

**CASE 11325:** (Continued from June 29, 1995, Examiner Hearing.)

Application of Texaco Exploration and Production Inc. for a high angle/horizontal directional drilling pilot project, special operating rules therefor, a non-standard oil proration unit, and a special project allowable, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the West Lindrith Gallup-Dakota Oil Pool underlying the S/2 of Section 17, Township 25 North, Range 3 West, to form a non-standard 320-acre oil spacing and proration unit for said pool. The applicant proposes to re-complete the existing C. W. Roberts Well No. 4, located at a previously approved unorthodox surface oil well location (Division Administrative Order NSL-626) 660 feet from the South and West lines (Unit M) of said Section 17, by kicking-off from vertical in an easterly direction commencing to build angle at an appropriate rate to horizontally traverse the proposed producing area. Further, the applicant seeks the promulgation of special operating rules and procedures therefor including the designation of a target window such that the horizontal or producing portion of the wellbore shall be no closer than 660 feet to the outer boundary of the project area, and for a special project allowable. Said area is located approximately 9 miles northwest of Lindrith, New Mexico.

**CASE 11326:** (Continued from June 29, 1995, Examiner Hearing.)

Application of Texaco Exploration and Production Inc. for a high angle/horizontal directional drilling pilot project, special operating rules therefor, a non-standard oil proration unit, simultaneous dedication, and a special project allowable, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the West Lindrith Gallup-Dakota Oil Pool underlying the S/2 of Section 21, Township 25 North, Range 3 West, to form a non-standard 320-acre oil spacing and proration unit for said pool. The applicant proposes to re-complete the existing Jicarilla "C" Well No. 35, located at a standard surface location 1850 feet from the South line and 1190 feet from the West line (Unit L) of said Section 21, by kicking-off from vertical in an easterly direction commencing to build angle at an appropriate rate to horizontally traverse the proposed producing area. Further, the applicant seeks the promulgation of special operating rules and procedures therefor including the designation of a target window such that the horizontal or producing portion of the wellbore shall be no closer than 790 feet to the outer boundary of the project area. The applicant also requests the assignment of a special project allowable for the proposed oversized oil spacing and proration unit to be simultaneously dedicated to both the Jicarilla "C" Well No. 35 and to the Jicarilla "C" Well No. 26, located at a standard oil well location 1850 feet from the South line and 790 feet from the East line (Unit I) of said Section 21. Said area is located approximately 7.5 miles northwest of Lindrith, New Mexico.

**CASE 11283:** (Continued from June 15, 1995, Examiner Hearing.)

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 11339:** 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 11264:** (Continued from June 1, 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 11263:** (Continued from June 1, 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 21, 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 North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Ross "EG" Federal Com Well No. 14 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 21. 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 6.25 miles west by north of Lakewood, New Mexico.

**CASE 11265:** (Readvertised and Continued from June 1, 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 Canyon formation underlying the NE/4 of Section 21, 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 North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Alto "21" Well No. 2 to be drilled at a standard location in the NE/4 NE/4 (Unit A) of said Section 21. 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 6.25 miles west by north of Lakewood, New Mexico.

**CASE 11313:** (Continued from June 29, 1995, Examiner Hearing.)

Application of Santa Fe Energy Resources, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Falcon Federal Unit Agreement for an area comprising 4,800 acres, more or less, of Federal and State lands in Townships 23 and 24 South, Range 32 East. Said unit area is centered approximately 25 miles east by south of Loving, New Mexico.

**CASE 11340:** In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Chaves and Lea Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Blinbry production and designated as the East Vacuum-Blinbry Pool. The discovery well is the Marathon Oil Company Warn State A/C 3 Well No. 10 located in Unit H of Section 33, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH. RANGE 35 EAST. NMPM

Section 33: NE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Northeast Echol-Devonian Pool. The discovery well is the Manzano Oil Corporation SV Sundown State Well No. 1 located in Unit M of Section 14, Township 10 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH. RANGE 37 EAST. NMPM

Section 14: SW/4

- (c) EXTEND the Casey-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH. RANGE 37 EAST. NMPM

Section 35: NE/4

- (d) EXTEND the Cline-Tubb Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH. RANGE 37 EAST. NMPM

Section 12: SE/4