

CASE 11266: (Continued from May 4, 1995, Examiner 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 Morrow formation, underlying the following described acreage in Section 32, Township 17 South, Range 27 East, and in the following manner: the N/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 Jennings Spring-Wolfcamp Gas Pool, Undesignated Logan Draw-Cisco/Canyon Gas Pool, Undesignated Red Lake-Pennsylvanian Gas Pool, Undesignated West Logan Draw-Morrow Gas Pool, and Undesignated Logan Draw-Morrow Gas Pool; the NE/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; and the NW/4 NE/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 Red Lake Queen-Grayburg-San Andres Pool, Undesignated Empire-Abo Pool, and Undesignated Chalk Bluff-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled and completed at a standard location in Unit "B" of said Section 32. 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 said well. Said well location is approximately 2.5 miles south of Riverside, New Mexico.

CASE 11285: **Application of Conoco, Inc. for approval to amend a previously approved waterflood project, for modifying its injection pattern, for infill drilling, for twelve unorthodox oil well locations and for certain administrative procedures, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to convert its Warren-Blinebry Tubb Waterflood Project from an 80-acre to a 40-acre five spot injection pattern including the drilling of the first twelve "infill" producing wells at unorthodox well locations within said project. Applicant further seeks an administrative procedure for drilling additional infill producing wells at unorthodox well locations and the conversion of producers to injection wells within the Warren-Blinebry Tubb Unit for production from and injection into the Warren Blinebry-Tubb Oil and Gas Pool, all within portions or all of Sections 20 through 22, 26 through 29, and 33 through 35, all in Township 20 South, Range 38 East. Said project is located approximately 5.5 miles south-southwest of Nadine, New Mexico.

CASE 11270: (Continued from May 4, 1995, Examiner Hearing.)

Application of Maralo, Inc. 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 Morrow formation underlying Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 3, Township 19 South, Range 28 East, thereby forming a 320.90-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 Millman-Wolfcamp Gas Pool, Undesignated Millman-Atoka Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and Undesignated Millman-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 unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles east-southeast of the old Illinois Oil Camp.

CASE 11281: (Continued from May 4, 1995, Examiner Hearing.)

Application of Maralo, Inc. 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 Bone Spring formation, underlying the SE/4 NW/4 (Unit F) of Section 4, Township 24 South, Range 29 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil 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 5 miles east-northeast of Malaga, New Mexico.

CASE 11245: (Continued from May 4, 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.

CASE 11269: (Readvertised)

Application of Amerada Hess Corporation for pool creation, the promulgation of special pool rules, and for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of gas from the Ellenburger formation underlying all of Section 5, Township 23 South, Range 34 East (being approximately 20.5 miles west-southwest of Eunice, New Mexico) and for the promulgation of special rules and regulations therefor including provisions for 640-acre gas spacing and proration units and designated well location requirements. Applicant further seeks approval of an unorthodox gas well location in this newly created Ellenburger gas pool for its North Bell Federal Well No. 2 (API No. 30-025-32672), located 1100 feet from the South line and 1500 feet from the West line (Unit N) of said Section 5, all of said Section 5 to be dedicated to said well thereby forming a 640.28-acre gas spacing and proration unit.

CASE 11227: Continued from April 20, 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 10746: (Reopened)

In the matter of Case No. 10746 being reopened to the provisions of Division Order No. R-9952-A, which promulgated temporary special rules and regulations for the East Catclaw Draw-Delaware Pool in Eddy County, providing for a limiting gas-oil ratio of 6,000 cubic feet of gas per barrel of oil. Operators in the subject pool may appear and show cause why the limiting gas-oil ratio for the East Catclaw Draw-Delaware Pool should not revert back to the standard statewide 2,000 cubic feet of gas per barrel of oil.

CASE 11194: (Continued from April 20, 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 20, 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.