

**DOCKET: COMMISSION HEARING - THURSDAY - AUGUST 3, 1995****9:00 A.M. - 2040 SOUTH PACHECO****SANTA FE, NEW MEXICO****The Land Commissioner's designee for this hearing will be Jami Bailey/Gary Carlson**

**CASE 11350** The Oil Conservation Division is calling a hearing on its own motion to consider proposed October, 1995 - March, 1996 gas allowables for the prorated gas pools in New Mexico. Allowable assignment factors are being distributed with an OCD Memorandum dated July 10, 1995. If requests for changes are not received at the August 3 hearing, these factors will be used to assign allowables for the October-March period.

**CASE 10907:** (Continued from May 11, 1995, Commission Hearing.)

In the matter of the hearing called by the Oil Conservation Division to amend Rules 1111, 1112 and 1115 of its General Rules and Regulations. The Oil Conservation Division seeks to amend its General Rules and Regulations to provide for the filing of Forms C-111, C-112, and C-115, respectively, on the last business day of the month following the month of production and to provide for the imposition of penalties for failure to file timely and accurate reports.

**CASE 11351:** In the matter of the hearing called by the Oil Conservation Division to amend Rule 104 of its General Rules and Regulations pertaining to unorthodox well locations and non-standard units. The proposed amendments to Rule 104 would provide for administrative approval of applications for certain unorthodox well locations and non-standard units currently requiring notice and hearing. A copy of the proposed amended Rule 104 is attached to this docket.

**CASE 11352:** In the matter of the hearing called by the Oil Conservation Division to amend Rule 116 of its General Rules and Regulations pertaining to the notification of fires, breaks, leaks, spills and blowouts. The proposed amendments to Rule 116 would include and/or exclude certain situations from its coverage. A copy of the proposed amended Rule 116 is attached to this docket.

**CASE 11353:** In the matter of the hearing called by the Oil Conservation Division to amend Rule 303.C. of its General Rules and Regulations pertaining to downhole commingling. The proposed amendments to Rule 303.C. would provide for administrative approval of applications for certain types of downhole commingling currently requiring notice and hearing. A copy of the proposed changes to Rule 303.C. is attached to this docket.

**CASE 11233:** (De Novo - Continued from July 6, 1995, Commission Hearing.)

**Application of Nearburg Exploration Company for compulsory pooling, 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 Canyon formation underlying the SW/4 of Section 13, 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 but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "13" Well No. 2 to be drilled at a standard location in the SE/4 SW/4 (Unit N) 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 Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4.5 miles west-northwest of Lakewood, New Mexico. Upon the application of Yates Petroleum Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

**CASE 11234:** (De Novo - Continued from July 6, 1995, Commission Hearing.)

**Application of Yates Petroleum Corporation for compulsory pooling, 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 Canyon formation underlying the SW/4 of Section 13, 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 but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to a well 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 unit is located approximately 4.5 miles west-northwest of Lakewood, New Mexico. Upon the application of Yates Petroleum Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

**CASE 10280:** (De Novo and Continued from July 6, 1995, Commission Hearing.)

In the matter of Case No. 10280 being reopened pursuant to the provisions of Division Order Nos. R-9594 and R-9594-A, which orders promulgated temporary special rules and regulations for the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, including a provision for 80-acre spacing. Operators in the subject pool may appear and show cause why said spacing pool rules should not be rescinded and why the Milnesand-Abo Pool should not be developed on other than 40-acre spacing and proration units.