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CASE 11603: (Continued from January 23, 1997, Examiner Hearing.)

Application of Bass Enterprises Production Company for approval of the expansion of the Atoka Participating Area in the James Ranch Unit, Eddy County, New Mexico. Applicant seeks approval of the fourth expansion of the participating area for the Atoka formation in the James Ranch Unit Area including 238.54 acres, more or less, located in portions of Section 12, Township 22 South, Range 30 East, and portions of Section 7, Township 22 South, Range 31 East. Said unit is located approximately 15 miles east of Carlsbad, New Mexico.

<u>CASE 11719</u>: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order extending certain existing pools in Rio Arriba and San Juan Counties, New Mexico.

(a) EXTEND the Barker Dome-Desert Creek Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM

Section 30: E/2

(b) EXTEND the South Bisti-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 11 WEST, NMPM

Section 11: E/2 NE/4

(c) EXTEND the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM

Section 4: All Section 5: N/2 Section 9: All Section 16: All

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM

Section 28: All

Sections 32 and 33: All

(d) EXTEND the Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM

Section 4: W/2 Section 5: E/2

(e) EXTEND the Carracas-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPM

Section 23: NW/4

(f) EXTEND the Ensenada-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Section 20: SW/4 Section 26: W/2

Section 27: SE/4 and N/2

Section 28: N/2 Section 29: All

Section 34: SE/4

Section 34: SE/4

Sections 35 nnd 36: All

(g) EXTEND the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 1: S/2 Section 2: S/2

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CASE 11201: (Reopened)

In the matter of Case No. 11201 being reopened pursuant to the provisions of Division Order No. R-10313, which order promulgated temporary special rules and regulations and assigned a special depth bracket oil allowable for the South Midway-Strawn Pool in Lea County, New Mexico. Operators in the subject pool may appear and show cause why the rules should not be rescinded.

CASE 11089 (Reopened)

In the matter of Case No. 11089 being reopened pursuant to the provisions of Division Order No. R-46-A, which order promulgated Temporary Special Pool Rules and Regulations for the Parker Dome-Akah/Upper Barker Creek, Farker Dome-Desert Creek and Barker Dome-Ismay Pools in San Juan, County, New Mexico. Operators should appear and show cause why the rules should not be rescinded.

CASE 11718: Application of Wiser Oil Company for an expansion of its waterflood project, Eddy County, New Mexico. Applicant seeks to expand its Skelly Unit Waterflood Project and inject water into 62 additional wells: 9 wells in Section 14, 11 wells in Section 15, 10 wells in Section 21, 7 wells in Section 22, 10 wells in Section 23, 1 well in Section 26, 4 wells in Section 27, and 10 wells in Section 28, all within Township 17 South, Range 31 East, to provide additional injection service for the existing Skelly Unit Waterflood approved by Order No. R-3214. The zones to be injected into are the Vacuum-Grayburg and San Andres at an average TD of 3900' with a maximum injection rate of 250 BWPD/well at a maximum pressure of 2600 psi. Said project is located approximately 7 miles east of Loco Hills, New Mexico.

CASE 11703: (Continued from January 23, 1997, Examiner Hearing.)

Application of Parker & Parsley Development, L. P. for statutory unitization, Lea County, New Mexico. Applicant seeks an order unitizing, for the purpose of establishing a water injection project, all mineral interests in the West Lusk-Delaware Pool underlying its proposed Lusk West (Delaware) Unit Area encompassing some 1520 acres, more or less, of Federal lands comprising all of Sections 20 and 21 and NW/4, N/2 SW/4 of Section 21, all in Township 19 South, Range 32 East. Among the matters to be considered at the hearing, pursuant to the New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures; selection, removal or substitution of the unit operator; and time of commencement and termination of unit operations. Said unit area is centered approximately 13 miles southeast of Loco Hills, New Mexico.

CASE 11704: (Readvertised)

Application of Parker & Parsley Development, L. P. for a water injection project for secondary recovery of hydrocarbons and for qualification for the recovered oil tax rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval to institute a water injection project in the West Lusk-Delaware Pool within its proposed Lusk West (Delaware) Unit Area (being the subject of Case No.11703) located in Township 19 South, Range 32 East, by the injection of produced water through perforated intervals into the West Lusk-Delaware Pool. Applicant also 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 project is located approximately 13 miles southeast of Loco Hills, New Mexico.

CASE 11602: (Continued from January 23, 1997, Examiner Hearing.)

Application of Bass Enterprises Production Company for approval of the expansion of the Atoka Participating Area in the James Ranch Unit, Eddy County, New Mexico. Applicant seeks approval of the third expansion of the participating area for the Atoka formation in the James Ranch Unit Area including 1,683.13 acres, more or less, located in portions of Sections 35 and 36 of Township 22 South, Range 30 East, and portions of Sections 5, 6, 8, and 17 of Township 23 South, Range 31 East. Said unit is located approximately 15 miles east of Carlsbad, New Mexico.

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CASE 11719: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order extending certain existing pools in Rio Arriba and San Juan Counties, New Mexico.

(a) EXTEND the Barker Dome-Desert Creek Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM

Section 30: E/2

(b) EXTEND the South Bisti-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 11 WEST, NMPM

Section 11: E/2 NE/4

(c) EXTEND the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 4 WEST, NMPM

Section 4: All

Section 5: N/2

Section 9: All

Section 16: All

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM

Section 28: All

Sections 32 and 33: All

(d) EXTEND the Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM

Section 4: W/2

Section 5: E/2

(e) EXTEND the Carracas-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 4 WEST, NMPM

Section 23: NW/4

(f) EXTEND the Ensenada-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Section 20: SW/4 Section 26: W/2

Section 27: SE/4 and N/2

Section 28: N/2 Section 29: All Section 34: SE/4 Sections 35 nnd 36: All

(g) EXTEND the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 1: S/2 Section 2: S/2

(h) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 7: E/2 Section 8: W/2

(i) EXTEND the La Jara-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM

Section 10: NW/4

(j) EXTEND the Otero-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM

Section 30: N/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 25: N/2

(k) EXTEND the WAW-Fruitland Sand-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 5: W/2 Section 6: All Section 7: NE/4 Section 8: NW/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 31: S/2 and NW/4

Section 32: SW/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Section 13: SW/4
Section 14: S/2
Section 15: S/2
Section 16: S/2
Section 21: NE/4
Section 22: N/2
Section 23: All
Section 24: W/2

Section 25: N/2 and SW/4 Section 26: N/2 and SE/4

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.