

CASE 11630: (Continued from October 17, 1996, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the E/2 of Section 15, 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, including but not limited to the North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to Yates Petroleum Corporation's Cerros "AQF" Federal Com Well No. 1 which is to be drilled at a standard well location. 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 19 miles east-southeast of Artesia, New Mexico.

CASE 11651: **Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the N/2 of Section 27, Township 18 South, Range 26 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; the NW/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; the NE/4 NW/4 forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, including but not limited to the Atoka-Penn Gas Pool. Said units are to be dedicated to its existing Hawkins "GY" Well No. 4, which is located at an orthodox location 990 feet from the North line and 1650 feet from the West line (Unit C) of Section 27 which applicant seeks to reenter. 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 4 miles south-southeast of Atoka, New Mexico.

CASE 11516: (Reopened - Continued from September 26, 1996, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit H & W Enterprises, operator, American Employers' Insurance Company, surety, and all interested parties to appear and show cause why the Mobil State Well No. 1, located 2310 feet from the North line and 990 feet from the East line (Unit H) of Section 16, Township 17 South, Range 31 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division approved plugging program. Further, an order is being sought authorizing the Division to plug said well and order the forfeiture of the plugging bond in affect for said well.

CASE 11518: (Continued from October 17, 1996, Examiner Hearing.)

Application of Sunco Trucking Company for approval to modify its Rule 711-permitted surface waste disposal facility, San Juan County, New Mexico. Applicant seeks approval to modify its Rule 711-permitted surface waste disposal located in the SW/4 NW/4 of Section 2, Township 29 North, Range 12 West. Applicant requests approval to construct and operate a 5-acre centralized landfarm within the 40-acre facility currently permitted to dispose of produced waters. The landfarm will receive contaminated soils and sludges from the produced water disposal operation on the facility, which are classified as "non-hazardous" oil field waste by RCRA Subtitle C exemption or by characteristic testing, to be spread on the ground in six inch lifts or less and periodically stirred to enhance the biodegradation of the contaminants. Said facility is located approximately 7 miles east-northeast of Farmington, New Mexico.

CASE 11604: (Continued from October 17, 1996, Examiner Hearing.)

Application of Sunco Trucking Water Disposal Company for a show cause hearing as to why it should not be fined for violations of Oil Conservation Division Rule 711, San Juan County, New Mexico. Applicant seeks a hearing to show cause to the Oil Conservation Division why applicant should not be fined \$5,000.00 for violations of the conditions of its Rule 711 permit.

CASE 11648: Application of Mewbourne Oil Company for compulsory pooling, a non-standard spacing unit and an unorthodox well location, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing underlying the S/2 in the Eumont Gas Pool and in all formations developed on 160-acre spacing underlying the SW/4, and in all formations developed on 80-acre spacing underlying the S/2 SW/4, from the surface to the base of the Yates-Seven Rivers-Queen formation, Eumont Gas Pool, of Section 21, Township 19 South, Range 37 East. Said units are to be dedicated to its Eumont "21" State Well No. 1 which will be drilled at an unorthodox location 990 feet from the South line and 860 feet from the West line (Unit M) of said Section 21. Applicant proposes to dedicate to this well in the Eumont Gas Pool a non-standard spacing unit comprised of the S/2 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 a charge for risk involved in drilling said well. Said area is located approximately 2 miles east of Monument, New Mexico.

CASE 11649: Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing underlying the N/2, in all formations developed on 160-acre spacing underlying the NE/4, in all formations developed on 80-acre spacing underlying the N/2 NE/4, and in all formations developed on 40-acre spacing underlying the NW/4 NE/4 from the surface to the base of the Morrow formation, Cemetery-Morrow Gas Pool, of Section 26, Township 19 South, Range 25 East. Said units are to be dedicated to its Morris 26B Well No. 1 which will be drilled at a standard location 660 feet from the North line and 1650 feet from the East line (Unit B) of said Section 26. 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 said well. Said unit is located approximately 4 ½ miles west of Lakewood, New Mexico.

CASE 11650: Application of Texaco Exploration & Production Inc. for amendment of Division Order No. R-5530, as amended, to authorize a tertiary recovery project by the injection of carbon dioxide in its Central Vacuum Unit Pressure Maintenance Project Area, and to qualify this project for the recovered oil tax rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval to institute a tertiary recovery project in its Central Vacuum Unit Pressure Maintenance Project Area by the injection of carbon dioxide into the Grayburg and San Andres formations in the Vacuum-Grayburg-San Andres Pool. The Central Vacuum Unit Pressure Maintenance Project encompasses portions of Sections 25 and 36 of Township 17 South, Range 34 East; Sections 30 and 31 of Township 17 South, Range 35 East; Section 12 of Township 18 South, Range 34 East; and Sections 6 and 7 of Township 18 South, Range 35 East. Applicant also seeks to increase the approved surface injection pressure for carbon dioxide injection in this project area to 1500 pounds. Applicant further seeks to qualify the project area for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said unit is located approximately 2 miles south of Buckeye, New Mexico.

CASE 11634: (Continued from October 17, 1996, Examiner Hearing.)

Application of InterCoast Oil and Gas Company for compulsory pooling and unorthodox well location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests for all formations developed on 320-acre spacing in the N/2 of Section 20, Township 20 South, Range 28 East, from the surface to the base of the Morrow formation, Burton Flat-Morrow Gas Pool. Said unit is to be dedicated to its InterCoast State 20 Well No. 1 which will be drilled at an unorthodox location 990 feet from the North line and 990 feet from the East line (Unit A) of said Section 20. 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 10 miles east-southeast of Lakewood, New Mexico.

CASE 11621: (Readvertised)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks approval of an unorthodox gas well location within the Atoka formation for its Papalotes Unit Well No. 1 (API No. 30-025-33275), located 1960 feet from the South line and 330 feet from the East line (Unit I) of Section 34, Township 14 South, Range 34 East. The E/2 of said Section 34 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit for said gas bearing interval. Said well location is approximately 10 miles southwest of Hilburn City, New Mexico. IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.