

CASE 11271: **Application of Medallion Production Company for compulsory pooling and an unorthodox gas 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 following described acreage in Section 31, Township 16 South, Range 35 East, and in the following manner: the E/2 to form 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 which presently includes but is not necessarily limited to the Undesignated North Vacuum Atoka-Morrow Gas Pool and Undesignated Shoe Bar-Atoka Gas Pool; the SE/4 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; the W/2 SE/4 to form a standard 80-acre oil spacing and proration unit for any and all pools developed on 80-acre spacing within said vertical extent which presently includes only the Undesignated North Vacuum-Abo Pool; and the SW/4 SE/4 to form 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 Vacuum-Grayburg San Andres Pool and Undesignated Northeast Vacuum-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 31 being a standard well location for 40, 80, and 160-acre spacing and proration units but an unorthodox gas well location for a 320-acre spacing unit. 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 well location is approximately 5 miles north of Buckeye, New Mexico.

CASE 11227: Continued from March 16, 1995, Examiner Hearing.

Application of PermOK Oil, Inc. for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to establish a non-standard 80-acre gas spacing and proration unit in the Undesignated Rhodes Yates-Seven Rivers Gas Pool comprising the N/2 NW/4 of Section 23, Township 26 South, Range 37 East, being approximately 6.5 miles southeast by south of Jal, New Mexico. Said unit is to be dedicated to its proposed Leonard Brothers "A" Federal Well No. 2 to be drilled at a standard gas well location 660 feet from the North and West lines (Unit D) of said Section 23.

CASE 11194: (Continued from April 6, 1995, Examiner Hearing.)

Application of Charles B. Gillespie, Jr. for a pressure maintenance project and qualification for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to institute a pressure maintenance project in the designated and Undesignated West Lovington-Strawn Pool within its proposed West Lovington Strawn Unit Area (being the subject of Case No. 11195) located in portions of Townships 15 and 16 South, Ranges 35 and 36 East, by the injection of natural gas through the perforated interval from approximately 11,424 feet to 11,434 feet into its existing Speight Fee Well No. 1 located 660 feet from the North line and 2310 feet from the West line (Lot 3/Unit C) of Section 1, Township 16 South, Range 35 East. Applicant further seeks to qualify this project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Law 1992, Chapter 38, Sections 1 through 5). Said project is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

CASE 11195: (Continued from April 6, 1995, Examiner Hearing.)

Application of Charles B. Gillespie, Jr. for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a pressure maintenance project, all mineral interests in the designated and Undesignated West Lovington-Strawn Pool underlying its proposed West Lovington Strawn Unit Area encompassing some 1457.05-acres, more or less, of Federal, State, and Fee lands comprising all of Section 33 and the W/2 of Section 34 of Township 15 South, Range 35 East, a portion of Section 1, Township 16 South, Range 35 East, and a portion of Section 6, Township 16 South, Range 36 East. Among the matters to be considered at the hearing, pursuant to the "New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and changes to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures, selection, removal or substitution of the unit operator, and time of commencement and termination of unit operations. Said unit area is centered approximately 4.5 miles West-Northwest of Lovington, New Mexico.

CASE 11243: (Continued from April 6, 1995, Examiner Hearing.)

Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 12, Township 29 North, Range 13 West, and in the following manner: the W/2 thereby forming a standard 320-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent which presently includes only the Basin-Fruitland Coal (Gas) Pool; and the SW/4 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 presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well (the proposed Burnham Gas Com "B" Well No. 1) to be drilled at a standard gas well location in the SW/4 of said Section 12. 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 area is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11244: (Continued from April 6, 1995, Examiner Hearing.)

Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby 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 Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said unit is to be dedicated to a single well (the proposed Burnham Gas Com "A" Well No. 1) 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 said well. Said unit is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11247: (Continued from April 6, 1995, Examiner Hearing.)

Application of Richardson Operating Co. for compulsory pooling, downhole commingling and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the SW/4 of Section 12, Township 29 North, Range 13 West, and all mineral interests in the Basin-Fruitland Coal (Gas) Pool, underlying the W/2 of said Section 12, thereby forming a standard 160-acre and 320-acre gas spacing and proration unit for both pools, respectively. Said units are to be dedicated to a single well, the proposed ROPCO Federal "12" Well No. 3, which is to be drilled at a potential unorthodox gas well location within 200 feet of a point 870 feet from the South line and 1180 feet from the West line of said Section 12. Applicant further seeks authorization to commingle Undesignated West Kutz-Pictured Cliffs Pool production with gas production from the Basin-Fruitland Coal (Gas) Pool within the wellbore of said well. Also to be considered will be the cost of participation in said well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefor as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well. Said well is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11245: (Continued from April 6, 1995, Examiner Hearing.)

Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NE/4 of Section 14, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit. Said unit is to be dedicated to the Roberts Well No. 1 to be drilled at a standard 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 area is located approximately 1.5 miles east of Farmington, New Mexico.