

CASE 11130: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Lea County, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the East Gem-Strawn Pool. The discovery well is the Union Oil Company of California Smith Well No. 1 located in Unit J of Section 25, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 25: SE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the South Lane-Abo Pool. The discovery well is the Lobo Resources Inc. Shell State Well No. 3 located in Unit H of Section 22, Township 10 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 22: NE/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production and designated as the East Vacuum Drinkard Pool. The discovery well is the Marathon Oil Company Warn State A/C 3 Well No. 10 located in Unit H of Section 33, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 33: NE/4

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Glorieta production and designated as the Warren-Glorieta Pool. The discovery well is the Conoco Inc. Warren Unit Well No. 8 located in Unit J of Section 28, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 28: SE/4

- (e) EXTEND the E-K Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 32: SW/4

- (f) EXTEND the Eunice Monument Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM
Section 29: S/2

- (g) EXTEND the Lovington-Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 27: W/2
Section 28: SE/4

- (h) EXTEND the Mesa Verde-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 5: W/2
Section 6: NE/4

- (i) EXTEND the Mesa Verde-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 6: SW/4
Section 7: NE/4

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

CASE 11096: (Continued from September 29, 1994, Examiner Hearing.)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Basin-Dakota Pool gas production with Flora Vista-Gallup Pool gas production within the wellbore of its L. C. Kelly Well No. 3-E, located 1710 feet from the North line and 880 feet from the East line (Lot 12/Unit H) of Section 4, Township 30 North, Range 12 West, which is located approximately 3.5 miles north northwest of Flora Vista, New Mexico.

CASE 11115: (Continued from October 13, 1994, Examiner Hearing.)

Application of Manzano Oil Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its S. V. Sundown State Well No. 1 to be drilled 477 feet from the South line and 191 feet from the West line (Unit M) of Section 14, Township 10 South, Range 30 East, to test the Devonian formation. The SW/4 SW/4 of said Section 14 is to be dedicated to said well to form a standard 40-acre oil spacing and proration unit. Said unit is located approximately 6.5 miles west northwest of the junction of U. S. Highway 380 and New Mexico State Highway No. 172.

CASE 11128: **Application of Enre Corporation for a high angle/horizontal directional drilling pilot project, special operating rules therefor, and an unorthodox oil well location, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks authority to institute a high angle/horizontal directional drilling project in the Mancos formation, West Puerto Chiquito-Mancos Pool, underlying a project area comprised of all of Section 15, Township 27 North, Range 1 West. Applicant proposes to drill its Los Indios Canyon 15 N Well No. 1 from an unorthodox surface location 1295 feet from the South line and 1360 feet from the West line (Unit N) of said Section 15, directionally drill in an easterly direction to reach the Mancos formation at a true vertical depth of approximately 6921 feet and then drill horizontally until approximately 2600 feet of lateral distance is attained. Applicant further seeks the adoption of special operating provisions and rules within the project area including the designation of a target window for the horizontal portion of the wellbore such that the horizontal or producing portion of the wellbore shall be no closer than 330 feet from the outer boundary of the project area. Said project area is located approximately 6 miles southwest of Burford Lake.

CASE 11129: **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 the Undesignated Humble City-Strawn Pool. Said unit is to be dedicated to the Shipp "15" Well No. 1 to be drilled at an unorthodox oil well location 2130 feet from the South line and 510 feet from the East line (Unit I) of Section 15 to test the Strawn formation. 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 the risk involved in drilling and completing said well. Said area is located approximately 3 miles northwest of Humble City, New Mexico.

CASE 11099: (Continued from October 13, 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.