

CASE 11574: (Continued from July 25, 1996, Examiner Hearing.)

Application of Texaco Exploration & Production, Inc. for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Jalmat Gas Pool for its E. E. Blinebry "A" Federal Com NCT-1 Well No. 4 to be drilled 1870 feet from the South line and 990 feet from the West line (Unit L) of Section 31, Township 23 South, Range 37 East. Jalmat gas production from said well is to be simultaneously dedicated with the E.E. Blinebry "A" Federal (NCT-1) Well No. 2 located in Unit "I" of said Section 31 and the E.E. Blinebry "B" Federal NCT-1 Well No. 3, located at a previously approved unorthodox gas well location [approved by Division Administrative Order NSL-2984(SD)] 1980 feet from the South and West lines (Unit K) of said Section 31 to the existing 355.96-acre non-standard gas spacing and proration unit comprising Lots 3 and 4, E/2 SW/4, N/2 SE/4, and SE/4 SE/4 of said Section 31 and the S/2 SW/4 of Section 32, Township 23 South, Range 37 East (approved by Division Order No. R-2474). Said unit is located approximately 10 miles north of Jal, New Mexico.

CASE 11588: **Application of InterCoast Oil and Gas Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from below the unitized Abo formation at an approximate depth of 9,000 feet to the base of the Morrow formation, underlying the following described acreage in Section 2, Township 17 South, Range 34 East, and in the following manner: (a) Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) to form a 321.55-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 North Vacuum-Atoka-Morrow Gas Pool; (b) Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) to form a 161.55-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; (c) the S/2 NE/4 to form a standard 80-acre oil spacing and proration unit for all pools developed on 80-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated North Vacuum-Lower Wolfcamp Pool; and, (d) the SE/4 NE/4 to form 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, which presently includes but is not necessarily limited to the Undesignated Vacuum-Strawn Pool and Undesignated Vacuum-Middle Pennsylvanian Pool. Said units are to be dedicated to a single well to be drilled at a standard location in the SE/4 NE/4 (Unit H) of said Section 2. 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 well location is approximately 13.25 miles east of Maljamar, New Mexico.

CASE 11544: (Continued from July 25, 1996, Examiner Hearing.)

Application of SDX Resources, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Drinkard formation underlying Lot 7 of Irregular Section 4, Township 21 South, Range 37, East forming a standard 40.4-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not limited to the North Eunice Blinebry-Tubb-Drinkard Pool. Said unit is to be dedicated to its Exxon Fee Well No. 1 to be drilled and completed at a standard well location in Lot 7 of said Section 4. 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 risk involved in drilling said well. Said unit is located approximately 6 miles north of Eunice, New Mexico.

CASE 11589: **Application of Burlington Resources Oil & Gas Company for compulsory pooling, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 7, Township 26 North, Range 8 West, forming a standard 320-acre spacing and proration unit for said pool. Said unit is to be dedicated to a well to be drilled and completed at a standard coal gas well location in the NW/4 NE/4 (Unit B) of said Section 7. 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 21 miles southeast of Bloomfield, New Mexico.

CASE 11590: **Application of Burlington Resources Oil & Gas Company for compulsory pooling, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the W/2 of Section 23, Township 32 North, Range 7 West, forming a standard 320-acre gas spacing and proration unit. Said unit is to be dedicated to Burlington Resources Oil & Gas Company's Allison Unit Com Well No. 146 which is to be drilled at an unorthodox well location approved by Division Order No. R-10616. 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 8 miles southwest of the intersection of the Rio Arriba County and San Juan County lines of the State of New Mexico with the southern border of the State of Colorado.

CASE 11591: Application of Burlington Resources Oil & Gas Company for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the N/2 of Section 26, Township 32 North, Range 7 West, forming a standard 320-acre gas spacing and proration unit. Said unit is to be dedicated to Burlington Resources Oil & Gas Company's Allison Unit Com Well No. 105 which is to be drilled at a standard 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 8 miles southwest of the intersection of the Rio Arriba County and San Juan County lines of the State of New Mexico with the southern border of the State of Colorado.

CASE 11542: (Continued from July 25, 1996, Examiner Hearing.)

Application of Meridian Oil Inc. for compulsory pooling and an unorthodox gas well location, San Juan County, New Mexico. Applicant seeks an order pooling certain mineral interests in the Blanco Mesaverde Pool underlying Lots 1, 2, 7, 8, 9, 10, 15 and 16 (the E/2 equivalent) of Section 23, Township 31 North, Range 9 West, forming a 313.63-acre gas spacing and proration unit. Said unit is to be dedicated to Meridian Oil Inc.'s proposed Seymour Well No. 7A which is an "Infill Blanco-Mesaverde Well" to be drilled at an unorthodox gas well location 1615 feet from the South line and 2200 feet from the East line of said Section 23 to test for production from the Mesaverde formation. Also to be considered will be the costs of participation in said well, including but not limited to the costs of drilling and completing, the allocation of those costs and income therefrom as well as actual operating costs and charges for supervision, a charge for risk involved in drilling and completing said well and the designation of applicant as the operator of the well. Said well is located approximately 9 miles southeast of Cedar Hills, New Mexico.

CASE 11582: (Readvertosed)

In the matter of the hearing of the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Eddy County, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the East Indian Basin-Morrow Gas Pool. The discovery well is the Marathon Oil Company Bone Flat "12" Federal Com. Well No. 5 located in Unit F of Section 12, Township 21 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM

Section 12: W/2

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Red Lake-Morrow Gas Pool. The discovery well is the ARCO Permian Dancer "32" State Com. Well No. 1 located in Unit H of Section 32, Township 17 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 32: E/2

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Chester production and designated as the Sand Tank-Chester Gas Pool. The discovery well is the Enron Oil & Gas Company Sand Tank "7" Federal Com. Well No. 1 located in Unit D of Section 7, Township 18 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 7: W/2

- (d) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 7: W/2

- (e) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 3: S/2

Section 4: SE/4