

DOCKET: EXAMINER HEARING - THURSDAY - DECEMBER 15, 1994

8:15 A.M. - 2040 SOUTH PACHECO

SANTA FE, NEW MEXICO

Dockets Nos. 1-95 and 2-95 are tentatively set for January 5, 1995 and January 19, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11092: (Reopened and Readvertised)

Application of Southland Royalty Company for downhole commingling and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Fulcher Kutz-Pictured Cliffs Pool gas production, which is currently dedicated to a previously approved non-standard 160-acre gas spacing and proration unit (Division Administrative Order NWU-84, dated May 21, 1955) comprising the E/2 E/2 of Section 34, Township 30 North, Range 12 West, with gas from the Basin-Fruitland Coal Gas Pool within the wellbore of its existing Hudson Well No. 2, located 990 feet from the South and 330 feet from the East line (Unit P) of said Section 34. Applicant further seeks approval of an unorthodox coal gas well location for said well that is to be dedicated to a standard 315.56-acre gas spacing unit for the Basin-Fruitland Coal Gas Pool comprising Lots 1 and 4, the E/2 NE/4, and the SE/4 (E/2 equivalent) of said Section 34. Said well is located approximately 2 miles south of Flora Vista, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

CASE 11098: (Reopened and Readvertised)

Application of AnSon Gas Corporation for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the E/2 SE/4 of Section 11, Township 17 South, Range 37 East, forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, which presently includes only the Humble City-Strawn Pool. Said unit is to be dedicated to a well to be drilled at an unorthodox oil well location 2310 feet from the South line and 410 feet from the East line (Unit I) of said Section 11. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 3.5 miles north of Humble City, New Mexico.

CASE 11129: (Continued from December 1, 1994 and Readvertised)

Application of AnSon Gas Corporation for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Atoka formation underlying the N/2 SE/4 of Section 15, Township 17 South, Range 37 East, forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, which presently includes both the Undesignated Humble City-Atoka Pool and the Undesignated Humble City-Strawn Pool. Said unit is to be dedicated to a well to be drilled at an unorthodox oil well location 2310 feet from the South line and 410 feet from the East line (Unit I) of said Section 15. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 3 miles north northwest of Humble City, New Mexico.

CASE 10830: (Reopened)

In the matter of Case 10830 being reopened pursuant to the provisions of Division Order No. R-10026, which order provided for a limiting gas-oil ratio in the Paddock Pool, located in portions of Townships 21 and 22 South, Ranges 36, 37, and 38, Lea County, of 6,000 cubic feet of gas per barrel of oil. Operators in the subject pool may appear and show cause why the limiting gas-oil ratio for the Paddock Pool should not revert back to the statewide standard of 2,000 cubic feet of gas per barrel of oil.

CASE 11123: (Continued from December 1, 1994, Examiner Hearing.)

Application of Rand Oil & Gas, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to convert its Summers Well No. 1 located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 18, Township 17 South, Range 39 East, and utilize said well to dispose of produced salt water into the South Knowles-Devonian Pool through the open-hole interval from approximately 4950 feet to 8900 feet. Said well is located approximately 3 miles east of Knowles, New Mexico.

CASE 11147: (Continued from December 1, 1994, Examiner Hearing.)

Application of Southland Royalty Company for downhole commingling and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Fulcher Kutz-Pictured Cliffs Pool gas production (160-acre dedication comprising SE/4) with gas from the Basin-Fruitland Coal (Gas) Pool within the wellbore of its existing McGrath Well No. 3 located 1650 feet from the South and East lines (Unit J) of Section 3, Township 29 North, Range 12 West. Said well location is considered to be an "off-pattern" unorthodox coal gas well location and is to be dedicated to a standard 319.86-acre gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool comprising Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of said Section 3. Said well is located approximately 3 miles southwest of Flora Vista, New Mexico.

CASE 11160: Application of Mewbourne Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW/4 of Section 34, Township 5 South, Range 25 East, to form a standard 160-acre gas spacing and proration unit for any and all formations and or pools developed on 160-acre spacing within said vertical extent, which currently includes but no necessarily limited to the Pecos Slope-Abo Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well 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 the risk involved in drilling said well. Said unit is located approximately 31 miles west of Kenna, New Mexico.

CASE 11161: Application of Yates Petroleum Corporation for a pressure maintenance project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a cooperative pressure maintenance project on portions of its Hillview "AHE" Federal, Saguaro "AGS" Federal, and Senita "AIP" Federal leases underlying the E/2 SW/4 and SE/4 of Section 14 and the NE/4, E/2 NW/4, NE/4 SW/4, and N/2 SE/4 of Section 23, both in Township 20 South, Range 24 East, by the injection of water into the South Dagger Draw-Upper Pennsylvanian Associated Pool through three certain existing wells to be converted to water injection wells. This area is located approximately 8 miles west of Seven Rivers, New Mexico.

CASE 10991: (Continued from December 1, 1994, 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 to the base of the Abo formation, underlying the SE/4 of Section 20, Township 6 South, Range 26 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Pecos Slope Abo Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 15 miles west-northwest of Elkins, New Mexico.

CASE 11111: (Continued from December 1, 1994, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled and completed at a standard location in the SW/4 SE/4 (Unit O) of said Section 21. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

CASE 11162: Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated South Corbin-Wolfcamp Pool underlying the W/2 NE/4 of Section 14, Township 18 South, Range 32 East, to form a standard 80-acre oil spacing and proration unit for said pool. The applicant proposes to re-enter the plugged and abandoned Amoco Production Company Federal "BY" Well No. 1, located at a standard oil well location within said 80-acre drilling tract, 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 14, and attempt a completion in the Wolfcamp formation. Also to be considered will be the costs of re-entering and the recompletion of said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in the re-entry of said well. Said unit is located approximately 7 1/2 miles south-southeast of Maljamar, New Mexico.