DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 15, 1994 8:15 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO

Dockets Nos. 28-94 and 29-94 are tentatively set for September 29, 1994 and October 13, 1994. 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 11068: (This Case will be dismissed - Continued from August 18, 1994, Examiner Hearing.)

Application of Arco Permian to rescind Division Order No. R-4808-A and for the adoption of special rules and regulations for the Riverwolf Unit (the former Citgo Empire-Abo Unit) including special oil allowable provisions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks rescission of Division Order No. R-4808-A, which order provided for development of the Riverwolf Unit, formerly the Citgo Empire-Abo Unit, under statewide rules and seeks adoption of special allowable limits which will permit production rates at levels constituent with withdrawals from the off-setting Empire-Abo Unit. This unit is located approximately 8 miles east of Artesia, New Mexico.

CASE 11069: (This Case will be dismissed - Continued from August 18, 1994, Examiner Hearing.)

Application of Arco Permian for amendment of the special rules and regulations for the Empire-Abo Pressure Maintenance Project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special rules and regulations for the Empire-Abo Pressure Maintenance Project Area, as promulgated by Division Order Nos. R-4549 through R-4549-G, to permit partial gas sales of project gas and to amend the reporting requirements for project operations to accommodate these sales. This unit is located 6 to 12 miles east of Artesia, New Mexico.

- <u>CASE 11082</u>: Application of Petroleum Development Corporation for a high angle/horizontal directional drilling pilot project and for special operating rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a short-radius horizontal directional drilling pilot project in the Tom Tom-San Andres Pool on its State "32" Lease comprising the S/2 SW/4 and NW/4 SE/4 of Section 32, Township 7 South, Range 31 East. Initially the applicant proposes to utilize the existing State "32" Well Nos. 2 and 4 located in Units "J" and "N", respectively, of said Section 32 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling the designation of a prescribed area limiting the horizontal displacement of any drainhole to within 100 feet of the boundary circumventing said project area, an administrative process for future drainholes, the creation and formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with drainholes or to assign a special project allowable for the project area should it be deemed advisable. Said project area is located approximately 13 miles south by west of Kenna, New Mexico.
- <u>CASE 11083</u>: Application of Petroleum Development Corporation for a high angle/horizontal directional drilling pilot project and for special operating rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a short-radius horizontal directional drilling pilot project in the Tomahawk-San Andres Pool on its Tom State "36" Lease comprising the NE/4 NE/4, S/2 NE/4, and SE/4 of Section 36, Township 7 South, Range 31 East. Initially the applicant proposes to utilize the existing Tom State "36" Well Nos. 1, 4, and 5 located in Units "A", "J", and "P", respectively, of said Section 36 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within said pool. Applicant further seeks the promulgation of special rules and provisions therein including the designation of a prescribed area limiting the horizontal displacement of any drainhole to within 100 feet of the boundary circumventing said project area, an administrative process for future drainholes, the creation and formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with drainholes or to assign a special project allowable for the project area should it be deemed advisable. Said project area is located approximately 13 miles south by east of Kenna, New Mexico.
- <u>CASE 11084</u>: Application of Petroleum Development Corporation for a high angle/horizontal directional drilling pilot project and for special operating rules therefor, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a short-radius horizontal directional drilling pilot project in the Tom Tom-San Andres Pool on its Miller Federal Lease comprising the S/2 NE/4, SE/4 NW/4, S/2 SW/4, and SE/4 of Section 34 and the S/2 of Section 35, both in Township 7 South, Range 31 East. Initially the applicant proposes to utilize the existing Miller Federal lease Well Nos. 3, 6, 7, 8, and 9 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within said pool. Applicant further seeks the promulgation of special rules and provisions therein including the designation of a prescribed area limiting the horizontal displacement of any drainhole to within 100 feet of the boundary circumventing said project area, an administrative process for future drainholes, the creation and formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with drainholes or to assign a special project allowable for the project area should it be deemed advisable. Said project area is located approximately 13 miles south by east of Kenna, New Mexico.