

CASE 13167: Application of the New Mexico Oil Conservation Division through the Environmental Bureau Chief to Revoke the Permit of A. L. Daugherty to Operate an Oil Treatment Plant and Disposal Facility and to Release Bond; Chaves County, New Mexico. The Applicant seeks an order revoking the permit of A. L. Daugherty to operate an oil treatment plant and disposal facility located at Section 24, Township 8 South, Range 29 East and Section 19, Township 8 South, Range 30 East. The facility was originally permitted under Order No. R-5464. Applicant also seeks an order releasing the bond on the subject facility.

CASE 12733-A: Continued from August 21, 2003, Examiner Hearing.

Application of Read & Stevens, Inc. to Re-open Case No. R-12733-A, Eddy and Chaves Counties, New Mexico. Applicant applies to re-open Case No. 12733-A, and for an order rescinding or reducing the civil penalty imposed against it by Order No. R-11761.

CASE 13142: Continued from September 4, 2003, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site, Lea County, New Mexico. Applicant seeks an order requiring Maralo, LLC to remediate contamination at the Humble State Well No. 3 site, located in Unit A, Section 36, Township 25 South, Range 36 East.

CASE 13168: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Northeast Alston Ranch-Morrow Gas Pool (Pool Code 97274). The discovery well is the Ensign Operating Company Key 20 Well No. 1 (API No. 30-025-36140) located in Unit H of Section 20, Township 13 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 35 EAST, NMPM
Section 20: E/2

(b) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Northwest Eight Mile Draw-Morrow Gas Pool (Pool Code 97190). The discovery well is the Yates Petroleum Corporation Blitzen AUB State Well No. 2 (API No. 30-025-34859) located in Unit P of Section 16, Township 11 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 16: S/2

(c) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Southeast Greenwood-Morrow Gas Pool (Pool Code 97224). The discovery well is the Marbob Energy Corporation Tres Elo Federal Well No. 1 (API No. 30-025-35750) located in Unit A of Section 31, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 31: N/2

(d) CREATE a new pool in Chaves County, New Mexico classified as an oil pool for Wolfcamp production and designated as the Little Lucky Lake-Wolfcamp Pool (Pool Code 97247). The discovery well is the Nadel & Gussman Permian LLC. Mia Michelle State Com. Well No. 1 (API No. 30-005-21175) located in Unit A of Section 32, Township 15 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 32: NE/4

(e) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Yeso production and designated as the Northwest Monument-Yeso Pool (Pool Code 97089). The discovery well is the Amerada Hess Corporation W A Weir Well No. 15 (API No. 30-025-34005) located in Unit O of Section 26, Township 19 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 36 EAST, NMPM

Section 26: SE/4

(f) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Blinebry production and designated as the East Nadine-Blinebry Pool (Pool Code 97246). The discovery well is the Trilogy Operating Inc. Topaz Well No. 1 (API No. 30-025-35906) located in Unit C of Section 25, Township 19 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 25: NW/4

(g) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Austin production and designated as the South Ranger Lake-Austin Gas Pool (Pool Code 97231). The discovery well is the Yates Petroleum Corporation Mocha State Unit Well No. 1 (API No. 30-025-35761) located in Unit C of Section 2, Township 13 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM

Section 2: N/2

(h) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the South Ranger Lake-Morrow Gas Pool (Pool Code 97230). The discovery well is the Yates Petroleum Corporation Mocha State Unit Well No. 1 (API No. 30-025-35761) located in Unit C of Section 2, Township 13 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM

Section 2: N/2

(i) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Abo production and designated as the Northwest Teague-Abo Pool (Pool Code 97249). The discovery well is the Mack Energy Corporation Sapphire State Well No. 1 (API No. 30-025-35979) located in Unit L of Section 11, Township 23 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM

Section 11: SW/4

(j) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Northwest Young-Morrow Gas Pool (Pool Code 97185). The discovery well is the Harvey E. Yates Company Pearsall 6 Federal Well No. 1 (API No. 30-025-35680) located in Unit F of Section 6, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 6: All

(k) EXTEND the North Baish-Wolfcamp Pool (Pool Code 4500) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 10: SE/4

- (l) EXTEND the Baish-Yates Pool (Pool Code 4560) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 16: SE/4

- (m) EXTEND the South Big Dog-Strawn Pool (Pool Code 96690) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 12: SW/4

- (n) EXTEND the Blinebry Oil and Gas Pool (Pool Code Oil 6660, Pool Code Gas 72480) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 26: W/2 SE/4 and SE/4 SE/4

- (o) EXTEND the Bluitt-San Andres Associated Pool (Pool Code 6880) in Roosevelt County, New Mexico to include:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM

Section 8: S/2

- (p) EXTEND the South Corbin-Bone Spring Pool (Pool Code 13160) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 28: NE/4

Section 31: E/2

- (q) EXTEND the West Corbin-Delaware Pool (Pool Code 13195) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 21: SE/4

Section 28: NE/4

- (r) EXTEND the Dollarhide-Tubb-Drinkard Pool (Pool Code 18830) in Lea County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM

Section 18: NE/4

- (s) EXTEND the Four Lakes-Mississippian Gas Pool (Pool Code 97053) in Lea County, New Mexico to include:

TOWNSHIP 12 SOUTH, RANGE 35 EAST, NMPM

Section 5: S/2

Section 6: SE/4

- (t) EXTEND the North Hardy-Tubb-Drinkard Pool (Pool Code 96356) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 24: SE/4

- (u) EXTEND the High Plains-Permo Upper Pennsylvanian Pool (Pool Code 31055) in Lea County, New Mexico to include:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 34: E/2

- (v) EXTEND the Hobbs-Tubb Gas Pool (Pool Code 96946) in Lea County, New Mexico to include:
- TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 33: S/2
- (w) EXTEND the House-Abo Pool (Pool Code 33210) in Lea County, New Mexico to include:
- TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 2: S/2
- (x) EXTEND the Kemnitz-Lower Wolfcamp Pool (Pool Code 35530) in Lea County, New Mexico to include:
- TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 9: NW/4
- (y) EXTEND the West La Rica-Morrow Gas Pool (Pool Code 79830) in Lea County, New Mexico to include:
- TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 31: E/2
- (z) EXTEND the East Livingston Ridge-Delaware Pool (Pool Code 39366) in Lea County, New Mexico to include:
- TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 18: SW/4
Section 19: NW/4
- (aa) EXTEND the Southeast Livingston Ridge-Delaware Pool (Pool Code 39380) in Lea County, New Mexico to include:
- TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 32: NW/4
- (bb) EXTEND the North Lusk-Morrow Gas Pool (Pool Code 80800) in Lea County, New Mexico to include:
- TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 31: NW/4
- (cc) EXTEND the Maljamar-Abo Pool (Pool Code 43250) in Lea County, New Mexico to include:
- TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 10: SE/4
Section 15: NE/4
- (dd) EXTEND the Maljamar-Cisco Pool (Pool Code 43270) in Lea County, New Mexico to include:
- TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 5: E/2
Section 8: NE/4
Section 9: NW/4
- (ee) EXTEND the South Midway-Strawn Pool (Pool Code 96346) in Lea County, New Mexico to include:
- TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 20: SE/4

- (ff) EXTEND the Monument-Paddock Pool (Pool Code 47080) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 3: NW/4

Section 4: N/2

- (gg) EXTEND the Monument-Tubb Pool (Pool Code 47090) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 5: NW/4

- (hh) EXTEND the Morton-Mississippian Gas Pool (Pool Code 96593) in Lea County, New Mexico to include:

TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM

Section 32: SE/4

Section 33: S/2

Section 34: W/2

- (ii) EXTEND the Nadine-Drinkard-Abo Pool (Pool Code 47510) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 24: NW/4

Section 27: SW/4

Section 33: NE/4

Section 34: NW/4

- (ji) EXTEND the West Nadine-Tubb Pool (Pool Code 47530) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 18: E/2

Section 19: NE/4

- (kk) EXTEND the West Ojo Chiso-Morrow Gas Pool (Pool Code 96665) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 31: E/2

- (ll) EXTEND the Southwest Osudo-Atoka Gas Pool (Pool Code 97106) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Section 1: Lots 9, 10, 11, 12, 13, 14, 15, and 16

- (mm) EXTEND the Osudo-Morrow Gas Pool (Pool Code 82120) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Section 7: W/2

- (nn) EXTEND the South Osudo-Morrow Gas Pool (Pool Code 82200) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Section 21: E/2

- (oo) EXTEND the Pearsall-Queen Pool (Pool Code 49970) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 6: SW/4

(pp) EXTEND the Penrose Skelly-Grayburg Pool (Pool Code 50350) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Section 8: NW/4

Section 15: NE/4

(qq) EXTEND the Red Tank-Bone Spring Pool (Pool Code 51683) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 23: SW/4

(rr) EXTEND the East Red Tank-Bone Spring Pool (Pool Code 51687) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM

Section 18: SE/4

Section 19: NE/4

(ss) EXTEND the Sand Springs-Atoka-Morrow Gas Pool (Pool Code 84871) in Lea County, New Mexico to include:

TOWNSHIP 11 SOUTH, RANGE 35 EAST, NMPM

Section 5: All

Section 6: S/2

(tt) EXTEND the Sand Springs-Devonian Pool (Pool Code 54150) in Lea County, New Mexico to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM

Section 11: NW/4

(uu) EXTEND the Sanmal-Pennsylvanian Pool (Pool Code 54340) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 3: SE/4

Section 10: NE/4

(vv) EXTEND the East Shoe Bar-Chester Gas Pool (Pool Code 85213) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM

Section 31: W/2 and NE/4

(ww) EXTEND the Skaggs-Drinkard Pool (Pool Code 57000) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 17: SW/4

(xx) EXTEND the Sombrero-Morrow Gas Pool (Pool Code 85620) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM

Section 2: S/2

(yy) EXTEND the North Teague-San Andres Pool (Pool Code 96197) in Lea County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 4: SW/4

(zz) EXTEND the East Teas-Bone Spring Pool (Pool Code 96637) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 7: SE/4

Section 8: SW/4

(aaa) EXTEND the Tonto-Seven Rivers Pool (Pool Code 59470) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM

Section 15: NW/4

(bbb) EXTEND the Townsend-Mississippian Gas Pool (Pool Code 86380) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 16: W/2

Section 21: W/2

(ccc) EXTEND the Trinity-Wolfcamp Pool (Pool Code 59890) in Lea County, New Mexico to include:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM

Section 22: NE/4 and SW/4

(ddd) EXTEND the Tulk-Wolfcamp Pool (Pool Code 60420) in Lea County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM

Section 10: SW/4

(eee) EXTEND the North Vacuum-Abo Pool (Pool Code 61760) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 31: SW/4

(fff) EXTEND the Vacuum-Morrow Gas Pool (Pool Code 86840) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 36: S/2

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

Section 31: S/2

(ggg) EXTEND the Wantz-Abo Pool (Pool Code 62700) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 22: SE/4

(hhh) EXTEND the Warren-Tubb Gas Pool (Pool Code 87080) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 18: SW/4

Section 19: NW/4

(iii) EXTEND the Weir-Blinebry Pool (Pool Code 63780) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM

Section 34: SE/4

(jjj) EXTEND the Weir-Drinkard Pool (Pool Code 63840) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 14: SW/4

(kkk) EXTEND the Wilson-Morrow Gas Pool (Pool Code 87460) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Section 11: N/2

(III) EXTEND the X-4 Ranch-Morrow Gas Pool (Pool Code 97049) in Lea County, New Mexico to include:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 3: S/2

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 13169: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

(a) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Wolfcamp production and designated as the Crockett Draw-Wolfcamp Gas Pool (Pool Code 97282). The discovery well is the Yates Petroleum Corporation Sterne "BCS" Com. Well No. 1 (API No. 30-005-63561) located in Unit M of Section 11, Township 6 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM

Section 11: W/2

(b) CREATE a new pool in Eddy County, New Mexico classified as an oil pool for Bone Spring production and designated as the Southeast Happy Valley-Bone Spring Pool (Pool Code 96605). The discovery well is the Louis Dreyfuss Natural Gas Corporation White Wing "22" Federal Com. Well No. 23 (API No. 30-015-29833) located in Unit N of Section 22, Township 22 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 22: SW/4

(c) CREATE a new pool in Eddy County, New Mexico classified as an oil pool for Mississippian production and designated as the Lone Tree Draw-Mississippian Pool (Pool Code 97290). The discovery well is the Marbob Energy Corporation Oso Pedorro Federal Com. Well No. 1 (API No. 30-015-31374) located in Unit B of Section 7, Township 17 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 7: NE/4

(d) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Bone Spring production and designated as the Mosley Canyon-Bone Spring Gas Pool (Pool Code 97174). The discovery well is the Nadel and Gussman, L.L.C. Rolling Rock State Well No. 2 (API No. 30-015-30957) located in Unit P of Section 31, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM

Section 31: SE/4

(e) EXTEND the Anderson-Wolfcamp Pool (Pool Code 96417) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 22: S/2