

CASE 11121: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating, contracting, and extending certain pools in Eddy County, 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 Esperanza Bone Spring Pool. The discovery well is the Union Oil Company of California Wersell A Well No. 1 located in Unit C of Section 3, Township 22 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 3: NW/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the South Happy Valley-Atoka Gas Pool. The discovery well is the Lynx Petroleum Consultants, Inc. Lee K Federal Well No. 1 located in Unit J of Section 21, Township 22 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 21: E/2

- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the East Pierce Crossing-Bone Spring Pool. The discovery well is the Pogo Producing Company River Bend Federal Well No. 7 located in Unit E of Section 23, Township 24 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 23: NW/4

- (d) CONTRACT the Indian Basin-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, by the deletion of the following described area:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM

Section 11: All

- (e) EXTEND the South Dagger Draw-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM

Sections 1, 2, 11, and 12: All

- (f) EXTEND the West Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Section 11: N/2

- (g) EXTEND the East Cedar Lake-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 32: E/2

- (h) EXTEND the Eagle Creek-Permo Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM

Section 2: E/2

- (i) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

Section 34: SE/4

- (j) EXTEND the Indian Loafer Draw-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM

Section 1: W/2

Section 12: NW/4

CASE 11062: (Continued from September 15, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, 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 Delaware formation underlying the NE/4 SE/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 3 to be drilled and completed at a standard oil 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 8 miles east of Laguna Tonto, New Mexico.

CASE 11063: (Continued from September 15, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, 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 Delaware formation underlying the NW/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 1 to be drilled and completed at a standard oil 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 8 miles east of Laguna Tonto, New Mexico.

CASE 11064: (Continued from September 15, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, 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 Delaware formation underlying the SE/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 4 to be drilled and completed at a standard oil 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 8 miles east of Laguna Tonto, New Mexico.

CASE 11065: (Continued from September 15, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, 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 Delaware formation underlying the NE/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 6 to be drilled and completed at a standard oil 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 8 miles east of Laguna Tonto, New Mexico.

CASE 11099: (Continued from September 29, 1994, Examiner Hearing.)

Application of TARA-JON Corporation for compulsory pooling, 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 Drinkard formation underlying the NE/4 NW/4 (Unit C) of Section 27, Township 16 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Garrett-San Andres Pool, Undesignated Garrett-Drinkard Pool, and Undesignated East Garrett-Drinkard Pool. Said pooled unit is to be dedicated to either the plugged and abandoned The Texas Company Gotlieb Ertal Well No. 1 (T.D. - 13,310 feet), located at a standard oil well location 660 feet from the North line and 1982 feet from the West line, more or less, of said Section 27 or, if said Gotlieb Ertal Well No. 1 is found not to be mechanically sound, to a new well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of re-entering and recompleting the old plugged and abandoned well and/or the costs of drilling and completing a new 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 unit and a charge for risk involved in re-entering the old plugged and abandoned well and/or the drilling of a new well. Said unit is located approximately 12 miles north of Hobbs, New Mexico.