

**CASE 11264:** (Continued from August 10, 1995, Examiner 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 NE/4 of Section 24, 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 "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. 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 4 miles west-northwest of Lakewood, New Mexico.

**CASE 11339:** (Continued from August 10, 1995, Examiner Hearing.)

Application of Yates Petroleum Corporation for directional drilling and an unorthodox bottomhole location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Zinnia Federal Unit Well No. 1 from a unorthodox surface location 1980 feet from the North line and 910 feet from the West line (Unit E) of Section 27, Township 20 South, Range 29 East, to an unorthodox bottomhole gas well location within 50 feet of a point 1980 from the North line and 2405 feet from the East line (Unit G of Section 27, to test the Strawn and Morrow formations, Undesignated East Burton Flat-Strawn Gas Pool and Wildcat Morrow. The N/2 of Section 27 is to be dedicated to this well forming a standard 320-acre gas spacing and proration unit for both formations. Said well is located approximately 11 miles northeast of Carlsbad, New Mexico.

**CASE 11370:** 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 base of the Bone Spring formation to the base of the Morrow formation, underlying the N/2 of Section 36, Township 17 South, Range 30 East, 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 Loco Hills-Atoka Gas Pool and the Cedar Lake-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 4 miles east-southeast of Loco Hills, New Mexico.

**CASE 10898:** (Reopened - Continued from July 27, 1995, Examiner Hearing.)

In the matter of Case No. 10898 being reopened pursuant to the provisions of Division Order No. R-10056, which promulgated special pool rules and regulations for the Penasco Draw-Wolfcamp Pool in Eddy County, New Mexico, including a provision for 160-acre spacing and proration units and designated well location requirements. Operators in the subject pool may appear and show cause why the temporary special rules and regulation for the Pensaco Draw-Wolfcamp Pool should not be rescinded.

**CASE 11371:** Application of AnSon Gas Corporation for compulsory pooling, 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 Strawn formation, underlying the NW/4 NW/4 (Unit D) of Section 9, Township 17 South, Range 38 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent. 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 2 miles west-northwest of Knowles, New Mexico.

**CASE 11372:** Application of AnSon Gas Corporation for compulsory pooling, a high angle/horizontal directional drilling project, a non-standard oil proration unit, an unorthodox bottomhole oil well location or "producing area", special operating rules therefor, and a special project allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling project within the Devonian formation in an area comprising the E/2 NW/4 of Section 33, Township 16 South, Range 38 East, thereby forming a non-standard 80-acre oil spacing and proration unit. Applicant proposes to recomplete its existing Mary "33" Well No. 1, located at a standard surface oil well location 2040 feet from the North line and 2310 feet from the West line (Unit F) of said Section 33, by kicking off from vertical in a north-northeasterly direction, commencing to build angle at an appropriate rate in order to horizontally traverse the proposed project area. The applicant further seeks approval of an unorthodox bottomhole oil well location whereby the "producing area" for said wellbore would be no closer than 330 feet from the north, west and south boundaries of the 80-acre tract, nor closer than 90 feet to its eastern boundary. The applicant also requests the assignment of a special project allowable for the proposed oversized oil spacing and proration unit. Also to be considered in this matter is the applicant's request for an order pooling all mineral interests in the Devonian formation underlying said 80 acres. Also to be considered will be the cost of re-entering, recompleting, and horizontally drilling 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 re-entering, recompleting, and horizontally drilling said well.