

NEW MEXICO
OIL CONSERVATION COMMISSION

CASE 598: PROPOSED REVISION OF RULE 104 (b); ORDER R-59; AND ORDER R-110:

RULE 104 (b): Any well classified as a wildcat shall be located on a tract of not less than 40 surface contiguous acres substantially in the form of a square which is a quarter quarter section or lot, being a legal subdivision of the U. S. Public Land Survey and shall be located within 100 feet of the center of the 40 acre subdivision, except in San Juan, Rio Arriba and Sandoval Counties, where a wildcat well shall be located on a designated drilling tract of not less than 160 surface contiguous acres substantially in the form of a square which is a quarter section being a legal subdivision of the U. S. Public Land Survey, and shall be located 990 feet from the outer boundary line of the tract provided however that a tolerance of 200 feet is permissible.

REVISION OF ORDER R-46 and R-59:

Any well drilled within the defined limits of a designated gas pool producing from the Pictured Cliffs formation shall be located on a designated drilling tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which is a quarter section being a legal subdivision of the U. S. Public Land Survey, and shall be located 990 feet from the outer boundary line of the quarter section, provided however that a tolerance of 200 feet is permissible.

REVISION OF ORDER R-110:

Section 1. No well shall be drilled or completed or recompleted and no Notice of Intention to Drill or Drilling Permit shall be approved, unless,

(a) Such well be located on a designated drilling unit of not less than three hundred twenty (320) acres of land, more or less, according to legal subdivision of the United States Land Surveys, in which unit all the interests are consolidated by pooling agreement or otherwise and on which no other well is completed, or approved for completion, in the pool;

(b) Such drilling unit be in the shape of a rectangle except for normal variations in legal subdivisions of the United States Land Survey, the north half, south half, east half or west half of each section of land constituting a drilling unit;

(c) Such well shall be located 990 feet from the outer boundary of either the northeast or southwest quarter of the section, subject to variation of 200 feet for topographic conditions. Further tolerance shall be allowed by the Commission only in cases of extremely rough terrain where compliance would necessarily increase drilling costs.

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REVISION OF ORDER R-46 and R-59:

Any well drilled within the defined limits of a designated gas pool producing from the Pictured Cliffs formation shall be located on a designated drilling tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which is a quarter section being a legal subdivision of the U. S. Public Land Survey, and shall be located 990 feet from the outer boundary line of the quarter section, provided however that a tolerance of 200 feet is permissible.

REVISION OF ORDER R-110:

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(a) Such well be located on a designated drilling unit of not less than three hundred twenty (320) acres of land, more or less, according to legal subdivision of the United States Land Surveys, in which unit all the interests are consolidated by pooling agreement or otherwise and on which no other well is completed, or approved for completion, in the pool;

(b) Such drilling unit be in the shape of a rectangle except for normal variations in legal subdivisions of the United States Land Survey, the north half, south half, east half or west half of each section of land constituting a drilling unit;

(c) Such well shall be located 990 feet from the outer boundary of either the northeast or southwest quarter of the section, subject to variation of 200 feet for topographic conditions. Further tolerance shall be allowed by the Commission only in cases of extremely rough terrain where compliance would necessarily increase drilling costs.

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REVISION OF ORDER R-46 and R-59:

Any well drilled within the defined limits of a designated gas pool producing from the Pictured Cliffs formation shall be located on a designated drilling tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which is a quarter section being a legal subdivision of the U. S. Public Land Survey, and shall be located 990 feet from the outer boundary line of the quarter section, provided however that a tolerance of 200 feet is permissible.

REVISION OF ORDER R-110:

Section 1. No well shall be drilled or completed or recompleted and no Notice of Intention to Drill or Drilling Permit shall be approved, unless,

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(b) Such drilling unit be in the shape of a rectangle except for normal variations in legal subdivisions of the United States Land Survey, the north half, south half, east half or west half of each section of land constituting a drilling unit;

(c) Such well shall be located 990 feet from the outer boundary of either the northeast or southwest quarter of the section, subject to variation of 200 feet for topographic conditions. Further tolerance shall be allowed by the Commission only in cases of extremely rough terrain where compliance would necessarily increase drilling costs.

October hearing

Suggested Amendment to Rule 104, Well Spacing; Acreage Requirements for Drilling Tracts

(a) Any well drilled a distance of one mile or more from the outer boundary of any defined oil or gas pool shall be classified as a wildcat well. Any well drilled less than one mile from the outer boundary of a defined oil or gas pool shall be spaced, drilled, operated and prorated in accordance with the regulations in effect in said oil or gas pool.

N.C.

Except in
~~Any wildcat well~~ in San Juan, Rio Arriba and Sandoval Counties, *where a wildcat well* shall be located on a tract of not less than 160 surface contiguous acres substantially in the form of a square which is a quarter section being a legal subdivision of the U.S. Public Land Survey and shall be located 990' from the outer boundary line of the tract, provided however that a tolerance of not in excess of 200' is permissible.

changes
104(b)

gas pool producing from the Pictured Cliffs formation
~~Any well drilled in a defined Pictured Cliffs gas pool~~ in San Juan, Rio Arriba and Sandoval Counties shall be located on a tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which shall be a legal subdivision (quarter section) of the U.S. Public Land Surveys and shall be located 990' from the outer boundary line of the quarter section, provided however that a tolerance of 200' is permissible.

R-59

R-46

748?

producing from
Any well drilled in a defined gas pool ~~in~~ the Mesaverde formation shall be located on a designated drilling tract of not less than 320 acres, more or less, according to legal subdivision of the United States Land Surveys, in which unit all the interests are consolidated by pooling agreement or otherwise and on which no other well is completed, or approved for completion, in the pool; and shall be located 990' from the outer boundary of the Northeast or Southwest Quarter Section, provided however that a tolerance not in excess of 200' is permissible.

R-110

New Mexico
Oil Conservation Commission

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REVISION OF ORDER R-46 and R-59:

Any well drilled within the defined limits of a designated gas pool producing from the Pictured Cliffs formation shall be located on a designated drilling tract consisting of not less than a quarter section of approximately 160 surface contiguous acres substantially in the form of a square which is a quarter section being a legal subdivision of the U. S. Public Land Survey, and shall be located 990 feet from the outer boundary line of the quarter section, provided however that a tolerance of 200 feet is permissible.

REVISION OF ORDER R-110:

Section 1. No well shall be drilled or completed or recompleted and no Notice of Intention to Drill or Drilling Permit shall be approved, unless,

(a) Such well be located on a designated drilling unit of not less than three hundred twenty (320) acres of land, more or less,

according to legal subdivision of the United States Land Surveys, in which unit all the interests are consolidated by pooling agreement or otherwise and on which no other well is completed, or approved for completion, in the pool;

(b) Such drilling unit be in the shape of a rectangle except for normal variations in legal subdivisions of the United States Land Survey, the north half, south half, east half or west half of each section of land constituting a drilling unit;

(c) Such well shall be located 990 feet from the outer boundary of either the northeast or southwest quarter of the section, subject to variation of 200 feet for topographic conditions. Further tolerance shall be allowed by the Commission only in cases of extremely rough terrain where compliance would necessarily increase drilling costs.