

CASE 11810: (Continued from July 10, 1997, 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 Pennsylvanian formation underlying the S/2 of Section 13, Township 22 South, Range 24 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within said vertical extent, which presently may include but is not necessarily limited to the McKittrick Hills-Upper Pennsylvanian Gas Pool; forming a standard 160-acre gas spacing and proration unit underlying the SE/4 of said Section 13 for any and all formations/pools developed on 160-acre gas spacing; and forming a 40-acre spacing unit underlying the SW/4 SE/4 of said Section 13 for any and all formations and/or pools spaced on 40-acre spacing. Said units are to be dedicated to its M-H 13 Federal Com Well No. 2 to be drilled and completed at a standard well location in Unit O of said Section 13. 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 Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 12 miles west of Carlsbad, New Mexico.

CASE 11797: (Continued from June 12, 1997, Examiner Hearing.)

Application of Nearburg Producing Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all minerals interests in all formations developed on 320-acre spacing in the N/2, in all formations developed on 160-acre spacing in the NE/4, in all formations developed on 80-acre spacing in the N/2 NE/4, and in all formations developed on 40-acre spacing in the NW/4 NE/4 of Section 13, Township 19 South, Range 33 East. Said unit is to be dedicated to its Stetson "13" Federal Well No. 1 to be drilled at a standard location 1980 feet from the North line and 1650 feet from the East line (Unit G) of said Section 13. 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 8 miles northeast of Halfway, New Mexico.

CASE 11826: **Application of Quay Valley, Inc. for amendment of Division Order No. R-4629 to authorize a tertiary recovery project by the injection of carbon dioxide in its North El Mar-Delaware Unit Waterflood 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 North El Mar Unit Waterflood Project Area by the injection of carbon dioxide into the Delaware formation in the El Mar-Delaware Pool. The El Mar-Delaware Unit Waterflood Project Area encompasses portions of Sections 24, 25, 26, 27, 34, 35 and 36 of Township 26 South, Range 32 East; and Sections 19, 30, and 31 of Township 26 South, Range 33 East. Applicant also seeks to increase the approved surface injection pressure for carbon dioxide injection in this project area to 1160 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 26 miles west-southwest of Jal, New Mexico.

CASE 11807: (Continued from July 10, 1997, Examiner Hearing.)

Application of Stevens & Tull, Inc. for salt water disposal, Lea County, New Mexico. Applicant seeks authority to dispose of produced water from the Yates-Seven Rivers formation back into the Yates-Seven Rivers formation of the West Teas-Yates-Seven Rivers Pool in the interval from 2989 feet to 3212 feet in its State "BF" Well No. 1 located 1980 feet from the North and East lines (Unit G) of Section 16, Township 20 South, Range 33 East. In addition, applicant seeks approval of a surface injection pressure of 1,000 psi and an administrative procedure for obtaining further increases in said limitation. Said well is located approximately 3 1/1 miles northeast of the intersection of U.S. Highway 180 and New Mexico Highway 176 in New Mexico.

CASE 11824: **Application of David Petroleum Corporation for an unorthodox well location, Lea County, New Mexico.** Applicant seeks authorization to drill its Conoco State Well No. 1 as a wildcat well to the Strawn formation at an unorthodox well location 1250 feet from the South line and 1200 feet from the East line (Unit P) of Section 36, Township 16 South, Range 37 East. The SE/4 SE/4 of said Section 36 is to be dedicated to said well forming a standard 40-acre spacing and proration unit. Said unit is located approximately 8 miles southeast of Lovington, New Mexico.

CASE 11726: (Continued from July 24, 1997, Examiner Hearing.)

Application of ARCO Permian, a unit of Atlantic Richfield for compulsory pooling, directional drilling and unorthodox well locations, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing underlying the S/2, in all formations developed on 160-acre spacing underlying the SW/4, in all formations developed on 80-acre spacing underlying the S/2 SW/4, and in all formations developed on 40-acre spacing underlying the SE/4 SW/4, from below 3300 feet to the base of the Upper Mississippian formation, of Section 8, Township 18 South, Range 28 East. Said units are to be dedicated to its Mimosa 8 State Com Well No. 1 which will be directionally drilled from an unorthodox surface location 350 feet from the South line and 2003 feet from the West line (Unit N) to an unorthodox bottomhole location in the Mississippian and Morrow formations, within 55 feet of a point 404 feet from the South line and 1749 feet from the West line of said Section 36. 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 14 miles southeast of Artesia, New Mexico.

CASE 11825: **Application of Nearburg Exploration Company, L.L.C. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing, including but not limited to the South Carlsbad-Morrow Gas Pool, underlying the N/2 of Section 35, Township 23 South, Range 26 East. Said unit is to be dedicated to its Cass Draw "35" State Com Well No. 1 to be drilled at an unorthodox gas well location 760 feet from the North line and 1650 feet from the West line (Unit C) of said Section 35. 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 4 miles south of Carlsbad, New Mexico.

CASE 11649: (Continued from July 10, 1997, 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 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 1/2 miles west of Lakewood, New Mexico.

CASE 11803: (Continued from July 10, 1997, Examiner Hearing.)

Application of Nearburg Exploration Company, L.L.C. for compulsory pooling and a non-standard oil proration and spacing unit, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Springs formation underlying Lot 4 and the SE/4 SW/4 (S/2 SW/4 equivalent) of Irregular Section 31, Township 18 South, Range 34 East, forming a non-standard 78.09-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within said vertical extent, which presently may include but is not necessarily limited to the EK-Bone Spring Pool, and forming a non-standard 38.09-acre oil spacing and proration unit underlying Lot 4 (SW/4 SW/4 equivalent) of said Section 31 for any and all formations/pools developed on 40-acre oil spacing. Said unit(s) is to be dedicated to its McElvain "31" Federal Well No. 1 to be drilled and completed at a standard well location in Unit M of said Section 31. Also to be considered will be the costs 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 14 miles southeast of Maljamar, New Mexico.