

**DOCKET: EXAMINER HEARING - THURSDAY - MAY 18, 1995**

8:15 A.M. - 2040 South Pacheo

Santa Fe, New Mexico

Dockets Nos 16-95 and 17-95 are tentatively set for June 1, 1995 and June 15, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. Please note, the Examiner Hearing scheduled for June 29, 1995 will be held in Hobbs, New Mexico - actual location not yet determined. The following cases will be heard by an Examiner:

**CASE 11252:** (Continued from April 20, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Stevens Operating Corporation, operator, American Employers Insurance, surety, and all other interested parties to appear and show cause why the Marjohn State Well No. 1 (API No. 30-005-00380), located 660 feet from the North and East lines (Unit A) of Section 11, Township 13 South, Range 28 East, Chaves County, New Mexico (which is approximately 15 miles east-northeast of Hagerman, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said wells, the Division should then be authorized to take such action as is deemed necessary to have both wells properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

**CASE 11253:** (Continued from April 20, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 1, located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, 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 said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

**CASE 11254:** (Continued from April 20, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 2, located 1650 feet from the North line and 1980 feet from the West line (Unit F) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, 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 said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

**CASE 11255:** (Continued from April 20, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Employers' Insurance Company, surety, and all other interested parties to appear and show cause why the Christopher Well No. 1 (API No. 30-005-60591), located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 32, Township 6 South, Range 26 East, Chaves County, New Mexico (which is approximately 15.5 miles west-northwest of Elkins, 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 said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

**CASE 11256:** (Continued from April 18, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Otis H. Sanders, and all other interested parties to appear and show cause why the Thigpen, et al Well No. 1-Y (API No. 30-015-22933), located 1800 feet from the North line and 1980 feet from the West line (Unit F) of Section 7, Township 16 South, Range 25 East, Eddy County, New Mexico (which is approximately 7.25 miles northwest by north of the Artesia, New Mexico Municipal Airport), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon Sunwest Bank at Roswell, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

**CASE 11257:** (Continued from April 20, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 1 (API No. 30-039-24055), located 610 feet from the South line and 2000 feet from the West line (Unit N) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5.5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

**CASE 11258:** (Continued from April 20, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 2 (API No. 30-039-24053), located 1770 feet from the South line and 970 feet from the East line (Unit I) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

**CASE 11282:** Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the San Simon Unit Agreement for an area comprising 9,105.47 acres, more or less, of State and Federal lands in Township 23 South, Ranges 34 and 35 East. Said unit area is centered approximately 17 miles southwest by west of Eunice, New Mexico.

**CASE 11283:** Application of Yates Petroleum Corporation for an amendment to Division Order No. R-9976-A authorizing a location change of a certain unorthodox infill gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9976-A, which order authorized the applicant to infill drill the Pecos Slope-Abo (unprorated) Gas Pool within a portion of Townships 5, 6, and 7 South, Ranges 25 and 26 East, by changing the location approved by said order of its Catterson "SS" Federal Well No. 7, which has already been drilled, to reflect its current position 2310 feet from the South line and 660 feet from the East line (Unit I) of Section 33, Township 7 South, Range 26 East. Said well is located approximately 14 miles west of Elkins, New Mexico.

**CASE 11284:** Application of Meridian Oil Inc. for downhole commingling and two non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Gallup gas production with Basin-Dakota Pool production within the wellbore of its proposed Sunray "H" Com Well No. 6 to be drilled at a standard gas well location for both intervals 820 feet from the North line and 1060 feet from the East line (Lot 1/Unit A) of Irregular Section 11, Township 30 North, Range 10 West. Lots 1, 2, 7, and 8 (the NE/4 equivalent) of said Section 11 is to be dedicated to the subject well in the Gallup formation thereby forming a non-standard 157.70-acre gas spacing and proration unit and Lots 1, 2, 7, 8, 9, 10, 15, and 16 (E/2 equivalent) of said Section 11 is to be dedicated to the Basin-Dakota Pool to form a non-standard 314.74-acre gas spacing and proration unit. Said well location is approximately 8.5 miles east of Aztec, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**