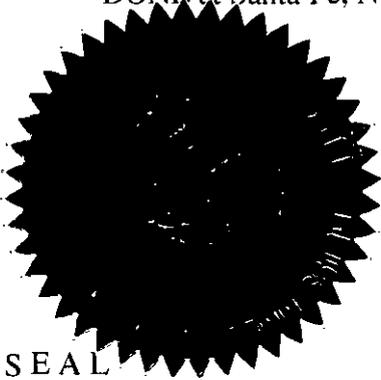
(1) Pursuant to Section 70-2-18, NMSA, 1978, an operator of any well that, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have 60 days from the effective date of this order to file 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 abolishments, contractions, and extensions included herein shall be June 1, 2016.

(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.



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

David R. Catanach

DAVID R. CATANACH
Director

SEAL