

DOCKET: EXAMINER HEARING - THURSDAY - JULY 10, 1997

8:15 AM - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos 22-97 and 23-97 are tentatively set for July 24, 1997 and August 7, 1997. 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 11804: Application of Yates Petroleum Corporation for simultaneous dedication, Eddy County, New Mexico. Applicant seeks the simultaneous dedication of its Martin ARH Well No. 1 with its Big Buck Pounds Com Well No. 1 to the S/2 of Section 17, Township 17 South, Range 26 East, for Morrow production. Said well is to be drilled at an orthodox location 1980 feet from the South line and 660 feet from the East line (Unit I) of said Section 27 to test any and all formations to the base of the Morrow formation. Said unit is located approximately 2 miles southeast of Artesia, New Mexico.

CASE 11786: (Continued from June 26, 1997, Examiner Hearing.)

Application of the Home-Stake Royalty Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Fusselman and Montoya formations underlying the NE/4 NE/4 of Section 29, Township 21 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit for Undesignated Wantz-Fusselman Pool and the Undesignated Cary-Montoya Pool. Said unit is to be dedicated to the applicant's Eunice Dome Well No. 1, to be drilled at an orthodox oil 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 operator of the well, and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles northwest of Eunice, New Mexico.

CASE 11751: (Continued from June 26, 1997, Examiner Hearing.)

Application of NM&O Operating Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in the Mesaverde formation (Undesignated Blanco-Mesaverde Gas Pool) underlying the S/2 of Section 26, Township 25 North, Range 2 West. Said unit is to be dedicated to applicant's Gavilan Well No. 2, recompleted at an orthodox location in said Section 26. Also to be considered will be the cost of recompleting 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 recompleting said well. Said area is located approximately 4.5 miles north-northeast of Lindrith, New Mexico.

CASE 11782: (Reopened)

Application of Apache Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 160-acre spacing in the SE/4; in all formations developed on 80-acre spacing in the S/2 SE/4; and in all formations developed on 40-acre spacing in the SW/4 SE/4 of Section 28, Township 16 South, Range 38 East. Said units are to be dedicated to its Maltese Falcon "28" Well No. 1 to be drilled at a standard location in the SE/4 of said Section 28. 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 area is located approximately 13 miles north of Hobbs, New Mexico.

CASE 11725: (Reopened)

Application of Manzano Oil Corporation to reopen Case 11725 and Order No. R-10775 for compulsory pooling and an unorthodox well location, Lea County, New Mexico. Applicant seeks to reopen Case No. 11725 which was heard by the Division on February 20, 1997 to present additional evidence and seek the pooling of additional interests in the pooled unit comprising the S/2 SE/4 of Section 2, Township 16 South, Range 36 East, which were discovered after Order No. R-10775 was entered. Said unit is located approximately one mile east of Lovington, New Mexico.

CASE 11790: (Continued from June 12, 1997, Examiner Hearing.)

Application of Manzano Oil Corporation for compulsory pooling and unorthodox location, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Strawn formation, Undesignated Northeast Lovington-Pennsylvanian Pool, and Undesignated North Lovington-Wolfcamp Pool, underlying the S/2 SE/4 of Section 2, Township 16 South, Range 36 East. Said unit is to be dedicated to its "SV" Killer Bee Well No. 1 to be drilled at an unorthodox well location 487 feet from the South line and 1270 feet from the East line (Unit P) 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 1 mile east of Lovington, New Mexico. In the absence of objection, this matter will be taken under advisement.

CASE 11796: (Continued from June 12, 1997, Examiner Hearing.)

Application of the Penwell Energy Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all formations developed on 320-acre spacing underlying the E/2, in all formations developed on 160-acre spacing in the NE/4, in all formations developed on 80-acre spacing in the S/2 NE/4 and in all formations developed on 40-acre spacing in the SE/4 NE/4 from the surface to the base of the Morrow formation in Section 32, Township 19 South, Range 29 East. Applicant proposes to dedicate these pooled units to its Millman 32 State Com. Well No. 1 to be drilled at an standard location 1980 feet from the North line and 660 feet from the East line (Unit H) 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles northeast of Carlsbad, New Mexico.

CASE 11805: **Application of Penwell Energy, Inc. 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 for all formations developed on 320-acre spacing; the NW/4 for all formations developed on 160-acre spacing; the N/2 NW/4 for all formations developed on 80-acre spacing; and the NE/4 NW/4 for all formations developed on 40-acre spacing, all in Section 28, Township 23 South, Range 26 East. Said units are to be dedicated to its Frontier Hills "28" State Com Well No. 1 to be drilled as a wildcat well at a standard location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 28 to test any and all formations to the base of the Morrow formation. 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 area is located approximately 10 miles southwest of Carlsbad, New Mexico.

CASE 11730: (Continued from June 26, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Undesignated Red Tank-Bone Spring Pool underlying the SE/4 SE/4 (Unit P) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil 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 26 miles southwest by west of Eunice, New Mexico.

CASE 11731: (Continued from June 26, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Undesignated Red Tank-Bone Spring Pool underlying the NE/4 SE/4 (Unit I) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil 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 26 miles southwest by west of Eunice, New Mexico.

Case 11725 (Reopened):

Application of Manzano Oil Corporation to re-open Case 11725 and Order No. R-10775, for compulsory pooling and an unorthodox well location, Lea County, New Mexico. Applicant seeks to reopen Case No. 11725 which was heard by the Division on February 20, 1997 to present additional evidence and seek the pooling of additional interest in the pooled unit which were discovered after Order No. R-10775 was entered. Said well is located approximately one mile east of Lovington, New Mexico.

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