

State of New Mexico
ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT
Santa Fe, New Mexico 87505



OIL CONSERVATION DIVISION



February 17, 1995

Campbell, Carr, Berge & Sheridan, P. A.
Attn: William F. Carr
P. O. Box 2208
Santa Fe, New Mexico 87504-2208

RE: Case No. 11,161, Application of Yates Petroleum Corporation
for a Cooperative Pressure Maintenance Project in portions of
Sections 14 and 23, both in Township 20 South, Range 24 East,
NMPM, Eddy County, New Mexico.

Dear Mr. Carr:

In preparing an order in the subject matter I came across a small discrepancy between the data presented at the time of the December 15, 1994 hearing and the Division's records of the Hill View "AHE" Federal Com Well No. 2. The information on this well in Yates' OCD Form C-108, being Exhibit No. 1, indicates the perforated interval to be from 7696 feet to 7794 feet and their proposal to run 7600 feet of 3-1/2 inch tubing and set in a packer at 7600 feet. The information in our well file indicates the perforated interval in this well to be from 7576 feet to 7794 feet. I have included copies of all pertinent information referenced above.

Please either provide me with an explanation for this discrepancy or supplement the Case file with amended copies of the pages herein referenced. Even though the discrepancy is a rather minor one, a correction now might help to alleviate a bigger investigation later during a E.P.A. - UIC audit of our records.

Please call me here in Santa Fe at (505) 827-8185 should you require any additional information from me or have any questions. Thank you for your cooperation and understanding in this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

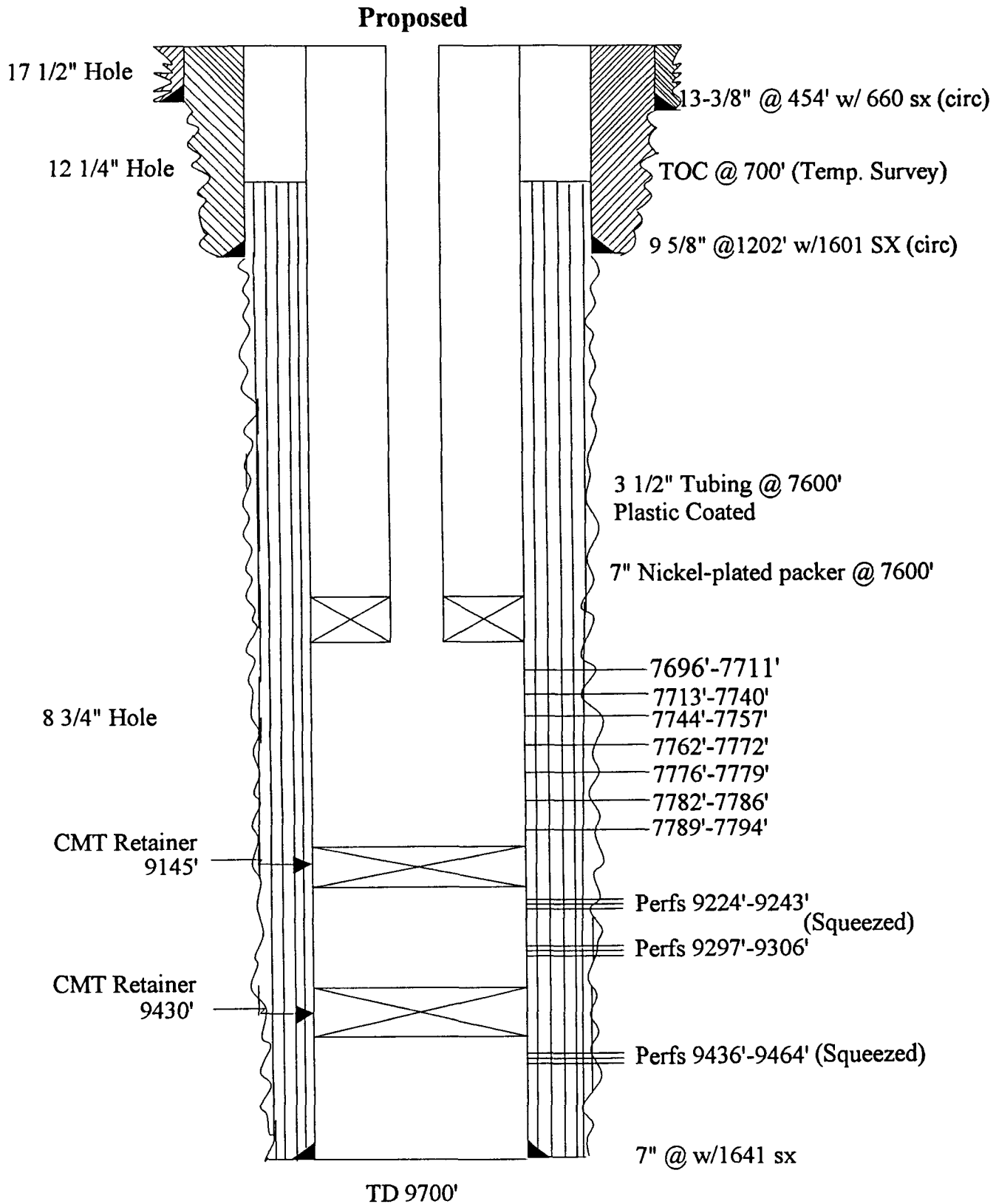
Michael E. Stogner
Chief Hearing Officer/Engineer

CC: OCD - Artesia
William J. LeMay, Director - OCD, Santa Fe
Pinson McWhorter, Reservoir Engineer - Yates, Artesia

VILLAGRA BUILDING - 408 Galisteo
Forestry and Resources Conservation Division
P.O. Box 1948 87504-1948
827-5830
Park and Recreation Division
P.O. Box 1147 87504-1147
827-7465

2040 South Pacheco
Office of the Secretary
827-5950
Administrative Services
827-5925
Energy Conservation & Management
827-5900
Mining and Minerals
827-5970
Oil Conservation
827-7131

Hillview AHE Fed Com #2
G 23-20S-24E
1650' FNL & 1780' FEL



ATTACHMENT A

DAGGER DRAW SOUTH - PRESSURE MAINTENANCE PILOT Form G-108 Well Data					
LEASE NAME & LOCATION	CASING, TUBING & PACKER DATA	INJECTION INFORMATION	INJECTION INTERVAL PERFORATIONS	1 - NEXT HIGHER OIL/GAS ZONE	OTHER PERFORATED INTERVALS
				2 - NEXT LOWER OIL/GAS ZONE	
Hill View AHE Federal Com #2 Unit G Sec 23-20S-24E 1650' FNL & 1780' FEL (Originally Morrow Gas Test)	13-3/8" @ 454' w/660 sx (circulated) 17-1/2" hole 9-5/8" @ 1202' w/1601 sx (circulated) 12-1/4" hole 7" @ 9700' w/1641 sx TOC @ 700' (Temp survey) 8-3/4" hole 3-1/2" tubing @ 7600' (plastic coated) 7" Nickel-plated packer @ 7600'	Canyon Dagger Draw South (Upper Penn)	7696' - 7711' 7713' - 7740' 7744' - 7751' 7762' - 7772' 7776' - 7779' 7782' - 7786' 7789' - 7794'	1 - Wolfcamp 2 - Strawn	9224' - 9243' squeezed w/60 sx 9297' - 9306' Class H Cement Cement Retainer @ 9145' 9436' - 9464' squeezed w/50 sx Class H Cement Cement Retainer @ 9430'
Hill View AHE Federal Com #6 Unit B Sec 23-20S-24E 660' FNL & 1980' FEL (Originally Oil Well)	20" @ 40' w/Redimix 26" hole 9-5/8" @ 1225' w/1100 sx (circulated) 14-3/4" hole 7" @ 8130' w/1650 sx (circulated) 8-3/4" hole 3-1/2" tubing @ 7500' (plastic coated) 7" Nickel-plated packer @ 7500'	Canyon Dagger Draw South (Upper Penn)	7566' - 7588' 7630' - 7650' 7662' - 7698' 7712' - 7799'	1 - Wolfcamp 2 - Strawn	None
Saguaro AGS Federal Com #8 Unit O Sec 14-20S-24E 660' FSL & 1980' FEL (Originally Oil Well)	20" @ 40' w/Redimix 26" hole 9-5/8" @ 1088' w/1100 sx (circulated) 14-3/4" hole 7" @ 8120' w/2130 sx (circulated) 8-3/4" hole 3-1/2" tubing @ 7590' (plastic coated) 7" Nickel-plated packer @ 7590'	Canyon Dagger Draw South (Upper Penn)	7624' - 7650' 7672' - 7696' 7704' - 7722' 7740' - 7748'	1 - Wolfcamp 2 - Strawn	None

ATTACHMENT A

DAGGER DRAW SOUTH - PRESSURE MAINTENANCE PILOT Form C-108 Well Data						
LEASE NAME & LOCATION	CASING, TUBING & PACKER DATA	INJECTION FORMATION	INJECTION INTERVAL PERFORATIONS	1 - NEXT HIGHER OIL/GAS ZONE		OTHER PERFORATED INTERVALS
				2 - NEXT LOWER OIL/GAS ZONE		
Hill View AHE Federal Com #2 Unit G Sec 23-20S-24E 1650' FNL & 1780' FEL (Originally Morrow Gas Test)	13-3/8" @ 454' w/660 sx (circulated) 17-1/2" hole 9-5/8" @ 1202' w/1601 sx (circulated) 12-1/4" hole 7" @ 9700' w/1641 sx TOC @ 700' (Temp survey) 8-3/4" hole 3-1/2" tubing @ 7600' (plastic coated) 7" Nickel-plated packer @ 7600'	Canyon Dagger Draw South (Upper Penn)	7696' - 7711' 7713' - 7740' 7744' - 7751' 7762' - 7772' 7776' - 7779' 7782' - 7786' 7789' - 7794'	1 - Wolfcamp 2 - Strawn		9224' - 9243' squeezed w/60 sx 9297' - 9306' Class H Cement Cement Retainer @ 9145' 9436' - 9464' squeezed w/50 sx Class H Cement Cement Retainer @ 9430'
Hill View AHE Federal Com #6 Unit B Sec 23-20S-24E 660' FNL & 1980' FEL (Originally Oil Well)	20" @ 40' w/Redimix 26" hole 9-5/8" @ 1225' w/1100 sx (circulated) 14-3/4" hole 7" @ 8130' w/1650 sx (circulated) 8-3/4" hole 3-1/2" tubing @ 7500' (plastic coated) 7" Nickel-plated packer @ 7500'	Canyon Dagger Draw South (Upper Penn)	7566' - 7588' 7630' - 7650' 7662' - 7698' 7712' - 7799'	1 - Wolfcamp 2 - Strawn		None
Saguaro AGS Federal Com #8 Unit O Sec 14-20S-24E 660' FSL & 1980' FEL (Originally Oil Well)	20" @ 40' w/Redimix 26" hole 9-5/8" @ 1088' w/1100 sx (circulated) 14-3/4" hole 7" @ 8120' w/2130 sx (circulated) 8-3/4" hole 3-1/2" tubing @ 7590' (plastic coated) 7" Nickel-plated packer @ 7590'	Canyon Dagger Draw South (Upper Penn)	7624' - 7650' 7672' - 7696' 7704' - 7722' 7740' - 7748'	1 - Wolfcamp 2 - Strawn		None

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

CONTACT RECEIVING
OFFICE FOR NUMBER
OF COPIES REQUIRED
(Other instructions on re-
verse side)

BLM Roswell District
Modified Form No.
NMO-3160-4

5. LEASE DESIGNATION AND SERIAL NO.

NM 045274

6. IF INDIAN, ALLOTTEE OR TRIBE NAME

SUNDRY NOTICES AND REPORTS ON WELLS

(Do not use this form for proposals to drill or to deepen or plug back to a different reservoir.
Use "APPLICATION FOR PERMIT" for such proposals.)

1. OIL WELL ☒ GAS WELL ☐ OTHER ☐

2. NAME OF OPERATOR
YATES PETROLEUM CORPORATION

3. ADDRESS OF OPERATOR
105 South 4th St., Artesia, NM 88210

4. LOCATION OF WELL (Report location clearly and in accordance with any State requirements.*
See also space 17 below.)
At surface

1650' FNL & 1780' FEL, Sec. 23-20S-24E

14. PERMIT NO.
30-015-23541

15. ELEVATIONS (Show whether DP, RT, GR, etc.)
3627 GR

8. FARM OR LEASE NAME
Hill View AHE Federal Com

9. WELL NO.
2

10. FIELD AND POOL, OR WILDCAT
South Dagger Draw Upper Pe

11. SEC., T., R., W., OR BLK. AND
SURVEY OR AREA
Unit G, Sec. 23-20S-24E

12. COUNTY OR PARISH
Eddy

13. STATE
NM

16. Check Appropriate Box To Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

TEST WATER SHUT-OFF
FRACTURE TREAT
SHOOT OR ACIDIZE
REPAIR WELL
(Other)

PULL OR ALTER CASING
MULTIPLE COMPLETE
ABANDON*
CHANGE PLANS

SUBSEQUENT REPORT OF:

WATER SHUT-OFF
FRACTURE TREATMENT
SHOOTING OR ACIDIZING
(Other)

REPAIRING WELL
ALTERING CASING
ABANDONMENT*

(Note: Report results of multiple completion on Well
Completion or Recompletion Report and Log form.)

17. DESCRIBE PROPOSED OR COMPLETED OPERATIONS (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work. If well is directionally drilled, give subsurface locations and measured and true vertical depths for all markers and zones pertinent to this work.)*

5-25-90. MIRU. Drill out cement retainer at 7610'. Existing perforations from 7696-7794
6-5-90. Perforated Canyon 7576-7629' w/7 - .50" holes as follows: 7576, 79, 81, 7625,
27, 28 and 7629'. Acidized perfs 7576-7629' w/2400 gals 20% NEFE acid.
6-6-90. Acidized all perforations 7576' to 7794' w/10000 gals 20% NEFE acid + block.

ACCEPTED FOR RECORD

JUN 15 1990

CARLSBAD, NEW MEXICO

18. I hereby certify that the foregoing is true and correct

SIGNATURE *[Signature]*

TITLE Production Suvr.

DATE 6-6-90

(This space for Federal or State office use)

APPROVED BY
CONDITIONS OF APPROVAL, IF ANY:

TITLE

DATE

*See Instructions on Reverse Side

Submit 5 Copies
Appropriate District Office
DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

State of New Mexico
Energy, Minerals and Natural Resources Department

OIL CONSERVATION DIVISION
RECEIVED

OIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

RECEIVED
Form C-104
Revised 1-1-89
See Instructions
at Bottom of Page

O. C. D.
ARTESIA OFFICE

REQUEST FOR ALLOWABLE AND AUTHORIZATION
TO TRANSPORT OIL AND NATURAL GAS

Operator YATES PETROLEUM CORPORATION	Well API No. 30-015-23541
Address 105 South 4th St., Artesia, NM 88210	
Reason(s) for Filing (Check proper box) <input type="checkbox"/> Other (Please explain)	
New Well <input type="checkbox"/>	Change in Transporter of: <input type="checkbox"/> Dry Gas <input type="checkbox"/> Request allowable for well.
Recompletion <input type="checkbox"/>	Oil <input type="checkbox"/> Condensate <input type="checkbox"/> Workover-perforated additional Canyon, treated.
Change in Operator <input type="checkbox"/>	Casinghead Gas <input type="checkbox"/>
If change of operator give name and address of previous operator	

II. DESCRIPTION OF WELL AND LEASE

Lease Name Hill View AHE Federal Com	Well No. 2	Pool Name, Including Formation South Dagger Draw Upper Penn	Kind of Lease State, Federal or Fee	Lease No. NM 045274
Location Unit Letter G : 1650 Feet From The North Line and 1780 Feet From The East Line Section 23 Township 20S Range 24E, NMPM, Eddy County				

III. DESIGNATION OF TRANSPORTER OF OIL AND NATURAL GAS

Name of Authorized Transporter of Oil Navajo Refining Co. <input checked="" type="checkbox"/> or Condensate <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) PO Box 159, Artesia, NM 88210			
Name of Authorized Transporter of Casinghead Gas Yates Petroleum Corporation <input checked="" type="checkbox"/> or Dry Gas <input type="checkbox"/>	Address (Give address to which approved copy of this form is to be sent) 105 South 4th St., Artesia, NM 88210			
If well produces oil or liquids, give location of tanks.	Unit G	Sec. 23	Twp. 20S	Rge. 24E
Is gas actually connected?	When ?		6-9-90	

If this production is commingled with that from any other lease or pool, give commingling order number:

IV. COMPLETION DATA

Designate Type of Completion - (X)	Oil Well <input checked="" type="checkbox"/>	Gas Well	New Well	Workover <input checked="" type="checkbox"/>	Deepen	Plug Back	Same Res'v	Diff Res'v
Date Spudded 12-14-81	Date Compl. Ready to Prod.		Total Depth 9700'		P.B.T.D.			
Elevations (DF, RKB, RT, GR, etc.) 3627' GR	Name of Producing Formation Canyon		Top Oil/Gas Pay 7576'		Tubing Depth			
Perforations 7696-7794'; 7576-7629'					Depth Casing Shoe 9700'			
TUBING, CASING AND CEMENTING RECORD								
HOLE SIZE	CASING & TUBING SIZE		DEPTH SET		SACKS CEMENT			
17-1/2"	54.5#		454'		660 sx (in place)			
12-1/4"	9-5/8"		1202'		1601 sx (in place)			
8-3/4"	7"		9700'		1641 sx (in place)			

V. TEST DATA AND REQUEST FOR ALLOWABLE

OIL WELL (Test must be after recovery of total volume of load oil and must be equal to or exceed top allowable for this depth or be for full 24 hours.)

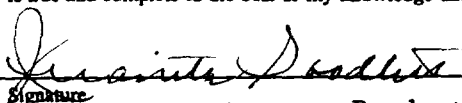
Date First New Oil Run To Tank 6-19-90	Date of Test 6-20-90	Producing Method (Flow, pump, gas lift, etc.) Pumping	
Length of Test 24 hrs	Tubing Pressure 310	Casing Pressure 120	Choke Size
Actual Prod. During Test 2390	Oil - Bbls. 50	Water - Bbls. 2340	Gas- MCF 401

GAS WELL

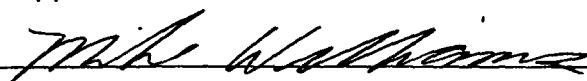
Actual Prod. Test - MCF/D	Length of Test	Bbls. Condensate/MMCF	Gravity of Condensate
Testing Method (pilot, back pr.)	Tubing Pressure (Shut-in)	Casing Pressure (Shut-in)	Choke Size

VI. OPERATOR CERTIFICATE OF COMPLIANCE

I hereby certify that the rules and regulations of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.


Signature
Juanita Goodlett - Production Supvr.
Printed Name
6-21-90
Date
(505) 748-1471
Telephone No.

OIL CONSERVATION DIVISION

Date Approved JUN 29 1990
By 
Title SUPERVISOR, DISTRICT II

INSTRUCTIONS: This form is to be filed in compliance with Rule 1104

- 1) Request for allowable for newly drilled or deepened well must be accompanied by tabulation of deviation tests taken in accordance with Rule 111.
- 2) All sections of this form must be filled out for allowable on new and recompleted wells.
- 3) Fill out only Sections I, II, III, and VI for changes of operator, well name or number, transporter, or other such changes.
- 4) Separate Form C-104 must be filed for each pool in multiply completed wells.

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN

MICHAEL H. FELDEWERT
TANYA M. TRUJILLO
NANCY A. RATH

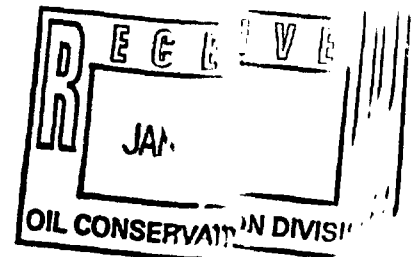
JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLAZA SUITE 100
SUITE 1 - 110 NORTH 3000
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 259-421
TELECOPIER: (505) 259-443

January 17, 1995

HAND-DELIVERED

Michael E. Stogner
Hearing Examiner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
2040 South Pacheco
Santa Fe, New Mexico 87505



Re: Oil Conservation Division Case No. 11185:
Application of Yates Petroleum Corporation for Qualification of the Pressur
Maintenance Project and for the Recovered Oil Tax Credit Pursuant to th
"New Mexico Oil Recovery Act", Eddy County, New Mexico

Dear Mr. Stogner:

The purpose of this letter is to respond to your questions at the December 17, 1994 hearing on the above-referenced application. You asked me to provide you with the name of the unit Yates was using for this project. Yates Petroleum Corporation has advised me that they are winning the project their Sawbuck Pilot Project.

As you may recall, Yates had discussed this project with the Bureau of Land Management and been advised that BLM approval would be withheld until a voluntary unit was formed covering the acreage in the project area. Pinson McWhorter has discussed this matter further with Armando Lopez and I can advise you that the Bureau of Land Management will not require the formation of a unit for the pilot project area nor impose any other conditions on the BLM approval of the proposed project.

Michael E. Stogner
Hearing Examiner
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
January 16, 1995
Page 2

I believe this letter responds to all the questions from the December 17, 1994 hearing. If you need any additional information from Yates concerning this application, please advise.

Very truly yours,

A handwritten signature in dark ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large initial "W" and a stylized "C".

WILLIAM F. CARR

WFC:mlh

cc: Pinson McWhorter
Yates Petroleum Corporation
105 South Fourth Street
Artesia, New Mexico 88210

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 5, 1995**8:15 A.M. - 2040 SOUTH PACHECO****SANTA FE, NEW MEXICO**

Dockets Nos. 3-95 and 4-95 are tentatively set for January 19, 1995 and February 2, 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 10804: (Continued from November 10, 1994, Examiner Hearing.)

Application of Collins & Ware, Inc. for special pool rules, Eddy County, New Mexico. Applicant seeks the promulgation of special pool rules for the Happy Valley-Delaware Pool, located in the NE/4 NW/4 of Section 33, Township 22 South, Range 26 East, including a provision for a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil and a special oil allowable of 160 barrels per day. Said area is located approximately 5 miles southwest of Carlsbad, New Mexico.

CASE 10530: (Continued from December 1, 1994, Examiner Hearing.)

In the matter of Case No. 15030 being reopened pursuant to the provisions of Order Nos. R-9722 and R-9722-A, which promulgated special rules and regulations for the West Lovington-Strawn Pool including a provision for 80-acre spacing. Operators in the subject pool should be prepared to appear and show cause why the temporary special rules and regulations for the West Lovington-Strawn Pool should not be rescinded and said pool not be developed on 40-acre spacing units.

CASE 11172: **Application of Purvis Operating Company for salt water disposal, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to dispose of produced salt water into the Gladiola-Wolfcamp Pool through the perforated interval from approximately 9103 feet to 9674 feet in its Lea "AV" State Well No. 4 located 1980 feet from the North and West lines (Unit F) of Section 19, Township 12 South, Range 38 East, which is located approximately 2.5 miles east-northeast of Gladiola, New Mexico.**CASE 11173:** **Application of W. M. Galloway for downhole commingling, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Mesaverde Pool gas production with Gavilan-Mancos Oil Pool production within the wellbore of its Trix Well No. 2 located 790 feet from the South line and 990 feet from the West line (Unit M) of Section 5, Township 26 North, Range 2 West. Said well is located 15 miles north of Lindrieth, New Mexico.**CASE 11174:** **Application of Primero Operating, Inc. for an unorthodox oil well location, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill its Moriah Well No. 1 in order to test the Devonian formation at an unorthodox oil well location 228 feet from the North line and 349 feet from the East line (Unit A) of Section 18, Township 10 South, Range 29 East. The NE/4 NE/4 of said Section 18 is to be dedicated to said well forming a standard 40-acre oil spacing unit. Said unit is located approximately 28 1/2 miles east of Roswell, New Mexico.**CASE 11175:** **Application of Matador Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill its K. C. Singer Well No. 1 at an unorthodox gas well location 990 feet from the North line and 660 feet from the West line (Lot 1/Unit D) of Section 19, Township 20 South, Range 27 East. If the subject well is capable of production from any formation from the top of the Wolfcamp to the top of the Morrow formation, including the Undesignated Avalon-Strawn Gas Pool, then Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of said Section 19 is to be dedicated to the well forming a standard 319.80-acre gas spacing and proration unit. If the subject well is capable of production from the Morrow formation then it is to be a replacement well for the Hunt Oil Company State "1-19" Com Well No. 1, located in Unit "F", and all of said Section 19 is to be dedicated to said well forming a standard 639.80-acre gas spacing and proration unit for production from the McMillan-Morrow Gas Pool. Said well is located approximately 3 miles southeast from the spillway at Lake McMillan Reservoir, New Mexico.**CASE 11176:** **Application of Amoco Production Company to amend Division Order No. R-10174 to include provisions for an unorthodox surface gas well location, simultaneous dedication, and an exception to Rule 2(b) of the Special Rules governing the Blanco-Mesaverde Pool, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks to amend Division Order No. R-10174, issued in Case 11054 and dated August 25, 1994, which order authorized Amoco Production Company to initiate a high angle/horizontal directional drilling pilot project within an existing non-standard 327.11-acre gas spacing and proration unit in the Blanco-Mesaverde Pool comprising Lots 8, 9, 10, and 11 and the SE/4 (E/2 equivalent) of Section 6, Township 30 North, Range 8 West, by changing the surface location of its proposed Florance "H" Well No. 37-R to an unorthodox surface gas well location 1350 feet from the North line and 1850 feet from the East line (Lot 10/Unit G) of said Section 6. Applicant further seeks an exception to Rule 2(b) of the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, allowing for a third well to be drilled on a spacing unit and for production from all three wells to be simultaneously dedicated to said 327.11-acre proration unit. Said project area is located approximately 5 miles northwest of the Navajo Reservoir Dam. In the absence of objection, this application will be taken under advisement.

- CASE 11177:** Application of Enron Oil & Gas Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location in the Undesignated Red Hills-Bone Spring Pool for its Hallwood "1" Federal Well No. 3 to be drilled 1430 feet from the South line and 1830 feet from the East line (Unit J) of Section 1, Township 25 South, Range 33 East. The W/2 SE/4 of said Section 1 is to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 19 miles west by north of Jal, New Mexico.
- CASE 11178:** Application of David Petroleum Corporation for an Unorthodox Gas Well Location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to re-enter and deepen the plugged and abandoned Barbara Fasken Maxwell Trust "26" Well No. 1, located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 26, Township 15 South, Range 34 East, in order to test the Morrow formation at an unorthodox gas well location. The N/2 of said Section 26 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said unit is located approximately 5 miles northwest by west of the Lovington-Lea County Airport.
- CASE 11179:** Application of Meridian Oil Inc. for Designation of a portion of the Entrada Formation as an "Exempted Aquifer", and to Amend Division Order No. R-10168, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks to designate the Entrada formation underlying the SW/4 SW/4 of Section 4, S/2 of Section 5, SE/4 SE/4 of Section 6, all of Sections 7 and 8, W/2 W/2 of Section 9, N/2 N/2 of Section 17, and the NE/4 NE/4 of Section 18, all in Township 24 North, Range 3 West, as an "Exempted Aquifer" pursuant to Division Rule No. 701(E) and applicable Federal Underground Injection Control Program Rules and Regulations. Contingent upon this request, the applicant further seeks verification that it is able to utilize its Jillson Federal SWD Well No. 1, located in Unit F of said Section 8, as an Entrada disposal well as previously authorized by Division Order No. R-10168 feet. Applicant further seeks to amend the injection interval approved by Division Order No. R-10168 to allow injection into the perforated interval from approximately 8,404 feet to 8,659. Said area is located approximately 6 miles west-northwest of Lindrith, New Mexico.
- CASE 11180:** Application of Harvard Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its Angell Well No. 1 at an unorthodox oil well location 550 feet from the North line and 2600 feet from the East line (Unit B) of Section 4, Township 15 South, Range 38 East, to test the Wolfcamp formation, Undesignated East Denton-Wolfcamp Pool. The NW/4 NE/4 of Section 4 is to be dedicated to the subject well forming a standard 40-acre oil spacing and proration unit for said pool. Said unit is located approximately 14 miles southeast of McDonald, New Mexico.
- CASE 11181:** Application of Enron Oil & Gas Company for Pool Creation and Downhole Commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Wolfcamp formation comprising the NE/4 NE/4 of Section 36, Township 22 South, Range 30 East. Applicant further seeks authority to downhole commingle Wolfcamp and Bone Spring production within its existing James Ranch Unit Well No. 71 located 330 feet from the North line and 660 feet from the East line (Unit A) of said Section 36. Said well is located approximately 7 miles southeast of Lindsey Lake.
- CASE 11182:** Application of Enron Oil & Gas Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to drill its Hallwood "1" Federal Well No. 4 at an unorthodox oil well location 1060 feet from the South line and 1650 feet from the West line (Unit N) of Section 1, Township 25 South, Range 33 East, to test the Bone Spring formation, Undesignated Red Hills-Bone Spring Pool. The E/2 SW/4 of said Section 1 is to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 3 miles Southeast of the Double X Ranch.
- CASE 11183:** Application of David Petroleum 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 Strawn formation underlying the N/2 NE/4 of Section 33, Township 15 South, Range 35 East, in the following described manner: the N/2 NE/4 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 but is not necessarily limited to the Undesignated West Lovington-Strawn Pool; and, the NW/4 NE/4 forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent. Said unit(s) are to be dedicated to the Barton Fee Well No. 1 to be drilled at a standard location 760 feet from the North line and 2090 feet from the East line (Unit B) of Section 33. 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 4 miles Northwest of Lovington, New Mexico.

CASE 11161: (Continued from December 15, 1994 Examiner Hearing.)

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 11184: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox gas well location, 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 Morrow formation underlying the S/2 of Section 5, Township 18 South, Range 27 East, in the following described manner: the S/2 forming a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Red Lake-Pennsylvanian Gas Pool and the Undesignated Scoggin Draw-Morrow Gas Pool; the SW/4 forming a standard 160-acre 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 Undesignated Empire-Abo Gas Pool; the N/2 SW/4 forming a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent; and, the NE/4 SW/4 forming a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit(s) are to be dedicated to the existing Humble Chalk Bluff "ANA" Federal Com Well No. 1 to be reentered at an unorthodox gas well location 2055 feet from the South line and 1980 feet from the West line of said Section 5. 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 well is located approximately 7 miles southeast of Artesia, New Mexico.

CASE 11185: Application of Yates Petroleum Corporation for Qualification of a Pressure Maintenance Project for the Recovered Oil Tax Credit Pursuant to the "New Mexico Oil Recovery Act", Eddy County, New Mexico. Applicant, in the above styled cause, seeks to qualify its South Dagger Draw Pressure Maintenance Project, located in the E/2 SW/4 and SE/4 of Section 14, the NE/4, E/2 NW/4, NE/4 SW/4 and the N/2 SE/4 of Section 23, both in Township 20 South, Range 24 East, for the Recovered Oil Tax Rate under the "Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). This area is located approximately 8 miles west of Seven Rivers, New Mexico.

CASE 11186: Application of Nearburg Exploration 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 Strawn formation underlying the E/2 NW/4 of Section 13, Township 17 South, Range 37 East, forming a standard 80-acre oil spacing and proration unit for the South Humble City-Strawn Pool. Said unit is to be dedicated to the Shriner "13" Well No. 1 to be drilled at a standard oil well location 2086 feet from the North and West lines (Unit F) of said Section 13. 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 3 miles North of Humble City, New Mexico.

CASE 10748 (Reopened)

In the matter of Case No. 10748 being reopened pursuant to the provisions of Division Order No. R-9922, which order promulgated temporary special rules and regulations for the Indian Basin-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico. Operators in the subject pool may appear and show cause why said temporary special rules and regulations for the Indian Basin-Upper Pennsylvanian Associated Pool should not be rescinded.

CASE 10653: (Reopened)

In the matter of Case No. 10653 being reopened pursuant to the provisions of Division Order No. R-9842-A, which order provided for an increase in allowable to 300 BOPD for the Northeast Lea-Delaware Pool, in Eddy County, New Mexico. Operators in the subject pool may appear and present evidence and show cause why said 300 BOPD allowable should not revert to the standard 107 BOPD depth bracket allowable.

CASE 11152: (Continued from December 1, 1994, Examiner Hearing.)

Joint application of Texaco Exploration and Production, Inc. and Marathon Oil Company for a pressure maintenance project, unorthodox injection well locations, and qualification for the recovered oil tax credit pursuant to the New Mexico Oil Recovery Act, Lea County, New Mexico. Applicants, in the above-styled cause, seek authority to institute a cooperative pressure maintenance project in the Vacuum-Drinkard Pool comprising portions of Section 36, Township 17 South, Range 34 East; Section 31, Township 17 South, Range 35 East; Section 1, Township 18 South, Range 34 East; and, Section 6, Township 18 South, Range 35 East, by the injection of water into two existing wells and six wells to be drilled at locations considered to be unorthodox. Applicants further seek to qualify this project for the Recovered Oil Tax Rate under the "Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said project is located approximately 1.5 miles south of Buckeye, New Mexico.

CASE 11099: (Continued from December 1, 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.

DOCKET NO. 2-95

DOCKET: COMMISSION HEARING - THURSDAY - JANUARY 12, 1995
9:00 A.M. - 2040 SOUTH PACHECO, SANTA FE, NEW MEXICO

The Land Commissioner's designee for this hearing will be Jami Bailey or Gary Garlson

CASE 11048: (De Novo)

Application of Bass Enterprises Production Co. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 30, Township 23 South, Range 30 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled and completed 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 6.0 miles northwest of Poker Lake. Upon application at Maralo, Inc., and Santa Fe Energy Operating Partners, L. P., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 10994: (De Novo)

Application of Enserch Exploration, Inc. for the assignment of a special depth bracket oil allowable, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks a special depth bracket oil allowable, pursuant to General Rule 505(d), of 500 barrels of oil per day for the South Peterson-Fusselman Pool, which is located in portions of Townships 5 and 6 South, Ranges 32 and 33 East, being approximately 14 miles east of Kenna, New Mexico. Upon application of Enserch Exploration, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.