

CASE NO.

7665

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
19 January 1983

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Company
for compulsory pooling, Lea County, New
Mexico.

CASE
7665

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Parry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

1
2 MR. STAMETS: Call next Case 7665.

3 MR. PEARCE: That case is on the appli-
4 cation of Harvey E. Yates Company for compulsory pooling,
5 Lea County, New Mexico.

6 Mr. Examiner, applicant has requested
7 that this matter be dismissed.

8 MR. STAMETS: Case 7665 will be dis-
9 missed.

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11 (Hearing concluded.)
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7665
heard by me on 5-18 19 83.

Richard P. [Signature], Examiner
Oil Conservation Division

SALLY BOYD, C.S.R.
Rt. 1 Box 110-B
Seminole, Ok., New Mexico 87564
Phone (505) 415-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
16 December 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Com-
pany for compulsory pooling, Lea
County, New Mexico.

CASE
7665

BEFORE: Richard L. Stamets, Examiner

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. STAMETS: Call next Case 7665.

MR. PEARCE: That is on the application of
Harvey E. Yates Company for compulsory pooling, Lea County,
New Mexico.

MR. STAMETS: At the request of the appli-
cant this case will be continued to the January 19th Examiner
Hearing.

(Hearing continued.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a correct and true transcript of the
hearing held on the 12th day of 1965 in
Room 7665
Richard R. James
Oil Conservation Division Examiner

SALLY BOYD, C.S.R.

Rt. 1 Box 193-B

Sumner, Pa. 15389

Phone (412) 455-7469

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
1 September 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Harvey E. Yates Com-
pany for compulsory pooling, Lea
County, New Mexico.

CASE
7665

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

MR. STAMETS: Call next Case 7665.

MR. PEARCE: That is the application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico.

MR. STAMETS: At the request of the applicant, this case will be continued to sometime in December and will be readvertised.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing Before the Oil Conserva-
tion Division was reported by me; that the said transcript
is a full, true, and correct record of the hearing, prepared
by me to the best of my ability.

Sally W. Boyd CSR

SALL. BOYD, C.S.R.
Box 195-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I do hereby certify that the foregoing is
a correct and true transcript of the proceedings in
the Examiner hearing of Case No. 7665
heard by me on 9-11 1952
Richard F. Ham, Examiner
Oil Conservation Division



POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

January 24, 1983

Re: CASE NO. 7665
ORDER NO. R-7187

Applicant:

~~Harvey E. Yates Company~~

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

~~IDENTIFIED~~

Copy of order also sent to:

Hobbs OGD _____
Artesia OGD _____
Astec OGD _____

Other

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. 7665
Order No. R-7187

APPLICATION OF HARVEY E. YATES
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on January 19, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 24th day of January, 1983, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7665 is hereby dismissed.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOE D. RAMEY,
Director

STAL

HEYCO

PETROLEUM PRODUCERS



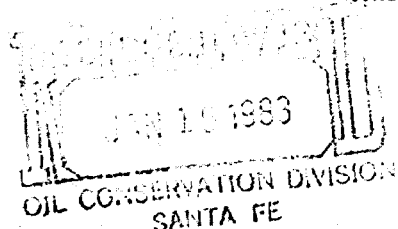
HARVEY E. YATES COMPANY

P. O. BOX 1933

SUITE 300, SECURITY NATIONAL BANK BUILDING

505-823-6601

ROSWELL, NEW MEXICO 88201



January 18, 1983

Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

RE: Case No. 7665
Application of
Harvey E. Yates Company
for Compulsory Pooling

Gentlemen:

Please dismiss Case No. 7665. We have decided to move the drillsite and will not need to force pool interests in the N/2 of Section 35, T-13S, R-35E.

Sincerely,

Thomas J. Hall, III
Attorney

TJH/jft

Dockets Nos. 4-83 and 5-83 are tentatively set for February 2, 1983 and February 16, 1983. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 19, 1983

9 A.M. - OIL CONSERVATION DIVISION CONFERENCE
ROOM, STATE LAND OFFICE BUILDING, SANTA FE,
NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1983, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for February, 1983, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7772: Application of Texaco Inc. for an unorthodox location, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval of an unorthodox injection well located 180 feet from the North line and 40 feet from the East line of Section 3, Township 18 South, Range 34 East, Vacuum Grayburg-San Andres Pool, the NE/4 NE/4 of said Section 3 to be dedicated to the well.

CASE 7773: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow gas well location 660 feet from the South and West lines of Section 15, Township 18 South, Range 25 East, the S/2 of said Section 15 to be dedicated to the well.

CASE 7768: (Continued from January 5, 1983, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South and West lines of Section 11, Township 14 South, Range 27 East, Morrow formation, the S/2 of said Section 11 to be dedicated to the well.

CASE 7769: (Continued from January 5, 1983, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of Section 26, Township 14 South, Range 27 East, Morrow formation, the S/2 of said Section 26 to be dedicated to the well.

CASE 7774: Application of McLellan Oil Corp. for an increase in injection pressure, Chaves County, New Mexico.

Applicant, in the above-styled cause, seeks authority to inject water into its Salinar Queen Unit Waterflood Project at a wellhead pressure of approximately 1000 psi, said pressure yielding a bottomhole hydrostatic pressure in excess of the indicated formation fracture pressure for the Salinar-Queen Pool.

CASE 7775: Application of J. I. O'Neill for pool abolishment, pool creation and special pool rules, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks the abolishment of the Scharb-Bone Springs Pool and the creation of a new pool, the Scharb-Lower Bone Springs Pool, in its stead, subject to the old pool boundaries. Applicant further seeks the creation of a new pool for Upper Bone Springs production to comprise, among other lands, the NE/4 SW/4 of Section 5, Township 19 South, Range 35 East, upon which is located applicant's Ora Jackson Well No. 1. Both pools would be subject to the current pool rules for the Scharb-Bone Springs Pool.

CASE 7776: Application of TEO Production Corp. for an unorthodox gas well location, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks approval of an unorthodox Pennsylvania gas well location 990 feet from the South line and 660 feet from the East line of Section 7, Township 21 South, Range 26 East, the S/2 of said Section 7 to be dedicated to the well.

CASE 7765: (Continued and Advertised)

Application of Enserch Exploration for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1100 feet from the South line and 100 feet from the West line of Section 25, Township 7 South, Range 28 East, South Elkins-Paseo Pool, the SW/4 SW/4 of said Section 25 to be dedicated to the well.

CASE 7777: Application of Caulkins Oil Company for non-standard proration units, unorthodox locations, and downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Chacra and Mesaverde production in its State B Well No. 233-B, drilled at an unorthodox location for the Chacra, Mesaverde, and Dakota formations 1740 feet from the South line and 1715 feet from the West line of Section 16, Township 26 North, Range 6 West. Applicant further seeks approval of a 320-acre non-standard Chacra gas proration unit for said well comprising the N/2 NE/4, NW/4, and N/2 SW/4 of said Section 16. Applicant also seeks approval for the unorthodox Chacra location of its State B Well No. 235-B, also on the aforesaid unit, at a point 1070 feet from the North line and 920 feet from the East line of said Section 16, and approval of a 320-acre Chacra non-standard unit comprising the SE/4, S/2 NE/4, and S/2 SW/4 of said Section 16 to be dedicated to its State B Well No. 268-B, located in Unit P of Section 16.

CASE 7778: Application of E. L. Brown for directional drilling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill his Shell State Well No. 1, the surface location of which is 609 feet from the South line and 1665 feet from the East line of Section 32, Township 15 South, Range 32 East, in such a manner as to bottom said well in the Morrow formation at an unorthodox location approximately 200 to 400 feet East of the surface location, the S/2 of said Section 32 to be dedicated to the well.

CASE 7779: Application of Joel B. Barr, Jr. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Pictured Cliffs and Fruitland production in the well bore of his Foothills Well No. 1 located in Unit K, Section 19, Township 30 North, Range 12 West.

CASE 7780: Application of Tesoro Petroleum Corp. for downhole commingling, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Hespah Upper Sand and Hespah Lower Sand pool production in the well bore of its Santa Fe Railroad Well No. 20, located in the SE/4 NW/4 of Section 7, Township 17 North, Range 8 West.

CASE 7781: Application of Jerome P. McHugh for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup-Dakota formations underlying the S/2 of Section 21, Township 25 North, Range 2 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7782: Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. (This case will be continued to the February 17, 1983, Commission Hearing). Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation only underlying the NW/4 of Section 18, Township 9 South, Range 27 East, and in the Wolfcamp through Ordovician formations only, underlying the E/2 of said Section 18, said units to be dedicated to a single well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7783: (Continued from December 16, 1982, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Chaves County, New Mexico. (This case will be continued to the February 17, 1983, Commission Hearing). Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Abo formation underlying the NW/4 and from the Wolfcamp through the Ordovician formations underlying the E/2 of Section 18, Township 9 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7785: (Continued from December 16, 1982, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the Wolfcamp through Mississippian formations underlying the W/2 of Section 35, Township 13 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

- CASE 7783:** Application of Curtie J. Little for designation of a tight formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Chacra formation underlying all or portions of Section 4 through 10, Township 25 North, Range 7 West, and Sections 5 through 10 and 14, 15, 23 and 25, and 26 through 36, Township 26 North, Range 7 West, containing 20,160 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.
- CASE 7784:** Application of Jake L. Hamon for designation of a tight formation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Morrow formation underlying Sections 25 and 36, Township 23 South, Range 26 East, containing 1280 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.
- CASE 7785:** In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting and extending vertical and horizontal limits of certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Hackberry-Bone Spring Pool. The discovery well is the Anadarko Production Company Hanson Federal Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 31 East, N7PM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, N7PM
Section 20: SE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the North House-Tubb Pool. The discovery well is the Alpha Twenty-One Production Company Werta Federal Well No. 1 located in Unit O of Section 35, Township 19 South, Range 38 East, N7PM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, N7PM
Section 35: SE/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the McIver Ranch-Morrow Gas Pool. The discovery well is the Wirth Exploration, Inc. Stein Federal Well No. 1 located in Unit J of Section 30, Township 22 South, Range 25 East, N7PM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, N7PM
Section 30: All

- (d) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abc production and designated as the South Pecos Slope-Abc Gas Pool. The discovery well is the Yates Petroleum Corporation Federal IX Well No. 1 located in Unit L of Section 3, Township 9 South, Range 26 East, N7PM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 25 EAST, N7PM
Sections 1 through 4: All
Section 5: E/2
Section 8: E/2
Sections 9 through 15: All
Sections 23 through 28: All
Section 29: E/2
Section 35: E/2
Section 36: All

TOWNSHIP 9 SOUTH, RANGE 26 EAST, N7PM

Section 3: W/2
Sections 4 through 6: All
Sections 7 through 9: All
Section 10: W/2
Sections 16 through 24: All
Section 26: W/2
Sections 27 through 30: All
Sections 31 through 34: All
Section 35: W/2

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NNPM
Section 1: E/2 and NW/4
Section 2: N/2

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NNPM
Section 6: NW/4

- (e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Vada-Abo Pool. The discovery well is the Amoco Production Company Pruitt A Well No. 2 located in Unit C of Section 17, Township 9 South, Range 34 East, NNPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NNPM
Section 17: NE/4

- (f) ABOLISH the East Bitter Lakes-Abo Gas Pool in Chavez County, New Mexico, heretofore classified, defined, and described as:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NNPM
Section 20: NW/4

- (g) ABOLISH the Panjack Abo Gas Pool in Chavez County, New Mexico, as heretofore classified, defined, and described as:

TOWNSHIP 9 SOUTH, RANGE 25 EAST, NNPM
Section 36: SE/4

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NNPM
Section 31: S/2
Section 32: All

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NNPM
Section 1: E/2 and NW/4
Section 2: NE/4

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NNPM
Section 6: NW/4

- (h) CONTRACT the horizontal limits of the Fecos Slope-Abo Gas Pool in Chavez County, New Mexico, by the deletion of the following described area:

TOWNSHIP 8 SOUTH, RANGE 25 EAST, NNPM
Section 13: SW/4

- (i) EXTEND the vertical limits of the Atoka-Yaso Pool in Eddy County, New Mexico, to include the Glorieta formation, as all wells are producing from both the Glorieta and Yaso zones, and redesignate said pool as the Atoka Glorieta-Yaso Pool.

- (j) EXTEND the Airstrip-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NNPM
Section 35: E/2

- (k) EXTEND the Avalon-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NNPM
Section 36: S/2 SE/4

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NNPM
Section 31: All

- (L) EXTEND the Blinbry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 12: SE/4
Section 13: E/2

- (M) EXTEND the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM
Section 34: SE/4

- (N) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 13: NW/4
Section 23: S/2 W/2 and S/2

- (O) EXTEND the North Burton Flat-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 30: E/2
Section 31: All
Section 32: W/2
Section 33: W/2

- (P) EXTEND the Dog Town Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM
Section 8: S/2

- (Q) EXTEND the Jalnet Tancill-Yates-Seven Rivers Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 26: SE/4

- (R) EXTEND the South Kennitz Atoka-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 18: S/2
Section 19: NE/4

- (S) EXTEND the Lacy J-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 35: SE/4

- (T) EXTEND the Lee-Boss Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 23: E/2

- (U) EXTEND the Logan Draw-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 20: NW/4

- (V) EXTEND the Oil Center-Blinbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 31: Lots 3 and 4

- (w) EXTEND the Palma Mesa-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM
Section 14: S/2
Section 23: N/2

- (x) EXTEND the Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: SW/4

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 5: NW/4
Section 6: N/2

- (y) EXTEND the Querecho Plains-Queen Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 22: SE/4
Section 27: NE/4

- (z) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 17: SW/4

- (aa) EXTEND the Scharb-Bone Springs Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 4: SE/4
Section 9: SE/4

- (bb) EXTEND the Townsend-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 35: SE/4

- (cc) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 23: S/2

Docket No. 3-83

DOCKET: COMMISSION HEARING - TUESDAY - JANUARY 25, 1983

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

(Continued from January 5, 1983, Examiner Hearing)
CASE 7771: (This case will be continued to February 17, 1983, Commission Hearing)

Application of Harvey L. Yates Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-captioned case, seeks an order pooling all mineral interests from the surface through the subsurface underlying the SW/4 of Section 18, Township 9 South, Range 22 East, or be designated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7744: (De Novo)

Application of Clements Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the NE/4 of Section 14, Township 14 South, Range 34 East, High Plains-Penn Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Upon application of Perry A. Poole, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7786: Application of Doyle Hartman for directional drilling, simultaneous dedication, non-standard proration unit, unorthodox location and infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to directionally drill his Northshore Woolworth Well No. 6 from an unorthodox surface location in the Jalmat Gas Pool, no less than 1,550 feet and no more than 1750 feet from the North line and no less than 230 feet and no more than 430 feet from the West line of Section 33, Township 24 South, Range 37 East, to a bottom hole location 1,980 feet from the North line and 660 feet from the West line of said Section 33, for approval of the simultaneous dedication of the wells on a previously approved non-standard 160-acre proration unit comprising the NW/4 of Section 33, Township 24 South, Range 37 East, and for authorization to drill the above described well as an infill well necessary to efficiently and effectively drain a portion of the reservoir covered by a previously established proration unit.

Dockets Nos. 1-83 and 2-83 are tentatively set for January 5 and January 19, 1983. Applications for hearing must be filed at least 21 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - DECEMBER 16, 1982

9 A.M. - MORGAN HALL - STATE LAND OFFICE
BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for January, 1983, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1983, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7753: Application of El Paso Natural Gas Company for the reclassification of marginal gas wells in the prorated gas pools of Northwest New Mexico and the suspension of certain proration rules. Applicant, in the above-styled cause, proposes that there not be any marginal wells in the four prorated gas pools in San Juan, Rio Arriba and Sandoval Counties, during January, February, and March 1983, and to accomplish this, seeks the reclassification of all marginal wells in said pools as non-marginal wells effective January 1, 1983, said wells to become non-marginal with a zero net over/under produced status as of January 1, but to be eligible for reclassification to marginal after March 31, if their production-allowable history from January 1 through March 31 so justifies. Applicant also proposes that all non-marginal wells in December, 1982, would continue to be classified as non-marginal at least until March 31, and would continue to accumulate their net over/under produced status. Further, applicant proposes that no well would be reclassified as marginal until after the March, 1983, production has been reported, when all provisions of Rule 16-A of the Special Rules for prorated gas pools in Northwest New Mexico as promulgated by Order No. R-1670, as amended, would be again applicable. Applicant further proposes that Rule 15B of the prorated gas pool rules which pertains to the shutting-in of wells which are six times over-produced would be suspended for the period from January through June of 1983 to accommodate those wells which may be subject to shut-in as the result of assignment of lower than normal allowables during the first six months of 1983.

CASE 7716: (Continued from November 10, 1982, Examiner Hearing)

Application of Amoco Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Slaughter Canyon Unit Area, comprising 3,840 acres, more or less, of Federal lands in Township 26 South, Range 26 East.

CASE 7754: Application of Chace Oil Company, Inc. for downhole commingling, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup, Tecito, Greenhorn and Dakota production in the wellbore of its Jicarilla 15 Well No. 2 located in Unit 1 of Section 20, Township 23 North, Range 3 West.

CASE 7755: Application of Sovereign Oil Co. for directional drilling and unorthodox location San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its proposed 12-6 Well No. 1 from a surface location 1750 feet from the north line and 800 feet from the west line of Section 9, Township 32 North, Range 6 West, by kicking off from the vertical at a depth of 1500 feet and drilling in a southerly direction in such a manner as to penetrate the Pictured Cliffs formation at an unorthodox location within 50 feet of a point 1500 feet from the north line and 800 feet from the west line and to penetrate the Mesaverde formation at an unorthodox location within 200 feet of a point 1300 feet from the north line and 800 feet from the west line, all in said Section 9, dedicating the N/2 of said Section 9 to the well to the Mesaverde and the NW/4 to the Pictured Cliffs.

CASE 7756: Application of G & E Operators, Inc. for two non-standard proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard gas proration units comprising the SW/4 of Section 7 and the NW/4 of Section 18, respectively, both in Township 30 North, Range 11 West, Blanco Mesaverde Pool.

CASE 7728: (Continued from November 10, 1982, Examiner Hearing)

Application of TXO Production Corporation for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the NW/4 of Section 31, Township 24 North, Range 9 West, Basin-Dakota Pool.

- CASE 7757: Application of Doyle Hartman for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a gas well to be drilled at least 1,350 feet but not more than 1750 feet from the North line and at least 130 feet but not more than 430 feet from the West line of Section 33, Township 24 South, Range 37 East, Jalmat Gas Pool, the NW/4 of said Section 33 to be simultaneously dedicated to said well and to applicant's Northshore Woolworth Wells Nos. 3 and 5, located in Units B and C, respectively, of said Section 33.
- CASE 7758: Application of Cabana Oil Corporation for a non-standard proration unit and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Abo east well to be drilled 660 feet from the South line and 1320 feet from the West line of Section 32, Township 17 South, Range 39 East, and a 66.87 acre non-standard proration unit comprising the SE/4 SW/4 and Lot 4 of said Section 32 to be dedicated to the well.
- CASE 7759: Application of Conoco, Inc. for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the classification of its State H-35 Lease comprising the E/2 NW/4 and NE/4 of Section 35, Township 17 South, Range 34 East, Vacuum Grayburg-San Andres Pool, as a pressure maintenance project area based on water injection wells cooperatively drilled and operated by applicant and offsetting operators along the lease boundary of said State H-35 Lease. Applicant further seeks the promulgation of special rules for said project, including the assignment of a basic pressure maintenance project allowable to said lease and the assignment of a share of the water injection credit allowable earned by the cooperative lease line injection wells. Applicant further seeks approval for the drilling of two wells at the following unorthodox locations: 1345 feet from the North line and 1210 feet from the East line and 1295 feet from the North line and 2615 feet from the West line of said Section 35, said wells to be initially completed as producing wells with approval to be later converted to water injection in the pressure maintenance project.
- CASE 7760: Application of Sun Exploration and Production Company for a non-standard proration unit and an unorthodox location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp-Pennsylvanian Test well to be drilled 660 feet from the South and East lines of Section 17, Township 7 South, Range 26 East, Pecos Slope Field, to be dedicated to a 160-acre non-standard proration unit comprising the SE/4 of said Section 17.
- CASE 7761: Application of Texaco Inc. for two non-standard proration units and unorthodox locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two 160-acre non-standard Skaggs-Abo gas proration units comprising the S/2 NE/4 and N/2 SE/4 of Section 12, Township 20 South, Range 37 East, to be dedicated to its C. H. Weir "A" Well No. 12 at an unorthodox location 2307 feet from the North and East lines of said Section 12, and the S/2 NW/4 and N/2 SW/4 of Section 12 to be dedicated to its C. H. Weir "A" Well No. 14, located 1980 feet from the South line and 1915 feet from the West line of said Section 12.
- CASE 7762: Application of Texaco Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 SW/4 of Section 27, Township 16 South, Range 37 East, Casey Field, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7763: Application of Harvey E. Yates Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Abo formation underlying the NW/4 and from the Wolfcamp through the Ordovician formations underlying the E/2 of Section 18, Township 9 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7865: (Continued and Readvertised)
- Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the Wolfcamp through Mississippian formations underlying the S/2 of Section 35, Township 13 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7594: (Continued from October 27, 1982, Examiner Hearing)

Application of Harvey E. Yates Company for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing for the purposes of a secondary recovery project, all mineral interests in that portion of the Bone Spring formation described as the Carbonate unit between the first and second Bone Spring Sands underlying the Young Deep Unit, encompassing 560 acres, more or less, of Federal lands underlying portions of Sections 3, 4, 9 and 10, Township 18 South, Range 32 East.

CASE 7742: (Continued from December 1, 1982, Examiner Hearing)

Application of Overland Energy, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup formation underlying the NW/4 NE/4 of Section 10, Township 29 North, Range 15 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASES 7708 and 7709: (Continued from November 23, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following cases, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the lands specified in each case to form a standard 160-acre gas proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing the unit well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well:

CASE 7708: NE/4 Section 9, Township 5 South, Range 24 East

CASE 7709: SE/4 Section 22, Township 6 South, Range 25 East

CASE 7726: (Continued from November 23, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Abo formation underlying the SE/4 of Section 9, Township 5 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7727: (Continued from November 23, 1982, Examiner Hearing)

Application of Stevens Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Abo formation underlying the SE/4 of Section 9, Township 6 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASES 7528 and 7529: (Continued from October 27, 1982, Examiner Hearing)

Application of JJ-CC, Limited for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following two cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East

CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East

CASE 7667: (Continued from October 27, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the NW/4 of Section 4, Township 3 South, Range 2- East, to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7752: (Continued from December 1, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending certain pools in San Juan, Rio Arriba and Sandoval Counties, New Mexico:

- (a) CREATE a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup production and designated as the Gavilan-Gallup Oil Pool. The discovery well is the Northwest Exploration Company, Gavilan Well No. 1 located in Unit A of Section 26, Township 25 North, Range 2 West, NMPM. Said pool would comprise:

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM

Section 26: NE/4

- (b) ABOLISH the Bloomfield-Chacra Pool in San Juan County, New Mexico, as heretofore classified, defined and described.
- (c) ABOLISH the Harris Mesa-Chacra Pool in San Juan County, New Mexico, as heretofore classified, defined and described.
- (d) ABOLISH the Largo-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described.
- (e) EXTEND the Otero-Chacra Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 20: W/2

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 5: NW/4 and SE/4

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM

Section 27: SW/4

Section 32: All

Section 33: E/2

Section 34: S/2

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM

Section 7: All

Section 8: All

Section 9: SW/4

Section 16: NW/4

Section 17: N/2

Section 18: N/2

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 3: N/2

Section 4: N/2

Section 12: E/2

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM

Section 29: SW/4

Section 30: S/2

Section 31: All

Section 32: W/2

Section 33: All

Section 34: S/2

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TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 7: E/2
Sections 8 through 16: All
Section 17: E/2
Section 20: E/2
Sections 21 through 26: All
Sections 35 and 36: All

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 30: S/2
Sections 31 through 35: All

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 15: W/2
Section 16: All
Section 20: E/2
Section 21: All
Section 22: W/2
Section 25: SW/4
Section 27: NW/4
Section 28: S/2
Section 36: All

- (f) EXTEND the Aztec-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 8: E/2

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 10: E/2

- (g) EXTEND the Ballard-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 2 WEST, NMPM

Section 5: N/2 and SW/4

TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM

Section 21: SE/4
Section 27: NE/4

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM

Section 15: SW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 20: SW/4

- (h) EXTEND the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPM

Section 18: NW/4

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM

Section 13: NW/4
Section 14: S/2 NE/4

- (i) EXTEND the Blanco-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM

Section 11: SW/4
Section 16: NW/4

- (j) EXTEND the Blanco Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 34: E/2

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Section 21: S/2
Section 25: W/2

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 7: All

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM

Section 34: N/2

- (k) EXTEND the South Blanco-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 2: S/2

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 34: SW/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 17: SW/4
Section 18: All

- (l) EXTEND the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPM

Section 36: SE/4

- (m) EXTEND the Devils Fork-Gallup Associated Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM

Section 15: E/2 NE/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 11: W/2 NE/4

Section 12: NE/4 and N/2 SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 21: SE/4
Section 22: SW/4
Section 23: W/2
Section 18: NE/4
Section 34: NW/4

- (n) EXTEND the Dufers Point-Gallup-Dakota Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 3: N/2 SW/4

Section 4: N/2 SE/4

TOWNSHIP 25 NORTH, RANGE 8 WEST, NMPM

Section 7: N/2
Section 33: NE/4

- (n) EXTEND the Escrito-Gallup Associated Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 8: SW/4
Section 17: NW/4
Section 34: NE/4

- (p) EXTEND the Flora Vista-Gallup Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM

Section 1: SE/4

- (q) EXTEND the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 35: All

- (r) EXTEND the Gavilan-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM

Section 16: NE/4

- (s) EXTEND the Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM

Section 31: NW/4

- (t) EXTEND the Gonzales-Masaverde Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 3: S/2

- (u) EXTEND the Kutz-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 26: NW/4
Section 27: NE/4

- (v) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM

Section 32: SE/4

- (w) EXTEND the South Lindrich Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM

Section 3: SE/4, E/2 NE/4, and SW/4 NE/4

- (x) EXTEND the West Lindrich Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 5: All

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 12: S/2

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM

Section 32: SW/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM

Section 13: N/2

- (y) EXTEND the Lybrook-Gallup Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM

Section 29: NW/4 NW/4

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM

Section 3: E/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 35: NE/4 SE/4

- (z) EXTEND the Ojo Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 15 WEST, NMPM

Section 35: SW/4

- (aa) EXTEND the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 9: SE/4

Section 10: SW/4 SW/4

Section 22: NW/4 NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM

Section 27: SE/4

- (bb) EXTEND the Rusty-Chacra Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 21 NORTH, RANGE 7 WEST, NMPM

Section 1: NE/4

- (cc) EXTEND the San Ysidro-Mancos Oil Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 21 NORTH, RANGE 3 WEST, NMPM

Section 28: NW/4 NW/4

Section 29: N/2 NE/4 and NW/4 and N/2 SW/4

- (dd) EXTEND the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM

Section 34: SE/4

Section 35: SW/4

Dockets Nos. 29-82 and 30-82 are tentatively set for September 15 and September 29, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - THURSDAY - AUGUST 26, 1982

OIL CONSERVATION COMMISSION - 9 A.M.
MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

CASE 7656: Application of Cities Service Company for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, pursuant to the provisions of Section 70-2-17 C, NMSA, 1978 Comp., and Paragraph (5) of Division Order No. R-6781, seeks a determination of reasonable well costs for two wells drilled under the provisions of said Order No. R-6781 by Doyle Hartman on lands pooled by said order.

CASE 7657: Application of Harvey E. Yates Company for non-rescission of Order No. R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the non-rescission of Order No. R-6873, which order pooled certain lands to be dedicated to a proposed Ordovician test well to be drilled thereon, being the W/2 of Section 18, Township 9 South, Range 27 East. Said order provided that should the unit well not be drilled to completion, or abandonment, within 120 days after commencement thereof, operator shall appear and show cause why the pooling order should not be rescinded.

CASE 7658: Application of Harvey E. Yates Company for a dual completion and downhole commingling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Seymour State #1 located in Section 18, Township 9 South, Range 27 East, in such a manner that two perforations from 4912 feet to 4929 feet would be commingled with Upper Atoka perforations from 5926 feet to 5952 feet and the aforesaid intervals dually completed with Lower Atoka perforations from 6008 feet to 6048 feet and produced through parallel strings of tubing.

Docket No. 28-82

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 1, 1982

OIL CONSERVATION DIVISION - 9 A.M., MORGAN HALL,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Wutter, Alternate Examiner:

CASE 7635: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-in-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Trigg Well No. 3 located in Unit J, Section 25, Township 19 North, Range 28 East, San Miguel County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7636: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-in-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Amistad No. 1 located in Unit E of Section 18, and the Amistad No. 2 located in Unit D of Section 7, both in Township 19 North, Range 36 East, Union County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7659: Application of Sun Exploration and Production Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian gas well drilled 660 feet from the North and West lines of Section 21, Township 7 South, Range 26 East, the W/2 of said Section 21 to be dedicated to the well.

CASE 7660: Application of Penley Petroleum, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 3862 feet to 3874 feet in its State Well No. 1 located in Unit B of Section 16, Township 7 South, Range 33 East.

CASE 7661: Application of George Jaramilla and Gary Plamann for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the NW/4 NW/4 of Section 13, Township 15 South, Range 33 East.

CASE 7662: (Continued from August 4, 1982, Examiner Hearing)

Application of Ralph Six for an oil treating plant permit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 NW/4 of Section 12, Township 15 South, Range 33 East.

CASE 7662: Application of Carter Foundation Production Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Blaine-Cade Waterflood Project by converting its Mattix Federal Wells Nos. 2, 5, 6, located in Units C, E, and D, respectively, in Section 3, Township 24 South, Range 37 East, by the injection of water into the Queen formation.

CASE 7639: (Continued from August 18, 1982 Examiner Hearing)

Application of Acoma Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Wantz Abo, Drinkard and Blaineby Pool production in the wellbore of its S. J. Starkeys Lease Well No. 2, located in Unit B of Section 26, Township 21 South, Range 37 East.

CASE 7663: Application of Dugan Production Corporation for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the S/2 of Section 18, Township 30 North, Range 14 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7568: (Continued and Readvertised)

Application of Petroleum Corp. of Delaware for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Superior Federal Well No. 6 located in Unit M of Section 6, Township 20 South, Range 29 East, East Furton Flat Field, to produce oil from the Strawn formation through the casing-tubing annulus and gas from the Morrow formation through tubing.

CASE 7651: (Continued from August 18, 1982, Examiner Hearing)

Application of Mortex Gas & Oil Company for the amendment of Order No. R-6903, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6903 to provide that non-consenting working interest owners shall have thirty days following final adjudication of title in which to pay their proportionate share of well costs.

CASE 7664: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Little Cervo Unit Area, comprising 13,407 acres, more or less, of State and Fee land, in Township 17 South, Range 18 East.

CASE 7655: (Continued from August 18, 1982 Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down through the Abo formation underlying the NW/4 of Section 20, Township 7 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7665: Application of Mary E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian formation underlying the W/2 of Section 35, Township 13 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. *the wellcamp thru the*

CASES 7666, 7667, 7668, and 7669: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the four following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and production unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7666: NW/4 Section 3;

CASE 7667: NW/4 Section 4;

CASE 7668: NW/4 Section 14;

All of the above being in Township 5 South, Range 24 East and

CASE 7669: NW/4 Section 2, Township 9 South, Range 25 East

CASE 7670: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 26, Township 14 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7648: (Continued from August 18, 1982 Examiner Hearing)

Application of Rio Pecos Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Pennsylvanian formation underlying the W/2 of Section 35, Township 18 South, Range 24 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7642: Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Jalmat Pool, underlying a previously approved 120-acre non-standard proration unit comprising the S/2 NE/4 and NE/4 NE/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to a well to be drilled at a previously approved unorthodox location. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7671: Application of Texas Eastern Developments, Inc. for an exception to Rule 307, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 307 of the Division Rules and Regulations to permit it to draw a vacuum on the Shiprock Gallup Oil Pool reservoir through 16 wells in Sections 16 and 17, Township 29 North, Range 18 West. Applicant further seeks an administrative procedure whereby it could extend the proposed vacuum system to include additional wells in the same reservoir.

CASE 7649: Application of Southern Union Exploration Company for retroactive exemption, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the retroactive exemption from Section 5 of the New Mexico Natural Gas Pricing Act of the following Basin Dakota infill wells: Jicarilla A No. 13-E in Unit B of Section 13 and Jicarilla A No. 10-E in Unit G of Section 23, both in Township 26 North, Range 4 West, and Jicarilla X No. 15-E in Unit A of Section 1, Township 25 North, Range 5 West, all in Rio Arriba County, and the Hodges No. 15-E in Unit J of Section 27, Township 26 North, Range 8 West in San Juan County. Also the following Ballard-Pictured Cliffs replacement well in San Juan County: Newcom No. 10-E in Unit M of Section 20, Township 26 North, Range 8 West. Each of the aforesaid wells was subject to the New Mexico Natural Gas Pricing Act until exempted from same by the Division on July 23, 1982, and applicant seeks the retroactive exemption of each of said wells to date of first delivery into the pipeline which ranges from December 24, 1980 to January 11, 1982.

CASE 7672: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Brushy Canyon production and designated as the Brushy Draw-Brushy Canyon Pool. Further, to assign approximately 25,000 barrels of discovery allowable to the discovery well, the J. C. Williamson UICWU Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NWM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NWM
Section 25: SW/4

- (b) CREATE a new pool in Lea County, New Mexico classified as an oil pool for San Andres production and designated as the Hobbs Channel-San Andres Pool. The discovery well is the Bass Enterprises Production Company Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NWM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NWM
Section 36: SW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Humphreys Mill-Morrow Gas Pool. The discovery well is the Florida Exploration Company Reno Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM
Section 11: N/2

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the Justis-Abo Pool. The discovery well is the Santa Fe Energy Company Carlson S-25 Federal Well No. 3 located in Unit O of Section 25, Township 25 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM
Section 25: SE/4

- (e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the McMillan-Upper Pennsylvanian Gas Pool. The discovery well is the Southland Royalty Company Pecos River Federal 20 Com Well No. 1 located in Unit E of Section 20, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 20: E/2

- (f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Mosley Canyon-Strawn Gas Pool. The discovery well is W. A. Moncrief, Jr., Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 8: W/2

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the West Madine-Tubb Pool. The discovery well is the Tamarack Petroleum Company, Inc. Kornegay A Well No. 1 located in Unit F of Section 9, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 9: NE/4

- (h) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Pitchfork Ranch-Morrow Gas Pool. The discovery well is the HEG Oil Company Madara 32 State Com Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 32: W/2

- (i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yess production and designated as the Seven Rivers-Yess Pool. The discovery well is Chama Petroleum Corporation Irani Federal Well No. 1 located in Unit E of Section 34, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 34: SW/4

- (j) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the East Skaggs-Abo Pool. The discovery well is the Texaco Inc. C. R. Weir A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 12: SE/4

- (k) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the Tanager-Tubb Pool. The discovery well is the Alpha Energy-Dea Production Company Lea Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

- (l) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Townsend-Devonian Pool. The discovery well is the Kimbark Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit N of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: Lots 11, 12, 13, and 14

- (m) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Welch-Bone Spring Pool. The discovery well is the Quanah Petroleum, Inc. Hay B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 9: SW/4

- (n) CONTRACT the horizontal limits of the Buckeye-Abo Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 3: W/2 NW/4

- (o) CONTRACT the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 3: E/2 NW/4

- (p) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 13: N/2
Section 14: N/2

- (q) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM
Section 20: NW/4

- (r) EXTEND the Apoka-Yeco Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 26: E/2

- (s) EXTEND the Bilbrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 5: NW/4
Section 6: E/2

- (t) EXTEND the Bunker Hill-Pearose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 14: N/2 E/2 and NE/4

- (u) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM
Section 3: E/2
Section 4: All

- (v) EXTEND the Crenshaw Stateline Tansill-Yates-Green Rivers-Green Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 26: NW/4
Section 27: NW/4 and E/2 NW/4

- (w) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico to include therein:
- TOWNSHIP 17 SOUTH, RANGE 28 EAST, N28PM
Section 35: S/2
Section 36: W/2
- (x) EXTEND the South Empire-Wolfcamp Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 17 SOUTH, RANGE 28 EAST, N28PM
Section 36: E/2 NE/4
- TOWNSHIP 17 SOUTH, RANGE 29 EAST, N28PM
Section 31: NW/4 and S/2 NE/4
- (y) EXTEND the Forty Miner Ridge-Bone Spring Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 23 SOUTH, RANGE 30 EAST, N28PM
Section 16: SE/4
- (z) EXTEND the Hardy-Tubb Pool in Lea County, New Mexico, to include therein:
- TOWNSHIP 21 SOUTH, RANGE 36 EAST, N28PM
Section 2: Lots 11, 12, 13, 14, and S/2
Section 11: NW/4
- (aa) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:
- TOWNSHIP 16 SOUTH, RANGE 37 EAST, N28PM
Section 20: NW/4
- (bb) EXTEND the West Milnesand-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:
- TOWNSHIP 8 SOUTH, RANGE 34 EAST, N28PM
Section 19: W/2
- (cc) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:
- TOWNSHIP 5 SOUTH, RANGE 33 EAST, N28PM
Section 30: SE/4
Section 31: W/2 NE/4
- TOWNSHIP 6 SOUTH, RANGE 33 EAST, N28PM
Section 15: S/2
- (dd) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:
- TOWNSHIP 10 SOUTH, RANGE 29 EAST, N28PM
Section 18: NE/4 and S/2 SE/4
- (ee) EXTEND the Ross Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 26 SOUTH, RANGE 30 EAST, N28PM
Section 23: S/2
Section 26: W/2
- (ff) EXTEND the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 23 SOUTH, RANGE 31 EAST, N28PM
Section 17: S/2
Section 20: All
- (gv) EXTEND the Saunders Basin-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:
- TOWNSHIP 14 SOUTH, RANGE 33 EAST, N28PM
Section 21: NW/4

HEYCO

PETROLEUM PRODUCERS



HARVEY E. YATES COMPANY

P. O. BOX 1933

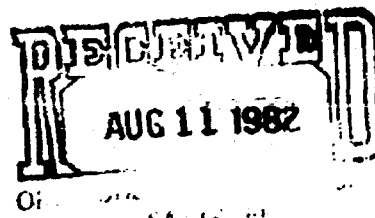
SUITE 300, SECURITY NATIONAL BANK BUILDING

505/623 6601

ROSWELL, NEW MEXICO 88201

August 6, 1982

Oil Conservation Division
State of New Mexico
Post Office Box 2088
Santa Fe, New Mexico 87501



Re: Application for Hearing

Gentlemen:

Enclosed is Harvey E. Yates Company's application for a Compulsory Pooling order in Chaves County, New Mexico. Please set the case for public hearing at your scheduled September 1, 1982, examiner hearing.

Sincerely,

Thomas J. Hall, III
Thomas J. Hall, III
Attorney

TJH/ms
OCD-1 #35

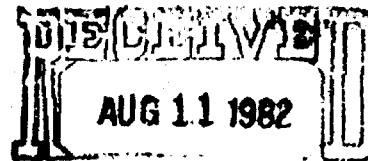
BEFORE THE OIL CONSERVATION DIVISION
ENERGY AND MINERALS DEPARTMENT OF
THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION :
OF HARVEY E. YATES COMPANY :
FOR COMPULSORY POOLING, :
CHAVEZ COUNTY, NEW MEXICO :

LEA

Case No. 7665

APPLICATION



COMES NOW HARVEY E. YATES COMPANY by ~~SATSA~~ attorney and respectfully states:

1. Applicant proposes to drill a well situated 1980' FWL and 660' FNL, Section 35, Township 13 South, Range 35 East, N.M.P.M., Lea County, New Mexico, to the Austin-Mississippian formation and dedicate the N/2 of Section 35 to said well.

2. Applicant is the owner of, and/or holds the contractual right, to drill and develop the surface through the Austin-Mississippian formation underlying the following described lands situated within the N/2 of Section 35:

<u>Description</u>	<u>Interest Controlled</u>	<u>Type of Interest</u>	<u>Net Acres</u>
N/2	100%	Working Interest	302.5

3. Applicant has obtained voluntary consent to pooling of interests in the surface through the Austin-Mississippian formation underlying the N/2 of said Section 35, with the exception of the parties named below, whose addresses, and interests owned, according to Applicant's information and belief, are as follows:

<u>Owner</u>	<u>Description</u>	<u>Interest Owned</u>	<u>Type of Interest</u>	<u>Net Acres</u>
Mr. D.D. Hickey P. O. Box 171 Camp Verde, Ariz. 86322	NW/4	100%	Mineral Interest	17.50

4. Applicant has been unable to obtain voluntary agreement for pooling of the interests described in paragraph 3 immediately above, and in order to avoid the drilling of unnecessary wells, to protect correlative rights, and to prevent waste, all interests in the Wolfcamp through the Austin-Mississippian formations underlying the N/2 and all interests from the surface to the Wolfcamp formation underlying the NW/4 of said Section 35 should be pooled pursuant to the provisions of §70-2-17 N.M.S.A., 1978 (formerly §65-3-14 N.M.S.A., 1953).

5. Applicant should be designated operator of said pooled lands.

6. The risk and expense of drilling and completing the proposed well is great, and if the owners of the interests described in paragraph 3 above, or any other unknown owners of interests in the proposed proration unit, do not choose to pay their share of the costs of drilling and completing said proposed well, then Applicant should be allowed a reasonable charge for supervision of said well, and a charge for the risk involved in addition to recovery of the actual cost of drilling and completing said well.

WHEREFORE, Applicant Prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

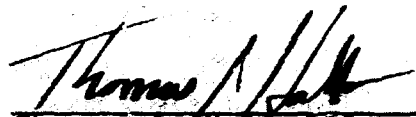
B. That upon such hearing the Division enter its order, pooling all interests in the Wolfcamp through the Austin-Mississippian formations underlying the N/2 and all interests from the surface to the Wolfcamp formation underlying the NW/4 of Section 35, Township 13 South, Range 35 East, N.M.P.M., Lea County, New Mexico, designating applicant as Operator of said pooled lands, making provision for applicant to recover its costs from production, including an appropriate risk factor, and provisions for payment of operating costs and costs of supervision from production, to be allocated among the interest owners as their interest may be determined.

C. For such further relief as the Division deems just and proper.

DATED this 5th day of August, 1982.

HARVEY E. YATES COMPANY

BY:


Thomas J. Hall III
Attorney for Applicant
P. O. Box 1933
Roswell, New Mexico 88201

TJH:ms
DCE-1 435

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. 7665
Order No. R- 7187

APPLICATION OF HARVEY E. YATES
COMPANY FOR COMPULSORY POOLING,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 5 a.m. on January 19, 1983, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this _____ day of January, 1983, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7665 is hereby dismissed.

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

~~CL/01
cont. f
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