

LAW OFFICES

TANSEY, ROSEBROUGH, GERDING & STROTHER, P.C.

OIL CONSERVATION DIVISION  
RECEIVED

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FARMINGTON, NEW MEXICO 87401

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*M.S. 11/9/92*

November 6, 1992

State of New Mexico  
Energy, Minerals and Natural  
Resources Department  
New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87501-2088

Attn: William J. Lemay, Director

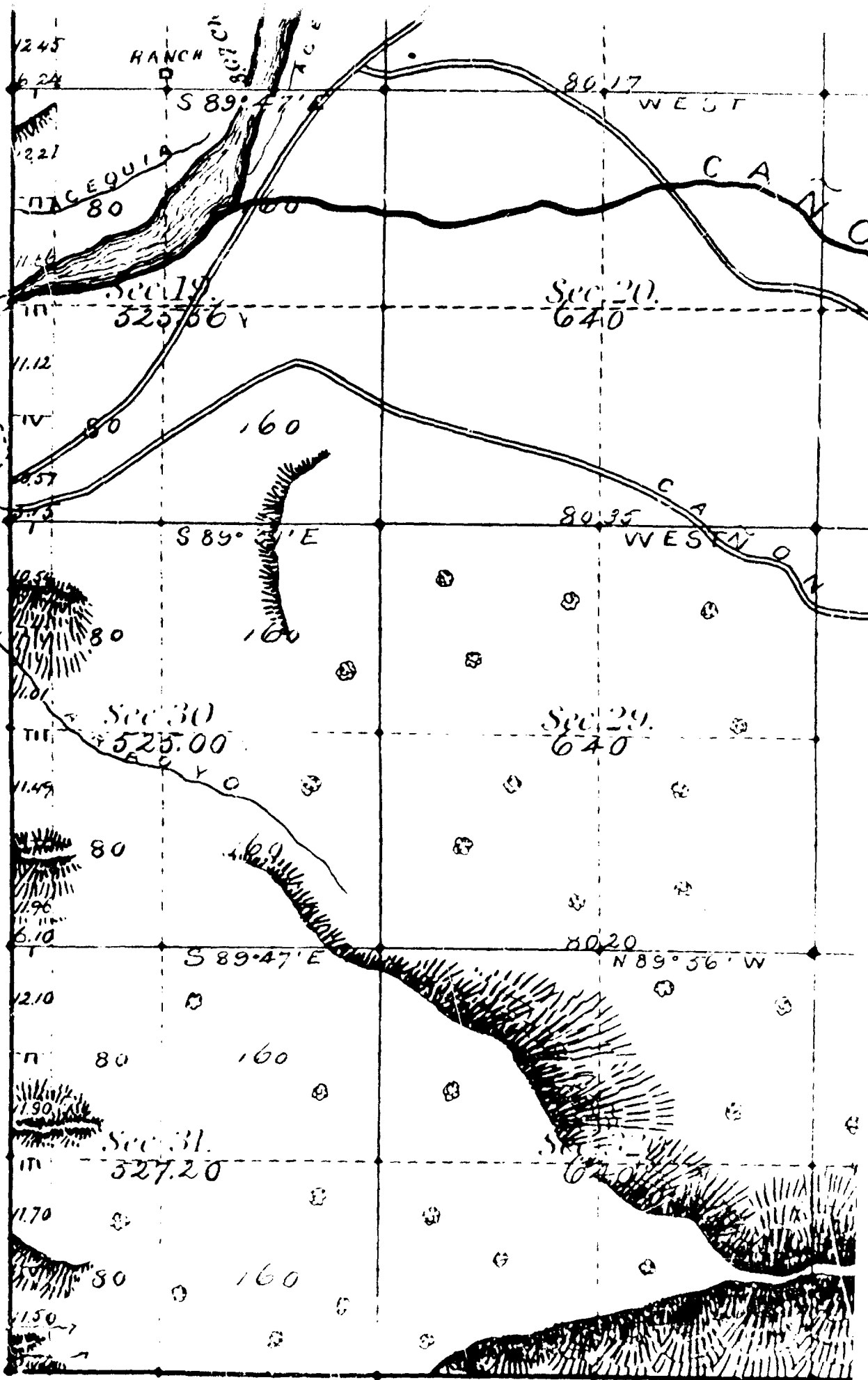
Re: Examiner Hearing - November 19, 1992

Gentlemen:

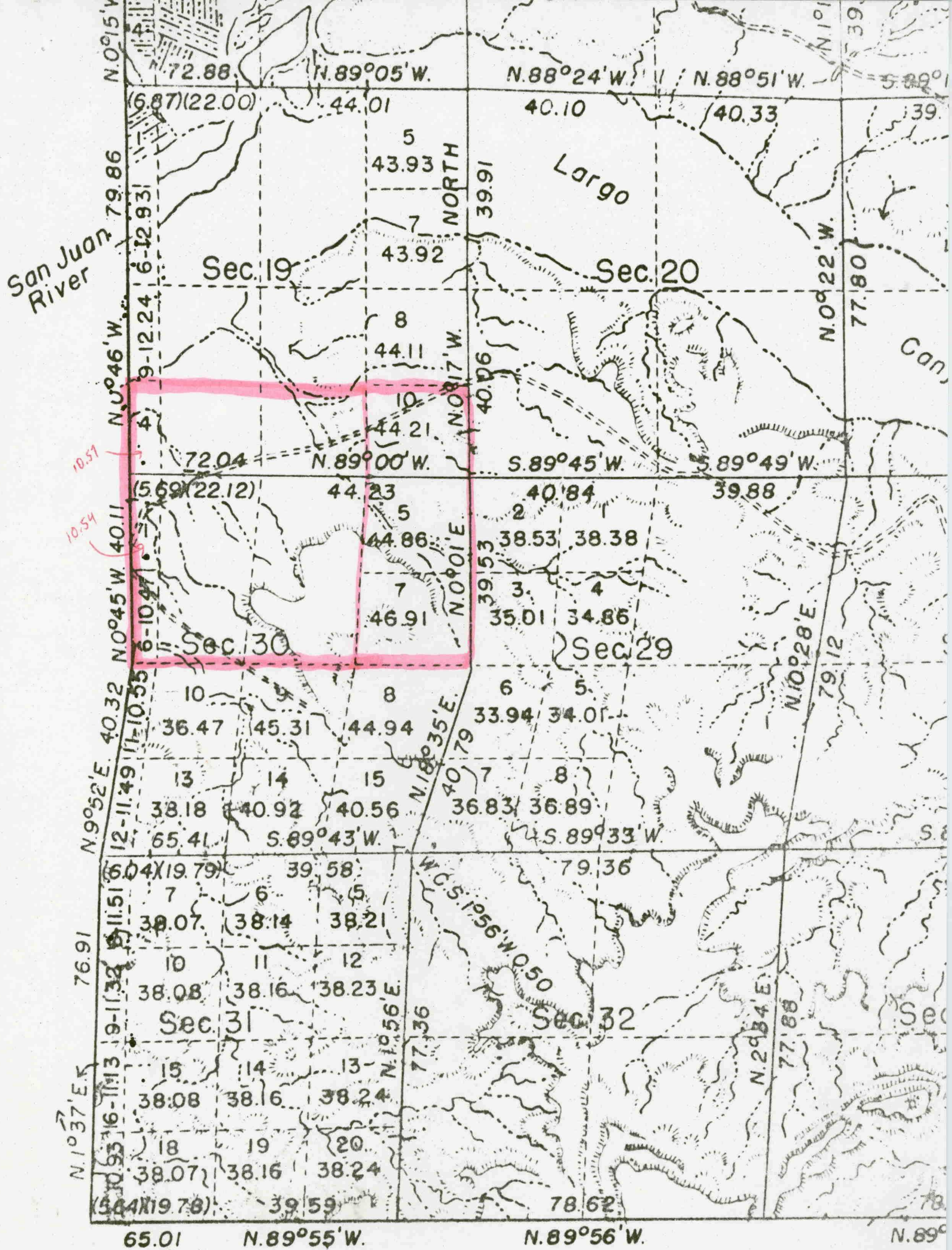
SG Interests I, Ltd. requests that the following cases set for the November 19, 1992 Examiner Hearing be dismissed:

- 1) Case No. 10577 ✓  
N/2 of Section 2, Township 29 North, Range 9 West, San Juan County, New Mexico
- 2) Case No. 10579  
S/2S/2 of Section 19, Township 29 North, Range 9 West, San Juan County, New Mexico and  
N/2 of Section 30, Township 29 North, Range 9 West, San Juan County, New Mexico
- 3) Case No. 10580 ✓  
E/2 of Section 15, Township 29 North, Range 10 West, San Juan County, New Mexico
- 4) Case No. 10581 ✓  
N/2 of Section 21, Township 29 North, Range 10 West, San Juan County, New Mexico
- 5) Case No. 10582 ✓  
S/2 of Section 22, Township 29 North, Range 10 West, San Juan County, New Mexico

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SEVENTH CORREC



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SECTION 19

TOWNSHIP 29 North

RANGE 9 West

|  |  |  |  |
|--|--|--|--|
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SECTION 30

TOWNSHIP 29 North

RANGE 9 West

Submit to Appropriate  
District Office  
State Lease - 6 copies  
Fee Lease - 5 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-101  
Revised 1-1-89

**OIL CONSERVATION DIVISION**  
DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240  
DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210  
DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410  
RECEIVED  
Santa Fe, New Mexico 87504-2088  
AUG 10 1992

|   |
|---|
| API NO. (assigned by OCD on New Wells)  |
| 30-045-28742  |
| 5. Indicate Type of Lease<br>STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/> |
| 6. State Oil & Gas Lease No.  |

|   |                |   |   |   |          |
|---|----------------|---|---|---|----------|
| APPLICATION FOR PERMIT TO DRILL, DEEPEN OR PLUG BACK  |                |   |   |   |          |
| 1a. Type of Work:<br>DRILL <input checked="" type="checkbox"/> RE-ENTER <input type="checkbox"/> DEEPEN <input type="checkbox"/> PLUG BACK <input type="checkbox"/> |                |   | 7. Lease Name or Unit Agreement Name            |   |          |
| b. Type of Well:<br>OIL WELL <input type="checkbox"/> GAS WELL <input checked="" type="checkbox"/> OTHER <input type="checkbox"/>                                   |                |   | McCarthy 29-9-30                                |   |          |
| 2. Name of Operator<br>SG Interests I, Ltd.   |                |   | 8. Well No.<br>1 403.64                         |   |          |
| 3. Address of Operator<br>P.O. Box 421, Blanco, NM 87412-0421   |                |   | 9. Pool name or Wildcat<br>Basin Fruitland Coal |   |          |
| 4. Well Location<br>Unit Letter B : 1065' Feet From The North Line and 1945' Feet From The East Line<br>Section 30 Township 29N Range 9W NMPM San Juan County       |                |   |   |   |          |
| 10. Proposed Depth<br>2250'   |                | 11. Formation<br>Fruitland Coal         |   | 12. Rotary or C.T.<br>Rotary                        |          |
| 13. Elevations (Show whether DF, RT, GR, etc.)<br>5701' GL, 5714' KB  |                | 14. Kind & Status Plug. Bond<br>Blanket |   | 15. Drilling Contractor<br>Walters Drilling         |          |
|   |                |   |   | 16. Approx. Date Work will start<br>August 30, 1992 |          |
| 17. PROPOSED CASING AND CEMENT PROGRAM  |                |   |   |   |          |
| SIZE OF HOLE  | SIZE OF CASING | WEIGHT PER FOOT                         | SETTING DEPTH                                   | SACKS OF CEMENT                                     | EST. TOP |
| 12-1/4"   | 8-5/8"         | 24#, J-55                               | 250'  | 200 Class B w/2%<br>CaCl <sub>2</sub>               | Surface  |
| 7-7/8"  | 5-1/2"         | 15.5#, J-55                             | 2250'   | 240 65/35 w/6%                                      | Surface  |

gel & 100 sx Class B neat tail

SG Interests I, Ltd., proposes to drill a vertical well to develop the Fruitland Coal formation at the above described site. A fresh water based low solids non-dispersed mud will be used to drill the hole to TD. A double ram type blowout preventer and choke assembly will be used to maintain well control at all times during drilling operations. A description of the BOP equipment and choke assembly along with schematic sketches of the equipment are included as exhibits to this application. A full suite of logs will be run upon reaching total depth. Both strings of casing will be cemented back to the surface in separate single stage cement jobs. A high strength cement will be placed across the pay zone and at least five hundred feet above the bottom of the hole. A minimum of ten centralizers will be used to optimize placement of the cement around the pipe.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE A. M. O'Hare TITLE Agent for SG Interests I, Ltd. DATE August 6, 1992

TYPE OR PRINT NAME A. M. O'Hare

TELEPHONE NO. (505) 325-559

(This space for State Use)

APPROVED BY Ernie Barch TITLE DEPUTY OIL & GAS INSPECTOR, DIST. #3 DATE AUG 12 1992

CONDITIONS OF APPROVAL, IF ANY:

Hold c 104 For ASP

APPROVAL EXPIRES 2-12-93.  
UNLESS DRILLING IS COMMENCED.  
SPUD NOTICE MUST BE SUBMITTED  
WITHIN 10 DAYS.

Submit to Appropriate  
District Office  
State Lease - 4 copies  
Fee Lease - 3 copies

State of New Mexico  
Energy, Minerals and Natural Resources Department

Form C-102  
Revised 1-1-89

OIL CONSERVATION DIVISION

P.O. Box 2088  
Santa Fe, New Mexico 87504-2088

DISTRICT I  
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II  
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III  
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All Distances must be from the outer boundaries of the section

|  |                      |  |                                  |                                |  |   |  |  |
|--|----------------------|--|----------------------------------|--------------------------------|--|---|--|--|
| Operator<br><b>S G INTERESTS I, LTD.</b>   |                      |  | Lease<br><b>McCarthy 29-9-30</b> |                                |  | Well No.<br><b>1</b>                      |  |  |
| Unit Letter<br><b>B</b>  | Section<br><b>30</b> | Township<br><b>29 N</b>                      | Range<br><b>9 W</b>              | County<br><b>San Juan</b>      |  |   |  |  |
| Actual Footage Location of Well:<br><b>1065</b> feet from the <b>North</b> line and <b>1945</b> feet from the <b>East</b> line |                      |  |                                  |                                |  |   |  |  |
| Ground level Elev.<br><b>5701</b>  |                      | Producing Formation<br><b>Fruitland Coal</b> |                                  | Pool<br><b>Basin Fruitland</b> |  | Dedicated Acreage:<br><b>403.64 Acres</b> |  |  |

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?  
☒ Yes ☐ No If answer is "yes" type of consolidation Communitization  
If answer is "no" list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.)  
No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.

OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

*A. M. O'Hare*

Printed Name

A. M. O'Hare

Position

President/Agent

Company Maralex Resources, Inc.

Agent for SG Interests I, Ltd.

Date

August 6, 1992

SURVEYOR CERTIFICATION

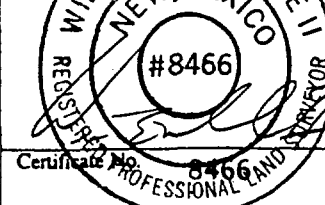
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

8-5-92

Date Surveyed

William E. Mahoke II

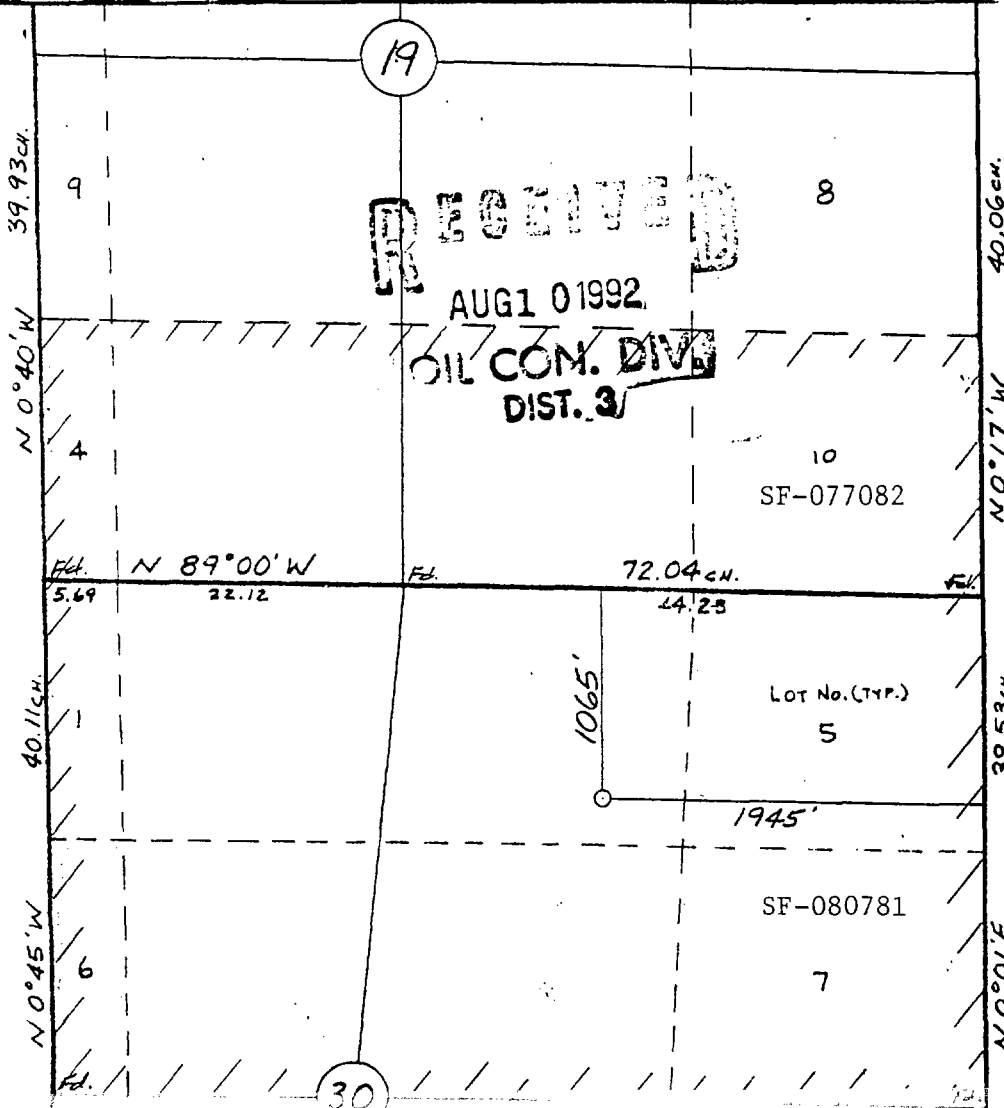
Signature & Seal of Professional Surveyor

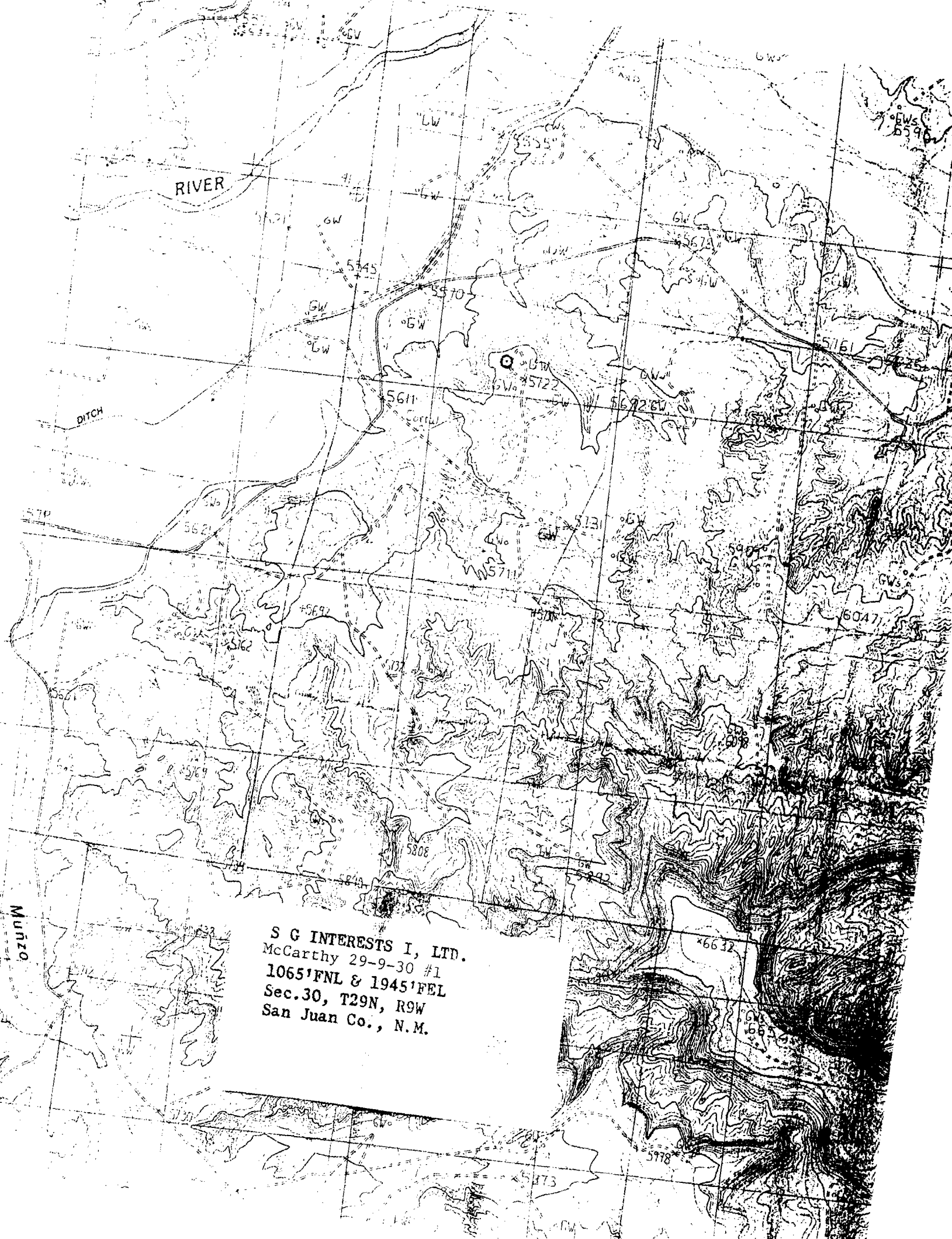


Certificate No.

8466

0 330 660 990 1320 1650 1980 2310 2640 2000 1500 1000 500 0





S G INTERESTS I, LTD.  
McCarthy 29-9-30 #1  
1065'FNL & 1945'FEL  
Sec. 30, T29N, R9W  
San Juan Co., N.M.

Exhibit #1  
*BOP Stack Arrangement*

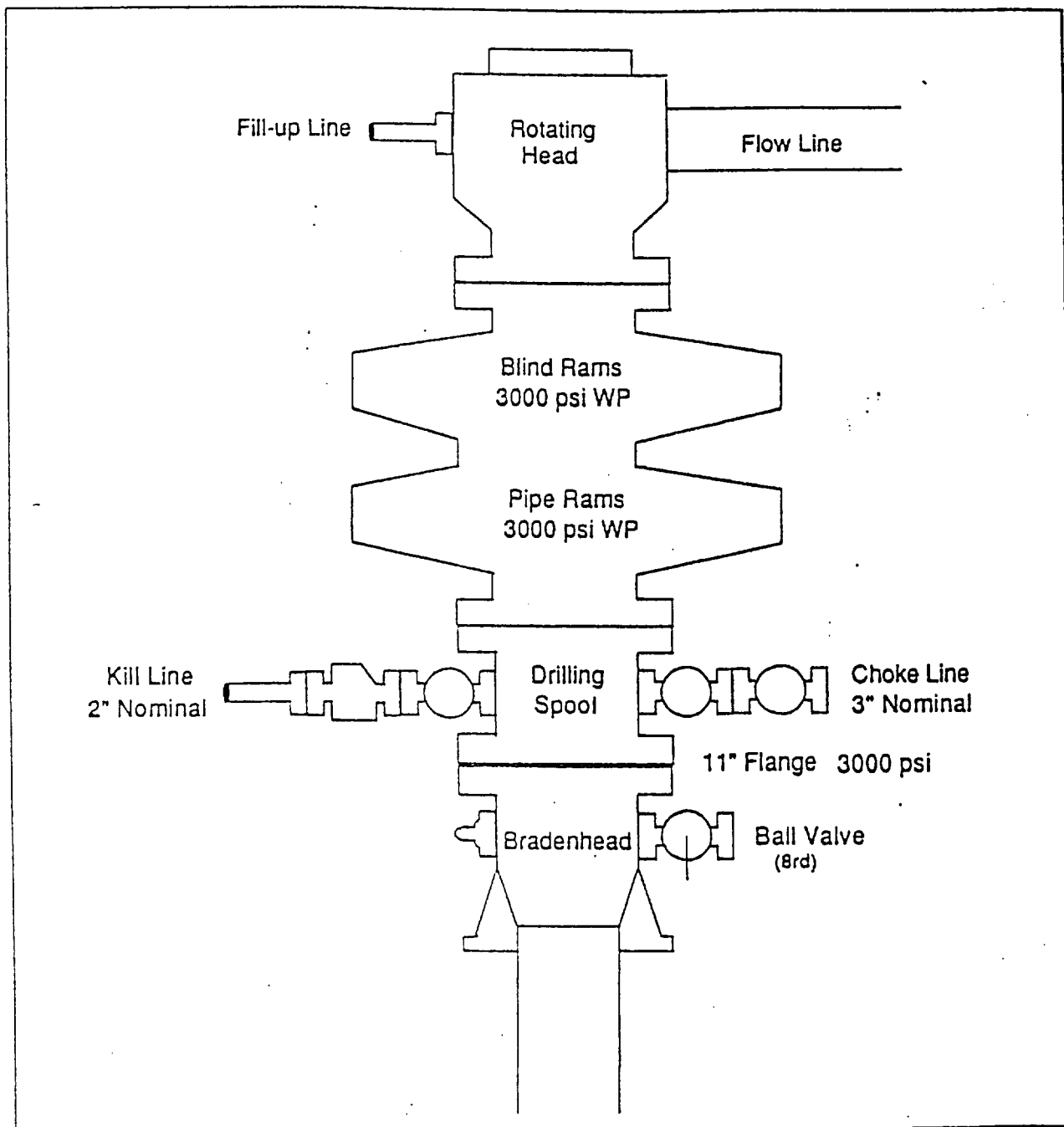


Exhibit #2  
*Choke Manifold & Accumulator Schematic*

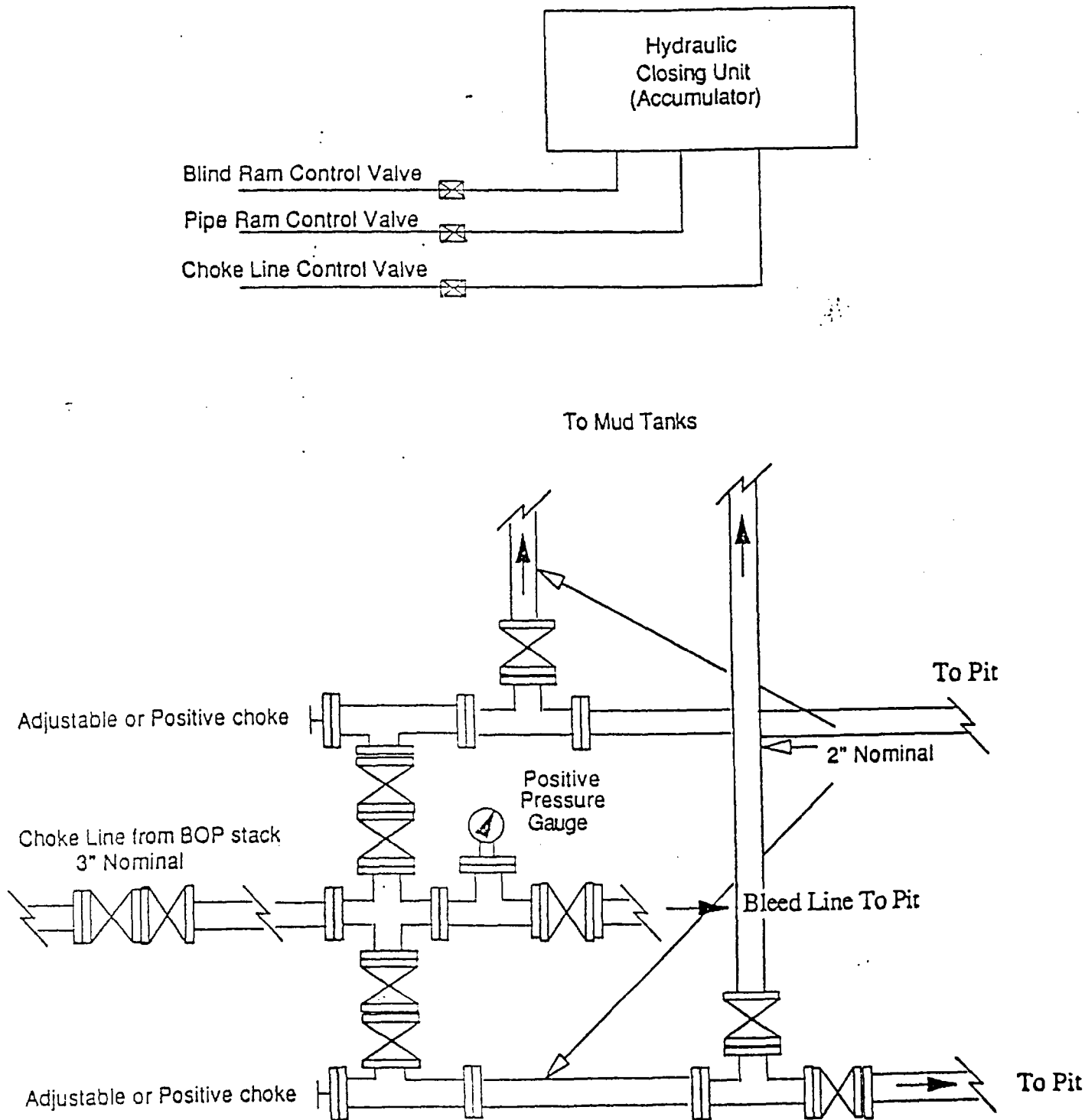


Exhibit #3  
Blowout Prevention Equipment Specifications

1. All BOP equipment shall be fluid and/or mechanically operated.
2. BOP's and all fittings will be in good working condition.
3. Equipment through which the bit must pass shall be at least as large as the casing size being drilled.
4. The nipple above the BOP shall be at least the same size as the last casing set.
5. The upper kelly cock with handle and lower kelly cock shall be rated at the BOP working pressure.
6. A floor safety valve (full opening) or drill string BOP with appropriate pressure ratings shall be available on the rig floor with connections or subs to fit any tool joint in the string.
7. The minimum size choke line shall be 3 inches nominal diameter, with a minimum size for vent lines downstream of chokes of 2 inches nominal, and vent lines which by-pass shall be a minimum of 3 inches nominal and as straight as possible.
8. All valves, fittings and lines between the closing unit and the blowout preventer stack should be of steel construction with rated working pressure at least equal to working pressure rating of the stack. Lines shall be bundled and protected from damage.
9. Minimum size for kill line is 2 inches nominal.
10. Ram type preventers shall be equipped with extension hand wheels or hydraulic locks.

BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 1346  
Order No. R-1098

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR A NON-STANDARD GAS  
PRORATION UNIT AND AN UNORTHODOX GAS  
WELL LOCATION IN THE BLANCO MESAVERDE  
GAS POOL IN SAN JUAN COUNTY, NEW  
MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 20, 1957, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th day of December, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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 applicant, Pan American Petroleum Corporation, proposes the establishment for a 408-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the S/2 S/2 of Section 19 and the N/2 of Section 30, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That the owners of all leases included in the proposed unit have verbally agreed to communitize their interests.

(4) That the applicant proposes to dedicate the above-described unit to a well to be drilled to the Blanco Mesaverde Gas Pool at a point 990 feet from the North line and 1650 feet from the East line of said Section 30.

(5) That approval of the subject application will not cause waste nor impair correlative rights.

(6) That the subject application should be approved contingent upon receipt by the Commission of proof of communitization of the above-described non-standard gas proration unit.

IT IS THEREFORE ORDERED:

(1) That a 408-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the S/2 S/2 of Section 19 and the N/2 of Section 30, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico, be and the same is hereby established.

(2) That the applicant, Pan American Petroleum Corporation, be and the same is hereby authorized to drill a gas well in the Blanco Mesaverde Gas Pool on an unorthodox location at a point 990 feet from the North line and 1650 feet from the East line of said Section 30, said well to be assigned to the above-described non-standard gas proration unit.

(3) That the above-described well be granted an acreage factor for allowable purposes in the Blanco Mesaverde Gas Pool in the proportion that the acreage in the above-described unit bears to the acreage in a standard gas proration unit for the Blanco Mesaverde Gas Pool, subject to the provisions of Rule 9 of the Special Rules and Regulations for the Blanco Mesaverde Gas Pool as set forth in Order R-128-D.

(4) That the provisions of Paragraphs 1, 2, and 3 above shall be contingent upon receipt by the Commission of proof of formal communitization of the above-described non-standard gas proration unit.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

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BEFORE THE OIL CONSERVATION COMMISSION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
COMMISSION OF THE STATE OF NEW  
MEXICO FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 1345  
Order No. R-1097

APPLICATION OF PAN AMERICAN PETROLEUM  
CORPORATION FOR A NON-STANDARD GAS  
PRORATION UNIT AND AN UNORTHODOX GAS  
WELL LOCATION IN THE BLANCO MESAVERDE  
GAS POOL IN SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on November 20, 1957, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the New Mexico Oil Conservation Commission, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 18th. day of December, 1957, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Elvis A. Utz, 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 applicant, Pan American Petroleum Corporation, proposes the establishment of a 409-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the N/2 and the N/2 S/2 of Section 19, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico.

(3) That the owners of all leases in the proposed unit have verbally agreed to communitize their interests.

(4) That the applicant proposes to dedicate the above-described unit to its Snyder Gas Unit Well No. 1, located 1750 feet from the North line and 1750 feet from the East line of said Section 19.

(5) That approval of the subject application will not cause waste nor impair correlative rights.

(6) That the subject application should be approved contingent upon receipt by the Commission of proof of communitization of the above-described non-standard gas proration unit.

IT IS THEREFORE ORDERED:

(1) That a 409-acre non-standard gas proration unit in the Blanco Mesaverde Gas Pool consisting of the N/2 and the N/2 S/2 of Section 19, Township 29 North, Range 9 West, NMPM, San Juan County, New Mexico, be and the same is hereby established.

(2) That the unorthodox gas well location of the Pan American Petroleum Corporation Snyder Gas Unit Well No. 1 at a point 1750 feet from the North line and 1750 feet from the East line of said Section 19 be and the same is hereby approved.

(3) That the said Snyder Gas Unit Well No. 1 be granted an acreage factor for allowable purposes in the Blanco Mesaverde Gas Pool in the proportion that the acreage in the above-described unit bears to the acreage in a standard gas proration unit for the Blanco Mesaverde Gas Pool, subject to the provisions of Rule 9 of the Special Rules and Regulations of the Blanco Mesaverde Gas Pool as set forth in Order R-128-D.

(4) That the provisions of Paragraphs 1, 2, and 3 above shall be contingent upon receipt by the Commission of proof of formal communitization of the above-described non-standard gas proration unit.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

MURRAY E. MORGAN, Member

A. L. PORTER, Jr., Member & Secretary

S E A L

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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. 2327  
Order No. R-2046

APPLICATION OF THE OIL CONSERVATION  
COMMISSION ON ITS OWN MOTION TO CON-  
SIDER ESTABLISHING NON-STANDARD GAS  
PRORATION UNITS IN THE BASIN-DAKOTA  
GAS POOL IN CERTAIN PARTIAL SECTIONS,  
SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE COMMISSION

BY THE COMMISSION:

This cause came on for hearing at 9 o'clock a.m. on June 28, 1961, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 14th day of August, 1961, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, 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, in order to ensure systematic development and thereby prevent waste and protect correlative rights, the Commission should establish individual proration units in the Basin-Dakota Gas Pool in Townships 29, 30, 31 and 32 North, Ranges 4, 5, 6, 7, 8, 9, 11, 12 and 13 West, NMPM, San Juan County, New Mexico.

(3) That said non-standard proration units are necessitated by irregular sections resulting from survey corrections in the United States Public Lands Survey.

(4) That the acreage contained in each individual proration unit should be based on the latest official surveys and resurveys accepted by the Federal Bureau of Land Management.

-2-  
CASE No. 2327  
Order No. R-2046

IT IS THEREFORE ORDERED:

(1) That the following-described non-standard gas proration units in the Basin-Dakota Gas Pool, San Juan County, New Mexico, are hereby established:

TOWNSHIP 29 NORTH, RANGE 9 WEST

| <u>Tract</u> | <u>Acreage</u>    | <u>Section</u> |                               |
|--------------|-------------------|----------------|-------------------------------|
| A            | 264.00            | 6              | N/2                           |
| B            | 334.14            | 6              | S/2                           |
|              |                   | 7              | N/2 N/2 N/2                   |
| C            | 336.66            | 7              | S/2 N/2 N/2, S/2 N/2, N/2 S/2 |
| D            | 331.68            | 7              | S/2 S/2                       |
|              |                   | 18             | N/2 N/2, N/2 S/2 N/2          |
| E            | 330.98            | 18             | S/2 S/2 N/2, S/2              |
| F            | 409.24            | 19             | N/2, N/2 S/2                  |
| G            | <del>337.38</del> | 19             | S/2 S/2                       |
|              |                   | 30             | N/2                           |
| H            | 268.42            | 30             | S/2                           |
| I            | 251.72            | 31             | N/2                           |
| J            | 251.01            | 31             | S/2                           |

TOWNSHIP 29 NORTH, RANGE 13 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |     |
|--------------|----------------|----------------|-----|
| A            | 356.19         | 6              | W/2 |
|              |                | 7              | W/2 |
| B            | 364.60         | 18             | W/2 |
|              |                | 19             | W/2 |
| C            | 366.40         | 30             | W/2 |
|              |                | 31             | W/2 |

TOWNSHIP 30 NORTH, RANGE 6 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| X A          | 339.46         | 1              | E/2 (This unit also contains the SE/4 of Section 36, Township 31 North, Range 6 West) |
| X B          | 319.69         | 1              | W/2   |
| C            | 227.48         | 12             | E/2   |
| D            | 227.76         | 13             | E/2   |
| E            | 228.52         | 24             | E/2   |
| F            | 229.56         | 25             | E/2   |
| G            | 230.24         | 36             | E/2   |

\* See order R-2046-

TOWNSHIP 30 NORTH, RANGE 7 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| A            | 296.02         | 6              | A portion of this unit contains acreage in Section 31, Township 31 North, Range 7 West described under that Township. |
| B            | 298.90         | 7              | W/2   |
|              |                | 18             | NW/4  |
| C            | 307.44         | 18             | SW/4  |
|              |                | 19             | W/2   |
| D            | 209.36         | 30             | W/2   |
| E            | 211.32         | 31             | W/2   |

TOWNSHIP 30 NORTH, RANGE 9 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |      |
|--------------|----------------|----------------|------|
| A            | 299.85         | 6              | W/2  |
|              |                | 7              | NW/4 |
| B            | 304.39         | 7              | SW/4 |
|              |                | 18             | W/2  |

TOWNSHIP 30 NORTH, RANGE 9 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |      |
|--------------|----------------|----------------|------|
| C            | 310.56         | 19             | W/2  |
|              |                | 30             | NW/4 |
| D            | 308.56         | 30             | SW/4 |
|              |                | 31             | W/2  |

TOWNSHIP 30 NORTH, RANGE 13 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |  |
|--------------|----------------|----------------|--|
| A            | 321.99         | 6              | Lots 3, 4, 5, 6, SE/4 NW/4, NE/4 SW/4. (This unit also contains acreage in Section 31, Township 31 North, Range 13 West consisting of Lots 1, 2, 3, 4, E/2 W/2.) |
| B            | 324.79         | 6              | Lot 7, SE/4 SW/4   |
|              |                | 7              | W/2  |
|              |                | 18             | NW/4   |
| C            | 314.60         | 18             | SW/4   |
|              |                | 19             | W/2  |
|              |                | 30             | NE/4 NW/4  |
| D            | 317.19         | 30             | Lots 8, 9, 10, 13, 14, 15, 16  |
|              |                | 31             | W/2  |

TOWNSHIP 31 NORTH, RANGE 4 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |     |
|--------------|----------------|----------------|-----|
| A            | 331.82         | 1              | E/2 |
| B            | 327.26         | 1              | W/2 |
| C            | 326.90         | 2              | E/2 |
| D            | 326.62         | 2              | W/2 |
| E            | 326.52         | 3              | E/2 |

-5-

CASE No. 2327

Order No. R-2046

TOWNSHIP 30 NORTH, RANGE 4 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acres</u> | <u>Section</u> |     |
|--------------|--------------|----------------|-----|
| F            | 326.60       | 3              | W/2 |
| G            | 326.67       | 4              | E/2 |
| H            | 326.43       | 4              | W/2 |
| I            | 326.49       | 5              | E/2 |
| J            | 326.69       | 5              | W/2 |
| K            | 316.40       | 6              | N/2 |
| L            | 305.44       | 6              | S/2 |
| M            | 305.67       | 7              | N/2 |
| N            | 305.89       | 7              | S/2 |
| O            | 306.11       | 18             | N/2 |
| P            | 306.33       | 18             | S/2 |
| Q            | 306.53       | 19             | N/2 |
| R            | 306.71       | 19             | S/2 |
| S            | 306.90       | 30             | N/2 |
| T            | 307.10       | 30             | S/2 |
| U            | 307.31       | 31             | N/2 |
| V            | 307.53       | 31             | S/2 |

TOWNSHIP 31 NORTH, RANGE 5 WEST

| <u>Tract</u> | <u>Acres</u> | <u>Section</u> |     |
|--------------|--------------|----------------|-----|
| A            | 360.20       | 1              | A11 |
| B            | 368.60       | 2              | A11 |
| C            | 368.40       | 3              | A11 |
| D            | 368.23       | 4              | A11 |
| E            | 367.96       | 5              | A11 |

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CASE No. 2327

Order No. R-2046

TOWNSHIP 31 NORTH, RANGE 5 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |                |
|--------------|----------------|----------------|----------------|
| F            | 336.42         | 6              | All            |
|              |                | 7              | NW/4           |
| G            | 323.79         | 7              | SW/4           |
|              |                | 18             | W/2            |
|              |                | 19             | NW/4, N/2 SW/4 |
| H            | 327.63         | 19             | S/2 SW/4       |
|              |                | 30             | W/2            |
|              |                | 31             | W/2            |

TOWNSHIP 31 NORTH, RANGE 6 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| A            | 319.44         | 1              | All   |
|              |                | 12             | NE/4 NE/4   |
| B            | 356.26         | 2              | All   |
| C            | 353.00         | 3              | All   |
|              |                | 4              | That portion of Tract 37 lying in Section 4.                |
| D            | 343.23         | 4              | All, except that portion of Tract 37 lying in this section. |
| E            | 350.16         | 5              | All   |
| F            | 351.89         | 6              | All   |
| G            | 318.50         | 12             | SE/4, W/2 NE/4, SE/4 NE/4                                   |
|              |                | 13             | NE/4  |
| H            | 335.66         | 13             | SE/4  |
|              |                | 24             | E/2   |

TOWNSHIP 31 NORTH, RANGE 6 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| * I          | 337.04         | 25             | E/2   |
|              |                | 36             | NE/4  |
| * J          | 339.46         | 36             | A portion of this unit contains acreage in Township 30 North, Range 6 West described under that Township. |

\* see order R-2046-A

TOWNSHIP 31 NORTH, RANGE 7 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |  |
|--------------|----------------|----------------|--|
| A            | 367.08         | 1              | All  |
| B            | 310.48         | 2              | Lot 8, E/2, E/2 W/2  |
| C            | 324.82         | 2              | W/2 SW/4   |
|              |                | 3              | E/2, SE/4 SW/4   |
| D            | 318.57         | 3              | Lot 7, NE/4 SW/4, W/2 W/2  |
|              |                | 4              | E/2 E/2, SW/4 SE/4   |
| E            | 323.15         | 4              | Lot 6, NW/4 SE/4, W/2  |
|              |                | 5              | Lot 5  |
| F            | 321.66         | 5              | Lots 6, 7, 8, E/2 SW/4, SE/4   |
| G            | 319.16         | 5              | Tract No. 53, Lot 9  |
|              |                | 6              | Lots 8, 9, 10, 11, NE/4 SW/4, N/2 SE/4                                     |
| H            | 324.39         | 5              | SW/4 SW/4  |
|              |                | 6              | Lots 12, 14, 15, S/2 SE/4  |
|              |                | 7              | Lot 5, N/2 NE/4, SE/4 NE/4   |
| I            | 317.23         | 7              | Lots 6, 7, SW/4 NE/4, N/2 SE/4. All of Tract 54 lying in Sections 6 and 7. |
| J            | 325.68         | 7              | Lots 8 and 9, SE/4 SE/4, that portion of Tract 55 lying in this section.   |

TOWNSHIP 31 NORTH, RANGE 7 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |  |
|--------------|----------------|----------------|--|
|              |                | 18             | Lots 5, 6, 7, NE/4 NE/4, S/2 NE/4, that portion of Tract 55 lying in this section.   |
| K            | 321.61         | 18             | Lots 8, 9, 10, SE/4 NW/4, E/2 SW/4, SE/4   |
| L            | 259.82         | 19             | Lots 5, 6, 7, 8, E/2 W/2   |
|              |                | 30             | Lot 5, NE/4 NW/4   |
| M            | 250.65         | 30             | Lots 6, 9, 10, SE/4 NW/4, E/2 SW/4   |
|              |                | 31             | Lots 7, 8, E/2 NW/4  |
| N            | 296.02         | 31             | Lots 11, 12, E/2 SW/4. The balance of this Tract lies in Section 6, Township 30 North, Range 7 West and consists of Lots 10, 11, 12, 17, 18, 19, NW/4 SE/4, SW/4 NE/4, and the portion of Tract 40 lying in the SW/4 SE/4 of that section. |

TOWNSHIP 31 NORTH, RANGE 13 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |  |
|--------------|----------------|----------------|--|
| A            | 322.36         | 6              | W/2  |
|              |                | 7              | NW/4, N/2 SW/4   |
| B            | 315.59         | 7              | S/2 SW/4   |
|              |                | 18             | W/2  |
|              |                | 19             | Lots 9, 16, N/2 NW/4   |
| C            | 329.75         | 19             | Lot 17, E/2 SW/4, SE/4 NW/4  |
|              |                | 30             | W/2  |
| D            | 321.99         | 31             | A portion of this unit contains acreage in Township 30 North, Range 13 West described under that Township. |

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TOWNSHIP 32 NORTH, RANGE 5 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| A            | 353.24         | 12             | W/2, E/2 SW/4   |
| B            | 354.65         | 12             | NW/4, W/2 SW/4  |
|              |                | 11             | N/2 NE/4, SE/4 NE/4, E/2 SE/4   |
| C            | 336.52         | 11             | NW/4, SW/4 NE/4, E/2 SW/4,<br>W/2 SE/4  |
|              |                | 10             | NE/4 NE/4   |
| D            | 339.10         | 11             | W/2 SW/4  |
|              |                | 10             | NW/4 NE/4, S/2 NE/4, SE/4   |
| E            | 278.70         | 10             | W/2   |
| F            | 339.54         | 9              | E/2 E/2, SW/4 NE/4, W/2 SE/4,<br>E/2 SW/4   |
| G            | 338.84         | 9              | NW/4 NE/4, NW/4, W/2 SW/4   |
|              |                | 8              | SE/4 NE/4, E/2 SE/4   |
| H            | 319.74         | 8              | N/2 NE/4, SW/4 NE/4, SE/4 NW/4,<br>SW/4 SW/4, E/2 SW/4, W/2 SE/4  |
| I            | 316.14         | 8              | N/2 NW/4, SW/4 NW/4, NW/4 SW/4  |
|              |                | 7              | All. The SE/4 SE/4 of Section 12,<br>Township 32 North, Range 6 West is<br>also contained in this unit. |
| J            | 355.25         | 18             | All   |
|              |                | 19             | All   |
| K            | 345.59         | 30             | All   |
|              |                | 31             | All   |

TOWNSHIP 32 NORTH, RANGE 6 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| A            | 336.31         | 12             | NE/4, E/2 NW/4, NE/4 SW/4,<br>N/2 SE/4, SW/4 SE/4 |
| B            | 356.82         | 12             | SE/4 SW/4, W/2 W/2                                |

TOWNSHIP 32 NORTH, RANGE 6 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
|              |                | 11             | E/2 E/2, SW/4 SE/4                                |
| C            | 334.45         | 11             | W/2 NE/4, NW/4, N/2 SW/4,<br>SE/4 SW/4, NW/4 SE/4 |
| D            | 338.25         | 10             | E/2 E/2, SW/4 NE/4, W/2 SE/4,<br>SE/4 SW/4        |
| E            | 337.75         | 10             | NW/4 NE/4, NW/4, N/2 SW/4,<br>SW/4 SW/4           |
|              |                | 9              | E/2 SE/4  |
| F            | 317.60         | 9              | N/2, W/2 SE/4                                     |
| G            | 317.51         | 9              | SW/4  |
|              |                | 8              | E/2 E/2, NW/4 NE/4                                |
| H            | 320.00         | 8              | SW/4 NE/4, SE/4 NW/4, SW/4,<br>W/2 SE/4           |
| I            | 308.78         | 8              | N/2 NW/4, SW/4 NW/4                               |
|              |                | 7              | N/2   |
| J            | 318.27         | 7              | S/2   |
| K            | 318.39         | 31             | N/2 N/2, S/2 NE/4, N/2 SE/4                       |
| L            | 315.12         | 31             | S/2 NW/4, SW/4, S/2 SE/4                          |

TOWNSHIP 32 NORTH, RANGE 7 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |                              |
|--------------|----------------|----------------|------------------------------|
| A            | 293.10         | 7              | Lots 2, 3, 4, SW/4, W/2 SE/4 |
| B            | 298.38         | 7              | E/2 E/2                      |
|              |                | 8              | W/2                          |
| C            | 298.33         | 8              | W/2                          |
|              |                | 9              | W/2 W/2                      |
| D            | 376.88         | 9              | E/2 W/2, E/2                 |
|              |                | 10             | Lots 3, 4, NW/4 SW/4         |

TOWNSHIP 32 NORTH, RANGE 7 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |                                      |
|--------------|----------------|----------------|--------------------------------------|
| E            | 357.84         | 10             | Lots 1, 2, NE/4 SW/4, S/2 SW/4, SE/4 |
|              |                | 11             | Lots 3, 4                            |
| F            | 359.20         | 11             | Lots 1, 2, S/2                       |
| G            | 399.00         | 12             | All                                  |

TOWNSHIP 32 NORTH, RANGE 8 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| A            | 312.63         | 7              | Lots 1, 2, 3, 4, N/2 S/2, S/2 SE/4      |
|              |                | 8              | Lot 4, NW/4 SW/4                        |
| B            | 323.88         | 8              | Lots 1, 2, 3, NE/4 SW/4, S/2 SW/4, SE/4 |
| C            | 329.16         | 9              | Lots 2, 3, 4, SE/4 SE/4, W/2 SE/4, SW/4 |
| D            | 311.79         | 9              | Lot 1, NE/4 SE/4                        |
|              |                | 10             | Lot 2, W/2, NW/4 SE/4                   |
| E            | 317.34         | 10             | E/2 E/2, SW/4 SE/4                      |
|              |                | 11             | W/2 W/2, E/2 SW/4                       |
| F            | 328.17         | 11             | Lots 1, 2, 3, SE/4                      |
|              |                | 12             | W/2 W/2                                 |
| G            | 305.18         | 12             | E/2 W/2, E/2                            |
| H            | 312.56         | 7              | S/2 SW/4                                |
|              |                | 18             | W/2                                     |
|              |                | 19             | W/2 NW/4                                |
| I            | 316.35         | 19             | E/2 NW/4, SW/4                          |
|              |                | 30             | NW/4, NW/4 SW/4                         |
| J            | 316.70         | 30             | NE/4 SW/4, S/2 SW/4                     |
|              |                | 31             | W/2                                     |

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TOWNSHIP 32 NORTH, RANGE 11 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |                  |
|--------------|----------------|----------------|------------------|
| A            | 332.27         | 7              | All              |
| B            | 327.80         | 8              | W/2              |
|              |                | 17             | W/2 W/2          |
| C            | 328.20         | 8              | E/2              |
|              |                | 17             | E/2 E/2          |
| D            | 320.00         | 17             | E/2 W/2, W/2 E/2 |
| E            | 336.40         | 9              | All              |
| F            | 335.60         | 10             | All              |
| G            | 334.00         | 11             | All              |
| H            | 333.60         | 12             | All              |

TOWNSHIP 32 NORTH, RANGE 12 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |     |
|--------------|----------------|----------------|-----|
| A            | 335.38         | 7              | All |
| B            | 309.43         | 8              | All |
| C            | 280.38         | 9              | All |
| D            | 326.68         | 10             | All |
| E            | 336.40         | 11             | All |
| F            | 336.00         | 12             | All |

TOWNSHIP 32 NORTH, RANGE 13 WEST

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |              |
|--------------|----------------|----------------|--------------|
| A            | 363.83         | 7              | All          |
|              |                | 8              | W/2, W/2 E/2 |
| B            | 339.80         | 8              | E/2 E/2      |
|              |                | 9              | All          |
|              |                | 10             | SW/4 SW/4    |

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CASE No. 2327  
Order No. R-2046

TOWNSHIP 32 NORTH, RANGE 13 WEST - (CONTINUED)

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |                                 |
|--------------|----------------|----------------|---------------------------------|
| C            | 336.95         | 10             | Lot 8, E/2 W/2, E/2             |
|              |                | 11             | Lot 6, W/2                      |
| D            | 345.89         | 11             | Lot 5, S/2 SE/4                 |
|              |                | 12             | All                             |
| E            | 325.32         | 18             | Lot 13, N/2, NW/4 SE/4          |
| F            | 321.40         | 18             | NE/4 SE/4, S/2 S/2              |
|              |                | 19             | N/2 N/2, SE/4 NE/4              |
| G            | 320.48         | 19             | Lots 8, 13, 14, SW/4 NE/4, SE/4 |
| H            | 335.02         | 30             | Lot 13, NW/4 SE/4, N/2          |
| I            | 325.85         | 30             | Lot 14, NE/4 SE/4, S/2 SE/4     |
|              |                | 31             | Lot 6, SE/4 NE/4, N/2 NE/4      |
| J            | 328.45         | 31             | Lot 7, SW/4 NE/4, S/2           |

(2) That the acreage contained in each of the above-described proration units shall be based on the latest official surveys and resurveys accepted by the Federal Bureau of Land Management, and, in the event further official surveys are made in any subject Township, the acreage in each affected proration unit shall conform to the change.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

STATE OF NEW MEXICO  
OIL CONSERVATION COMMISSION

EDWIN L. MECHEM, Chairman

E. S. WALKER, Member

E A L

A. L. PORTER, Jr., Member & Secretary

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7479  
Order No. R-2046-A

APPLICATION OF NORTHWEST PIPELINE  
CORPORATION FOR AMENDMENT OF ORDER  
NO. R-2046, RIO ARriba COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 17, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of March, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That Division Order No. R-2046 established a large number of non-standard proration units for the Basin-Dakota Gas Pool in Rio Arriba County, New Mexico, including the following:

TOWNSHIP 30 NORTH, RANGE 6 WEST, NMPM

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |   |
|--------------|----------------|----------------|---|
| A            | 339.46         | 1              | E/2 (This unit also contains the SE/4 of Section 36, Township 31 North, Range 6 West) |
| B            | 319.69         | 1              | W/2   |

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u>  |
|--------------|----------------|---|
| I            | 337.04         | 25 E/2<br>36 NE/4   |
| J            | 339.46         | 36 A portion of this unit contains acreage<br>in Township 30 North, Range 6 West,<br>described under that township. |

(3) That the applicant, Northwest Pipeline Corporation, seeks the amendment of Division Order No. R-2046, to delete the four non-standard gas proration units described in Finding No. (2) above and to create six new non-standard proration units for wells to be drilled in the Basin-Dakota Pool at standard locations.

(4) That the six new proposed non-standard units consist of the following described acreage:

TOWNSHIP 30 NORTH, RANGE 6 WEST, NMPM

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |
|--------------|----------------|----------------|
| 1            | 272.81         | 1 N/2          |
| 2            | 273.49         | 1 S/2          |

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |
|--------------|----------------|----------------|
| 3            | 272.16         | 25 N/2         |
| 4            | 272.32         | 25 S/2         |
| 5            | 272.56         | 36 N/2         |
| 6            | 272.88         | 36 S/2         |

(5) That the non-standard proration units may reasonably be presumed productive of gas from the Basin-Dakota Gas Pool and that all of the non-standard gas proration units can be efficiently and economically drained and developed by the aforesaid wells.

(6) That approval of the subject application will afford the applicant the opportunity to produce his just and equitable share of the gas in the Basin-Dakota Pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an

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Case No. 7479

Order No. R-2046-A

excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That Division Order No. R-2046 is hereby amended by deletion therefrom of the four non-standard proration units described in Finding No. (2) of this order.

(2) That six new non-standard proration units for Basin-Dakota production are hereby created and designated in Rio Arriba County, New Mexico, as follows:

TOWNSHIP 30 NORTH, RANGE 6 WEST, NMPM

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |
|--------------|----------------|----------------|
| 1            | 272.81         | 1 N/2          |
| 2            | 273.49         | 1 S/2          |

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM

| <u>Tract</u> | <u>Acreage</u> | <u>Section</u> |
|--------------|----------------|----------------|
| 3            | 272.16         | 25 N/2         |
| 4            | 272.32         | 25 S/2         |
| 5            | 272.56         | 36 N/2         |
| 6            | 272.88         | 36 S/2         |

(2) That jurisdiction of this cause 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

  
JOE D. RAMEY,  
Director

S E A L