

**CASE 11326:** (Readvertised - Continued from August 10, 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 5 West, to form a non-standard 320-acre oil spacing and proration unit for said pool. The applicant proposes to recomplete 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 18.5 miles west by north of Lindrith, New Mexico.

**CASE 11367:** Application of Chevron U.S.A. Inc. for directional drilling, an unorthodox bottom-hole oil well location, and a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to establish a non-standard 80-acre oil spacing and proration unit in the Shipp-Strawn Pool comprising the SW/4 NE/4 and NW/4 SE/4 of Section 2, Township 17 South, Range 37 East. This unit is to be dedicated to the existing Lea "YL" State Well No. 2, located at an unorthodox surface oil well location (approved by Division Order No. R-9325) 2230 feet from the South line and 2310 feet from the East line (Unit J) of said Section 2, which the applicant proposes to directionally drill in a manner as to bottom in the Strawn formation within a 50-foot radius of a point that is considered to be unorthodox 2600 feet from the North line and 1700 feet from the East line (Unit G) of said Section 2. Said well is located approximately 4.5 miles north by west of Humble City, New Mexico.

**CASE 11368:** Application of Plains Petroleum Company for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a cooperative waterflood project on portions of its E. C. Hill "B" Federal and Baylus Cade Federal leases underlying the SE/4 of Section 34 and the SW/4 of Section 35, both in Township 23 South, Range 37 East, by the injection of water into the Teague (Simpson) Pool through the following two wells to be converted from producing oil well to water injection wells: the Baylus Cade Well No. 5, located 985 feet from the South line and 1650 feet from the West line (Unit O) of said Section 35 and the E. C. Hill "B" Federal Well No. 13 located on the surface 947 feet from the South line and 1361 feet from the East line (Unit O) of said Section 34. This area is located approximately 12 miles south of Eunice, New Mexico.

**CASE 11344:** (Reopened and Readvertised)

Application of Arch Petroleum Inc. for seven unorthodox infill oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its C. E. Lamunyon Well Nos. 51, 52, 53, 54, 55, and 56 and its Saltmount Well No. 3 at unorthodox oil well locations in the Teague-Blinebry Pool. Each well will be an infill oil well on existing 40-acre oil spacing and proration units comprising the NE/4 NE/4 (Unit A), NE/4 NW/4 (Unit C), and the SE/4 SE/4 (Unit P) of Section 21; the NW/4 NW/4 (Unit D), SW/4 NW/4 (Unit E), and the SW/4 SW/4 (Unit M) of Section 22; and, the NE/4 NE/4 (Unit A) of Section 28 all in Township 23 South, Range 37 East. The lease(s) in which these wells are to be drilled is located approximately 10 miles south of Eunice, New Mexico.

**CASE 11335:** (Continued from August 10, 1995, Examiner Hearing.)

Application of Naumann Oil & Gas, 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 the E/2 of Section 34, Township 18 South, Range 29 East, forming 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 North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to the Empire "34" Federal Well No. 1 which is an existing well located at a standard gas well location 1980 feet from the North line and 1980 feet from the East line (Unit G) of Section 34 and which is to be re-entered and deepened in an attempt to complete in the Morrow formation. Also to be considered will be the costs of re-entering, deepening and completing said well and the allocation of those costs 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 re-entering, deepening and completing said well. Said unit is located approximately 9 miles southwest of Loco Hills, New Mexico.

**CASE 11369:** Application of Enron Oil & Gas Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its Diamond "18" Federal Well No. 6 at an unorthodox oil well location 2310 feet from the South line and 1980 feet from the West line (Unit K) of Section 18, Township 25 South, Range 34 East, to test the Undesignated Red Hills-Bone Spring Pool. The E/2 SW/4 of said Section 18 is to be dedicated to the subject well to form a standard 80-acre oil spacing and proration unit for the Red Hills-Bone Spring Pool. Said unit is located approximately 17 miles west by north of Jal, New Mexico.

**CASE 11337:** (Continued from August 10, 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 within a portion of Section 29, Township 17 South, Range 27 East, in the following manner:

the S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Jennings Spring-Wolfcamp Gas Pool, the Undesignated Logan Draw-Morrow Gas Pool, the Undesignated Logan Draw Cisco-Canyon Gas Pool, the Undesignated Red Lake-Pennsylvanian Gas Pool, and the Undesignated West Logan Draw-Morrow Gas Pool; and,

the SE/4 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.

Said unit(s) are to be dedicated to the applicant's proposed Sandy Crossing "29" Well No. 1 to be drilled and completed at a standard gas well location within the SW/4 SE/4 of Section 29. Also to be considered will be the cost of drilling and completing said well and the allocation of the 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 unit(s) are located approximately 7 miles southeast of Artesia, New Mexico.

**CASE 11365:** Application of Collins & Ware, Inc. for three unorthodox oil well locations, Lea County, New Mexico Applicant, in the above-styled cause, seeks authorization to drill the following three wells at unorthodox oil well locations all on its T. D. Pope lease in Section 35, Township 14 South, Range 37 East, Denton-Devonian Pool: Well No. 33 - 1458 feet from the North line and 1347 feet from the East line (Unit G); Well No. 34 - 2510 feet from the South line and 1486 feet from the East line (Unit J); and , Well No. 35 - 1145 feet from the South line and 1513 feet from the East line (Unit O). Each well is to be drilled on a standard 40-acre oil spacing and proration unit which has an existing Devonian oil well that has either been or will be temporarily abandoned so as not to be produced concurrently with the proposed new well. Said well locations are located approximately 3 mile southeast of Prairieview, New Mexico.

**CASE 11366:** Application of Texaco Exploration and Production, Inc. for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to establish a non-standard 160-acre gas spacing and proration unit for Hare-San Andres Gas Pool production comprising the N/2 N/2 of Section 15, Township 21 South, Range 37 East. Said unit is to be dedicated to the existing State "S" Well No. 4, located 660 feet from the North line and 2080 feet from the West line (Unit C) of said Section 15. Said unit is located approximately three miles north of Eunice, New Mexico.

**CASE 11324:** (Continued from August 10, 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 Lots 3 and 4, the E/2 SW/4, and the SE/4 (S/2 equivalent) of irregular Section 31, Township 25 North, Range 3 West, to form a non-standard 335.93-acre oil spacing and proration unit for said pool. The applicant proposes to re-complete the existing L. L. McConnell Well No. 13, located at a standard surface location 970 feet from the South line and 1800 feet from the West line (Unit N) of said Section 31, 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, and for a special project allowable. Said area is located approximately 8.5 miles west-northwest of Lindrith, New Mexico.

**CASE 11325:** (Continued from August 10, 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.