DOCKET: EXAMINER HEARING - THURSDAY - MARCH 2, 1995

8:15 A.M. - 2040 SOUTH PACHECO SANTA FE, NEW MEXICO

Dockets Nos. 9-95 and 10-95 are tentatively set for March 16, 1995 and April 6, 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 11202: (Continued from February 16, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson -Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11203: (Continued from February 16, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit W. J. Conover, owner/operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the J. M. Lewelling Well No. 1 (API No. 30-035-20010), located 660 feet from the North and West lines (Unit D) of Section 12, Township 12 South, Range 9 East, Otero County, New Mexico (which is approximately 2.75 miles southeast of the Three Rivers, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

CASE 11204: (Continued from February 16, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the last known operator, Coal Creek Oil Co., and all other interested parties to appear and show cause why the Graham Well No. 1, also known as the W. E. Duggen Well No. 1, (API No. 30-045-08066) located approximately 1520 feet from the North line and 1120 feet from the East line in the NW/4 SE/4 NE/4 (Unit H) of Section 20, Township 29 North, Range 11 West, San Juan County, New Mexico (which is within the City of Bloomfield, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

CASE 11190: (Continued from January 19, 1995, Examiner Hearing.)

Application of MYCO Industries, Inc. 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 Cisco formation to the base of the Morrow formation underlying the E/2 of Section 22, Township 18 South, Range 29 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, which presently includes but is not necessarily limited to the Undesignated Palmillo-Cisco Gas Pool, the Turkey Track-Atoka Gas Pool, and the North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to a well 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 11 miles southwest by south of Loco Hills, New Mexico.

CASE 11210: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation, underlying the SE/4 of Section 17, Township 10 South, Range 25 East, 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 not necessarily limited to the South Pecos Slope-Abo Gas Pool. Said unit is to be dedicated to its Rose Cannon "AOR" Com Well No. 1, which has been drilled at a standard gas well location 1980 feet from the South line and 660 feet from the East line (Unit I) of said Section 17. 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 3.5 miles north-northwest of the Pecos River Bridge on U. S. Highway 380.

CASE 11198: (Continued from February 16, 1995, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the NW/4 of Section 21, Township 19 South, Range 25 East, 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 only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 2, which has been drilled at a standard location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 21. 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 6.5 miles west by north of Lakewood, Nev Mexico.

CASE 11199: (Continued from February 16, 1995, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SW/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and prorat on unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 1, which has been drilled at a standard location 820 feet from the South line and 660 feet from the West line (Unit M) of said Section 21. 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 6.5 miles west by north of Lakewood, Nev Mexico.

CASE 11200: (Continued from February 16, 1995, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and protation unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Patriot "AIZ" Well No. 5, which has been drilled at a standard location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 21. 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 6.25 miles west by north of Lakewood, New Mexico.

<u>CASE 11212</u>: Application of Conoco, Inc. for downhole commingling and for an exception to the gas-oil ratio limitation factor established by Division Order No. R-8909, Lea County, New Mexico. Applicant, in the above-styled cause, seeks blanket approval for the downhole commingling of Warren Blinebry-Tubb Oil and Gas Pool and Warren-Drinkard Pool production within the wellbores of ten existing and four proposed new wells to be drilled within Conoco's Warren Uni in Sections 27, 28, 33, and 34, Township 20 South, Range 38 East. The applicant further seeks authority to produce said wills in excess of the 8,000 to one gas/oil ratio (GOR) limitation factor currently established for the Warren-Drinkard Pool by Division Order No. R-8909. The Warren Unit Area is centered approximately 6 miles south by west of the community of Nadine, New Mexico.

CASE 11213: (This Case will be Continued to April 16,. 1995.)

Application of Maralo, Inc.-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 Devonian formation, underlying the NW/4 NE/4 (Unit B) of Section 20, Township 13 South, Range 38 East, forming, a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at an unorthodox oil well location 350 feet from the North line and 1500 feet from the East line of said Section 20. 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 6.25 miles southeast by south of Gladiola, New Mexico.