

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 17, 1996

8:15 A.M. - 2040 S. Pacheco

Santa Fe, New Mexico

Dockets Nos 31-96 and 32-96 are tentatively set for November 7, 1996 and November 21, 1996. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11611: (Readvertised)

Application of Pogo Production Company for an unorthodox oil well location and for an exception to the salt protection casing string requirements of Division Order No. R-111-P, Eddy County, New Mexico. Applicant seeks authority to delete the salt protection string requirements of Division Order No. R-111-P in the "Oil-Potash Area" from its proposed Amax "24" Federal Well No. 13 to be drilled at a standard oil well location 1310 feet from the South line and 330 feet from the West line (Unit M) of Section 24, Township 23 South, Range 31 East, to test the Ingle Wells-Delaware Pool. Said well site is located approximately 3 miles south of State Highway 128 at Mile Marker No. 18.

CASE 11624: Application of Murchison Oil & Gas, Inc. for an exception to the existing field rules for the White City - Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant seeks an order permitting the drilling of a third well at an orthodox location in Section 2, Township 25 South, Range 26 East, with applicant dedicating all of Section 2 to the well to test the formations included within said White City-Pennsylvanian Gas Pool. Said pool is located approximately eighteen (18) miles south of Carlsbad, New Mexico.

CASE 11547: (Continued from September 5, 1996, Examiner Hearing.)

Application of Nearburg Exploration Company, L.L.C., 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, in all formations developed on 320-acre spacing, underlying the E/2 of Section 11, Township 17 South, Range 25 East. Said unit is to be dedicated to the Eagle Creek 11 Com Well No. 1 to be drilled at a location 1980 feet from the South and East lines of said Section 11. 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles west of Artesia, New Mexico.

CASE 11089: (Reopened)

Application of Burlington Resources Oil & Gas Company to Reopen Case 11089 and amend Order No. R-46-A to conform to BLM Order No. UMU-1, San Juan County, New Mexico. Applicant seeks to amend Division Order No. R-46-A to conform to BLM Order No. UMU-1 to (a) amend the pool names, (b) utilize the same vertical limits, (c) conform the horizontal boundaries of the pools, (d) define the vertical limits as the stratigraphic equivalent interval, (e) approve certain non-standard gas spacing and proration units, (f) adopt an administrative procedure for unorthodox well locations, and (g) allow for the drilling of certain optional infill wells for the Barker Dome-Akah/Upper Barker Creek Pool, the Barker Dome-Desert Creek Pool, the Barker Dome-Ismay Pool and the Barker Dome-Paradox Pool, all within a horizontal area containing all or parts of Sections 7 through 11, 14 through 23, 27 through 32, Township 32 North, Range 14 West, and Sections 12, 13, 24, 25, 36, Township 32 North, Range 15 West. Said area is located approximately 9 miles west-northwest of La Plata, New Mexico.

CASE 11625: Application of Burlington Resources Oil & Gas Company for approval of a Pilot Project including an exception from Rule 2(b) of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool for purposes of establishing a program in its San Juan 29-7 Unit to determine proper well density and well location requirements in Mesaverde wells, Rio Arriba County, New Mexico. Applicant seeks approval for a pilot program including an exception for the San Juan 29-7 Unit located in Township 29 North, Range 7 West, from Rule 2(b) of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool and authorization to drill wells at unorthodox locations and to increase the well density from the current maximum of two (2) wells (160-acre infill) provided in Order No. R-1670-T to a maximum of four (4) wells (80-acre infill) per gas proration and spacing unit for wells dedicated to the Blanco-Mesaverde Gas Pool within the San Juan 29-7 Unit. Said unit is located approximately 4 miles southeast of Navajo City, New Mexico.

CASE 11626: Application of Burlington Resources Oil & Gas Company for the establishment of a downhole commingling reference case for its San Juan 27-5 Unit pursuant to Division Rule 303.E and the adoption of special administrative rules therefor, San Juan County, New Mexico. Applicant in accordance with Division Rule 303.E. seeks to establish a downhole commingling reference case to provide for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas, and (d) modification of notification rules on an area-wide basis authorization for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production in the wellbores of existing or future wells drilled anywhere within the San Juan 27-5 Unit located in Township 27 North, Range 5 West. The center of said area is located approximately 10 miles southeast of Gobernador Camp, New Mexico.

CASE 11627: Application of Burlington Resources Oil & Gas Company for the establishment of a downhole commingling reference case for its San Juan 28-5 Unit pursuant to Division Rule 303.E and the adoption of special administrative rules therefor, San Juan County, New Mexico. Applicant in accordance with Division Rule 303.E. seeks to establish a downhole commingling reference case to provide for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas, and (d) modification of notification rules on an area-wide basis authorization for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production in the wellbores of existing or future wells drilled anywhere within the San Juan 28-5 Unit located in Township 28 North, Range 5 West. The center of said area is located approximately 6 miles southeast of Gobernador Camp, New Mexico.

CASE 11628: Application of Burlington Resources Oil & Gas Company for the establishment of a downhole commingling reference case for its San Juan 28-6 Unit pursuant to Division Rule 303.E and the adoption of special administrative rules therefor, San Juan County, New Mexico. Applicant in accordance with Division Rule 303.E. seeks to establish a downhole commingling reference case to provide for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas, and (d) modification of notification rules on an area-wide basis authorization for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production in the wellbores of existing or future wells drilled anywhere within the San Juan 28-6 Unit located in Township 27 North Range 6 West and Township 28 North, Range 6 West. The center of said area is located approximately 5 miles southwest of Gobernador Camp, New Mexico.

CASE 11629: Application of Burlington Resources Oil & Gas Company for the establishment of a downhole commingling reference case for its San Juan 29-7 Unit pursuant to Division Rule 303.E and the adoption of special administrative rules therefor, San Juan County, New Mexico. Applicant in accordance with Division Rule 303.E. seeks to establish a downhole commingling reference case to provide for (a) marginal economic criteria, (b) pressure criteria, (c) allocation formulas, and (d) modification of notification rules on an area-wide basis authorization for downhole commingling of Dakota, Mesaverde, Fruitland Coal and Pictured Cliffs gas production in the wellbores of existing or future wells drilled anywhere within the San Juan 29-7 Unit located in Township 29 North, Range 7 West. The center of said area is located approximately 9 miles southwest of Gobernador Camp, New Mexico.

CASE 11621: (Continued from October 3, 1996, Examiner Hearing.)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, 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 1969 feet from the South line and 330 feet from the East line (Unit I) of Section 34, Township 14 South, Range 34 East, being approximately 10 miles west by south of Hilburn City, New Mexico. 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.

CASE 11630: 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 11631: Application of Texaco Exploration & Production, Inc. for surface commingling, Lea County, New Mexico. Applicant seeks authority to surface commingle Vacuum-Drinkard, Vacuum-Blinbry, Vacuum-Wolfcamp and Vacuum-Atoka Pool production from its N.M. "Z" State NCT-1, N.M. "O" State NCT-1, N.M. "M" State, N.M. "L" State, N.M. "R" State NCT-3, N.M. "R" State NCT-1 and N.M. "AB" State Leases. Said production is to be stored at a central facility located in the SE/4 SE/4 (Unit P) of Section 1, Township 18 South, Range 34 East. Said area is located approximately 2 miles south of Buckeye, New Mexico.

CASE 11632: Application of Texaco Exploration and Production Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all gas interests in the Mesaverde formation, in and under the E/2 of Section 32, Township 30 North, Range 11 West. Said unit is to be dedicated to its Fed. State Com Well No. 2 to be drilled at a standard location 850 feet from the South line and 1700 feet (Unit O) from the East line of said Section 32. 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 3½ miles south-southeast of Aztec, New Mexico.