

CASE 10748: (Reopened - Continued from January 25, 1996, Examiner Hearing.)

In the matter of Case No. 10748 being reopened pursuant to the provisions of Division Order No. R-9922-B, which order continued Special Rules and Regulations for the Indian Basin-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, in full force and effect until January, 1996. Operators in the subject pool may appear and show cause why the Temporary Special Rules and Regulations for the Indian Basin-Upper Pennsylvanian Associated Pool should not be rescinded and the pool developed on statewide rules and regulations. Said pool is located approximately 16 miles west of Carlsbad, New Mexico.

CASE 11475: Application of Texaco Exploration and Production Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the SW/4 of Section 23 for all formations developed on 160-acre spacing, in the W/2 SW/4 of Section 23 for all formations developed on 80-acre spacing and in the SW/4 SW/4 of Section 23 for all formations developed on 40-acre spacing, in Township 26 South, Range 37 East. Said units are to be dedicated to its Rhodes "23" Fed. Com Well No. 1 to be drilled at a standard location 660 feet from the South line and 660 feet from the West line in the SW/4 of said Section 23 and drilled to the Rhodes Yates-Seven Rivers Gas Pool. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for the risk involved in drilling said well. Said area is located approximately 5 miles south-southeast of Jal, New Mexico.

CASE 11476: Application of Doyle Hartman and Margaret Hartman, d/b/a Doyle Hartman, Oil Operator, for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the SW/4 of Section 23, Township 26 South, Range 37 East for all formations developed on 160-acre spacing. Said unit is to be dedicated to a well to be drilled at a standard location 1980 feet from the South line and 660 feet from the West line of said Section 23 and drilled to the Rhodes Yates-Seven Rivers Gas Pool. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for the risk involved in drilling said well. Said area is located approximately 5 miles south-southeast of Jal, New Mexico.

CASE 11467: (Continued from February 8, 1996, Examiner Hearing.)

Application of the Oil Conservation Division for a show cause hearing requiring Southwest Water Disposal, Inc. (SWD) to appear and show cause why it should not be ordered to comply with its permit requirements and close its commercial clay lined surface evaporation pond located in the SE/4 SW/4, Section 32, Township 30 North, Range 9 West, San Juan County, New Mexico. Said facility is located approximately 3 miles north-northeast of Blanco, New Mexico.

CASE 11457: (Continued from February 8, 1996, Examiner Hearing.)

In the matter of the application of the New Mexico Oil Conservation Division for a show cause hearing requiring Petro-Thermo Corporation to appear and show cause why its Goodwin Treating Plant located in the SW/4 NW/4 of Section 31, Township 18 South, Range 37 East, Lea County, New Mexico should not: (1) be ordered to cease operations, (2) have its permit to operate revoked, (3) be closed and cleaned up, (4) be closed by the Division if Petro-Thermo does not close it, (5) have the costs of closure and cleanup assessed against Petro-Thermo if closed by the Division, and (6) have its \$25,000 bond forfeited. Said plant is located approximately 9 miles west of Hobbs, New Mexico.

CASE 11477: 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 Lea and Roosevelt Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the East Bilbrey-Delaware Pool. The discovery well is the Pogo Producing Company Tomahawk Unit Well No. 1 located in Unit L of Section 31, Township 21 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM
Section 31: SW/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the North Bilbrey-Delaware Pool. The discovery well is the Santa Fe Energy Resources Inc. Bilbrey 27 A Federal Well No. 1 located in Unit F of Section 27, Township 21 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 27: NW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Hat Mesa-Wolfcamp Pool. The discovery well is the Hallwood Petroleum Inc. Bass Federal Well No. 1 located in Unit F of Section 30, Township 20 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM

Section 30: NW/4

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the South Nadine-Yates Seven Rivers Pool. The discovery well is the LBO New Mexico Inc. Alyssa Well No. 1 located in Unit H of Section 27, Township 19 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 26: NW/4

Section 27: NE/4

- (e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Ojo Chiso-Wolfcamp Gas Pool. The discovery well is the BTA Oil Producers Chiso C-8711 JV-P Well No. 1 located in Unit C of Section 23, Township 22 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 23: N/2

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Red Hills-Bone Spring Pool. The discovery well is the Meridian Oil Inc. Madera Ridge 25 Federal Well No. 1 located in Unit L of Section 25, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM

Section 24: S/2

Section 25: W/2

- (g) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the San Simon Sink-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation San Simon Unit Well No. 1 located in Unit O of Section 18, Township 23 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 35 EAST, NMPM

Section 18: S/2

- (h) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the South Young-San Andres Pool. The discovery well is the Snow Oil & Gas Inc. Vandiver Federal Well No. 1 located in Unit K of Section 33, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 33: SW/4

- (i) EXTEND the East Bell Lake-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 33: SE/4

- (j) EXTEND the Chaveroo-San Andres Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 34 EAST, NMPM

Section 20: NE/4

Section 21: N/2

- (k) EXTEND the Dean-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 4: Lots 1, 2, 7, and 8