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November 2, 1982

Mr. Joe D. Ramey Division Director Oil Conservation Division New Mexico Department of Energy & Minerals Post Office Box 2088 Santa Fe, New Mexico 87501

Re:

Application for Four Corners Gas Producers Assoication for Designation of Tight Formation, Rio Arriba, and Sandoval Counties, New Mexico

Dear Mr. Ramey:

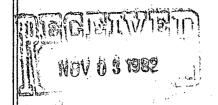
Enclosed is a copy of the application of Four Corners Gas Producers Association for Designation of Tight Formation in the above-referenced matter.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on November 23, 1982.

Very truly your

William F. Carr

encl. WFC/yp



BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF FOUR CORNERS GAS PRODUCERS ASSOCIATION FOR DESIGNATION OF TIGHT FORMATION, RIO ARRIBA, AND SANDOVAL COUNTIES, NEW MEXICO

CASE >746

APPLICATION

- 1. COMES NOW, FOUR CORNERS GAS PRODUCERS ASSOCIATION, by and through its undersigned attorneys and as provided in the Oil Conservation Division's Rules and Procedures for Tight Formation Designations under Section 107 of the Natural Gas Policy Act of 1978 promulgated by Oil Conservation Division Order No. R-6388 on June 30, 1980, hereby makes application for an order designating certain portions of the Pictured Cliffs formation as a tight formation under Section 107 of the Natural Gas Policy Act of 1978 and in support of its application would show the Division:
 - 1. Applicant is the owner and operator of certain interests in the Pictured Cliffs formation underlying the following described lands situated in Rio Arriba and Sandoval Counties, New Mexico:
 - Township 22 North, Range 2 West, N.M.P.M.
 Sections 1 through 36: All
 - Township 22 North, Range 3 West, N.M.P.M.
 Sections 1 through 36: All
 - Township 22 North, Range 4 West, N.M.P.M.
 Sections 1 through 36: All
 - Township 22 North, Range 5 West, N.M.P.M. Sections 1 through 36: All
 - Township 23 North, Range 2 West, N.M.P.M.

 Sections 5 through 9: All

 Sections 16 through 21: All

 Sections 25 through 36: All
 - Township 23 North, Range 3 West, N.M.P.M.
 Sections 1 through 36: All
 - Township 23 North, Range 4 West, N.M.P.M.
 Sections 1 through 36: All

Township 23 North, Range 5 West, N.M.P.M.

Sections 1 through 36: All

Township 24 North, Range 3 West, N.M.P.M.

Sections 19 and 20: All

Sections 29 through 32: All

Sections 33: W/2

Township 24 North, Range 4 West, N.M.P.M.

Sections 3 through 10: All

Sections 13 through 36: All

Township 24 North, Range 5 West, N.M.P.M.
Sections 1 through 36: All

Township 25 North, Range 4 West, N.M.P.M.

Section 30: S/2

Sections 31 and 32: All

Township 25 North, Range 5 West, N.M.P.M.

Sections 15 through 23: All
Section 24: S/2
Sections 25 through 36: All

Containing a total of 234,240 acres, more or less.

- 2. The Pictured Cliffs formation is expected to have an estimated average in situ gas permeability throughout the pay section of less than 1.0 millidarcy per foot.
- 3. The average depth of the top of the Pictured Cliffs formation is 2685 feet and the stabilized production rate, against atmospheric pressure, of wells completed for production in said formation, without stimulation, is not expected to exceed 79 mcf of gas per day.
- 4. No well drilled into the Pictured Cliffs formation in the above-described area is expected to produce, without stimulation, more than five barrels of crude oil per day.
- reference is a complete set of exhibits which applicant proposes to offer or introduce at the hearing on this application, together with a statement of the meaning and purpose of each exhibit. These exhibits cover all aspects of the required evidentiary date described in Section D of the Oil Conservation Division's Special Rules and Procedures for Tight Sand Formation Designation under Section 107 of the Natural Gas Policy Act of 1978.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division and that after notice and hearing as required by law, the Division enter its order recommending to the Federal Energy Regulatory Commission that pursuant to 18 CFR, Section 271-701-705, that the Pictured Cliffs formation underlying the above-described land be designated a tight formation, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,
CAMPBELL, BYRD & BLACK, P.A.

William F. Car

Attorneys for Applicant Post Office Box 2208

Santa Fe, New Mexico 87501 Telephone: (505) 988-4421

CERTIFICATE OF SERVICE

I hereby certify that copy of this Application and a complete set if all exhibits which Applicant proposes to offer or introduce at hearing, together with the statement of meaning and purpose of each, has been filed with the Mineral Management Service in Albuquerque, New Mexico on this 3nd day of November, 1982.