

**CASE 11315:** (Continued from June 29, 1995, Examiner Hearing.)

Application of Mallon Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to convert its Mallon "34" Federal Well No. 1 (API No. 30-025-32787) located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 34, Township 19 South, Range 34 East, and utilize said well to dispose of produced salt water into the San Andres formation through the perforated interval from approximately 5947 feet to 6306 feet. Said well is located approximately 1.5 miles east of mile post No. 78 on U. S. Highway 62/180.

**CASE 11316:** (Readvertised)

Application of Marathon Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its Royal Well No. 1 at an unorthodox oil well location to test the Blinbry formation and Undesignated East Vacuum-Drinkard Pool 2210 feet from the South line and 1310 feet from the East line (Unit I) of Section 33, Township 17 South, Range 35 East. The NE/4 SE/4 of Section 33 is to be dedicated to the subject well forming a standard 40-acre oil spacing and proration unit for both intervals. Said unit is located approximately 3 miles east-southeast of Buckeye, New Mexico.

**CASE 11332:** Application of Yates Petroleum Corporation to Rescind Division Order No. R-10372, Eddy County, New Mexico. Applicant, in the above styled cause, seeks to rescind Division Order No. R-10372 dated May 24, 1995, which order authorized Yates Petroleum Corporation to drill its Aspden "AOH" Federal Com Well No. 2 at an unorthodox oil well location 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 29, Township 19 South, Range 25 East, NMPM, North Dagger Draw-Upper Pennsylvanian Pool, subject to certain requirements relating to the formation of non-standard proration units. This well is located approximately 8 miles west of Lakewood, New Mexico. IN THE ABSENCE OF OBJECTION THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

**CASE 11333:** Application of Marathon Oil Company for the expansion of the Cemetery-Morrow Gas Pool and the contraction of the Indian Basin-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order expanding the Cemetery-Morrow Gas Pool to include all of Irregular Sections 35 and 36, Township 20-1/2 South, Range 23 East, and all of Sections 1, 2, 11, 12, 13 and 14, Township 21 South, Range 23 East, and the corresponding contraction of the Indian Basin-Morrow Gas Pool by the deletion therefrom of the W/2 of Section 2, the W/2 of Section 11, and all of Section 14, Township 21 South, Range 23 East. This area is located approximately 11-1/2 miles southwest of Seven Rivers, New Mexico.

**CASE 11334:** Application of Phillips Petroleum Company for a determination in accordance with Section 70-2-33 (H) NMSA (1978) of the proportionate share of recoverable hydrocarbons and for the adoption of a special oil allowable for the South Peterson-Fusselman Pool, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks a determination, in accordance with Section 70-2-33 (H) NMSA (1978) of the proportionate share of recoverable hydrocarbons to be allocated to each spacing and proration unit in the South Peterson-Fusselman Pool. The applicant further seeks the adoption of a special oil allowable of 267 barrels of oil per day within the South Peterson-Fusselman Pool effective January 1, 1995. Said pool is located in portions of Townships 5 and 6 South, Ranges 32 and 33 East. This pool is located approximately 21 miles southeast of Kenna, New Mexico.

**CASE 11327:** (Continued from June 29, 1995, Examiner Hearing.)

Application of Merrion Oil & Gas Corporation for a high angle/horizontal directional drilling pilot project and for the promulgation of special operating rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the designated and Undesignated Snake Eyes-Entrada Oil Pool underlying a single fee lease comprising all or portions of Sections 19, 20, and 21, Township 21 North, Range 8 West. Further, the applicant seeks the promulgation of special operating rules and procedures for wells within said project area including provisions for administrative authorization for horizontal wells, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, the assignment of a special oil allowable or formula for the project area and the designation of a target window such that horizontal or producing portions of such a wellbore shall be no closer than 330 feet to the outer boundary of the project area. Said area is located approximately 16 miles south by east of Nageesi, New Mexico.