

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

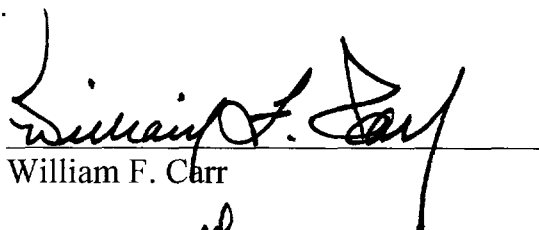
IN THE MATTER OF THE APPLICATION
OF CHEVRON U.S.A. INC. FOR AN
UNORTHODOX GAS WELL LOCATION,
SIMULTANEOUS DEDICATION, AND TO
REINSTATE DIVISION ORDER NO. R-1084-B
LEA COUNTY, NEW MEXICO.

CASE NO. 11849

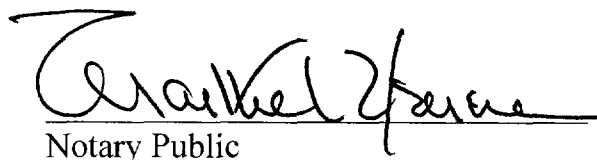
AFFIDAVIT

STATE OF NEW MEXICO)
) ss.
COUNTY OF SANTA FE)

William F. Carr, authorized representative of Chevron U.S.A. Inc., the Applicant herein, being first duly sworn, upon oath, states that in accordance with the notice provisions of Division rules, the Applicant has attempted to find the correct addresses of all interested persons entitled to receive notice of this application and that notice has been given at the addresses shown on Exhibit "A" attached hereto.


William F. Carr

SUBSCRIBED AND SWORN to before me this 25th day of October, 1997 by
William F. Carr.


Notary Public

My Commission Expires: August 19, 1999

EXHIBIT A

Clayton W. Williams, Jr.
6 Desta Drive
Suite 5800
Midland, TX 79705

Conoco Inc.
10 Desta Drive West
Midland, TX 79705
Attn: Jerry Hoover

ARCO Permian
600 North Marienfeld
Midland, TX 79701
Attn: Lee Scarborough

Burlington Resources Oil
and Gas Company
3300 North A Street
Building No. 6
Midland, TX 79705

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
MICHAEL H. FELDEWERT
ANTHONY F. MEDEIROS
PAUL R. OWEN

JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
FACSIMILE: (505) 983-6043
E-MAIL: ccbspa@ix.netcom.com

October 2, 1997

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Clayton W. Williams, Jr.
6 Desta Drive
Suite 5800
Midland, TX 79705

Re: Oil Conservation Division Case 11849:
Application of Chevron U.S.A. Inc. for an unorthodox gas well location,
simultaneous dedication, and the reinstatement of Division Order No. R-
1084-B, Lea County, New Mexico.

Dear Mr. Williams:

This letter is to advise you that Chevron U.S.A Inc. has filed the enclosed application seeking reinstatement of Division Order No. R-1084-B, dated May 23, 1991, which authorized a 440-acre non-standard gas spacing and proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1, and the NE/4, N/2 NW/4, and SE/4 NW/4 of Section 12, both in Township 22 South, Range 36 East, which is located approximately 4 miles west-southwest of Eunice, New Mexico. Chevron also seeks approval of an unorthodox Eumont gas well location for said 440-acre gas spacing and proration unit of its existing H. T. Mattern (NCT-E) Well No. 3 located 660 feet from the North and West lines (Unit D) of said Section 12. Eumont gas production attributed to said 440-acre gas spacing and proration unit is to be simultaneously dedicated to said H. T. Mattern (NCT-E) Wells Nos. 10, 11, and 13 located in Unit "N" of said Section 1 and Units "B" and "H" of said Section 12, respectively.

This application has been set for hearing before an Examiner of the Oil Conservation Division on October 23, 1997. You are not required to attend this hearing, but as an owner of an interest that may be affected by this application, you may appear and present testimony. Failure to appear at that time or otherwise become a party of record will preclude you from challenging this application at a later date.

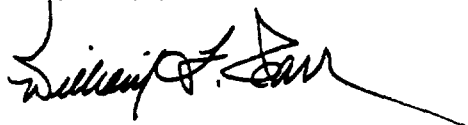
Clayton W. Williams, Jr.

October 2, 1997

Page 2

Parties appearing in cases before the Division have been requested to file a Pre-hearing Statement substantially in the form prescribed by Oil Conservation Division Memorandum 2-90. Pre-hearing statements should be filed by 4:00 o'clock p.m., on the Friday before a scheduled hearing.

Very truly yours,

A handwritten signature in black ink, appearing to read "William F. Carr", with a long horizontal flourish extending to the right.

WILLIAM F. CARR

ATTORNEY FOR CHEVRON U.S.A. INC.

WFC:mlh

Enclosure

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.
LAWYERS

MICHAEL B. CAMPBELL
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Conoco, Inc.
10 Desta Drive West
Midland, TX 79705
Attn: Jerry Hoover

Re: Oil Conservation Division Case 11849:
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Conoco, Inc.
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WILLIAM F. CARR
ATTORNEY FOR CHEVRON U.S.A. INC.
WFC:mlh
Enclosure

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& SHERIDAN, P.A.
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October 2, 1997

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ARCO Permian
600 North Marienfeld
Midland, TX 79701
Attn: Lee Scarborough

Re: Oil Conservation Division Case 11849:
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Dear Mr. Scarborough:

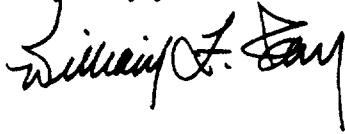
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ARCO Permian
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WILLIAM F. CARR
ATTORNEY FOR CHEVRON U.S.A. INC.
WFC:mlh
Enclosure

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& SHERIDAN, P.A.
LAWYERS

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October 2, 1997

CERTIFIED MAIL -
RETURN RECEIPT REQUESTED

Burlington Resources Oil
and Gas Company
3300 North A Street
Building No. 6
Midland, TX 79705

Re: Oil Conservation Division Case 11849:
Application of Chevron U.S.A. Inc. for an unorthodox gas well location,
simultaneous dedication, and the reinstatement of Division Order No. R-
1084-B, Lea County, New Mexico.

Gentlemen:

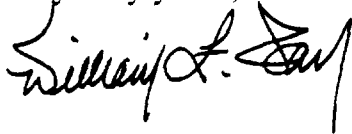
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Burlington Resources Oil
and Gas Company
October 2, 1997
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WILLIAM F. CARR
ATTORNEY FOR CHEVRON U.S.A. INC.
WFC:mlh
Enclosure

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 23, 1997

8:15 AM - 2040 South Pacheco
Santa Fe, New Mexico

Dockets Nos 34-97 and 35-97 are tentatively set for November 6, 1997 and November 20, 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 11851: (Continued from October 9, 1997, Examiner Hearing.)

Application of Okie Operating Company, Limited Partnership for a waterflood project, Eddy County, New Mexico. Applicant seeks authority to institute a waterflood project on its W. V. Hutcherson Lease located in portions of Section 21, Township 8 South, Range 34 East, by the injection of water into the San Andres formation, West Milnesand-San Andres Pool, through the perforated interval from approximately 4,506 feet to 4,578 feet in its W. V. Hutcherson Well No. 1 located 1980 feet from the North and West lines (Unit F) of Section 21. Said project is located approximately 7 miles west-southwest of Milnesand, New Mexico.

CASE 11863: **Application of Dugan Production Corporation for surface commingling and off-lease measurement, San Juan County, New Mexico.** Applicant seeks authority to surface commingle gas production from the Harper Hill Fruitland Sand-Pictured Cliffs and Basin-Fruitland Coal Gas Pools within six of its wells located on State, Federal and Fee lands in Section 1, Township 29 North, Range 14 West, and Sections 35 and 36, Township 30 North, Range 14 West. The applicant further seeks authority to allocate gas production to each of its wells on the basis of well tests and to measure the total gas production at a central facility located in the NE/4 NW/4 of Section 1. These wells are located approximately 4 miles northwest of Farmington, New Mexico.**CASE 11864:** (This Case Will Be Continued to November 6, 1997.)

Application of Nadel and Gussman Permian, LLC, for a unit agreement, Lea County, New Mexico. Applicant seeks approval of the West Hobbs State Unit Agreement for an area comprising 3,360 acres, more or less, of State and fee lands consisting of all of Section 5, SE/4 of Section 7, all of Section 8, SW/4 of Section 9, all of Section 16, N/2 and SE/4 of Section 17, and all of Section 18, Township 18 South, Range 37 East. Said unit area is located approximately 4.5 miles west of Hobbs, New Mexico.

CASE 11842: (Readvertised)

Application of Mewbourne Oil Company for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks approval for its proposed ETA State Well No. 3 at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 8, Township 16 South, Range 35 East, to be drilled to the base of the Morrow formation, said location being unorthodox for any and all gas producing formations and/or pools from the top of the Wolfcamp formation to the base of the Morrow formation, including but not limited to the Townsend-Morrow Gas Pool, and, if productive, to be dedicated to a 320-acre gas spacing unit consisting of the N/2 of said Section 8. Said well is located approximately 7 miles southwest of Lovington, New Mexico.

CASE 11849: (Reopened)

Application of Chevron U.S.A. Inc. for an unorthodox gas well location, simultaneous dedication, and to reinstate Division Order No. R-1084-B, Lea County, New Mexico. Applicant seeks to reinstate Division Order No. R-1084-B, dated May 23, 1991, which authorized a 440-acre non-standard gas spacing and proration unit "GPU" in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4, N/2 NW/4, and SE/4 NW/4 of Section 12, both in Township 22 South, Range 36 East, which is located approximately 4 miles west-southwest of Eunice, New Mexico. Applicant further seeks approval of an unorthodox Eumont gas well location for said 440-acre GPU of its existing H. T. Mattern (NCT-E) Well No. 3 (API No. 30-025-08880), located 660 feet from the North and West lines (Unit D) of said Section 12. Eumont gas production attributed to said 440-acre GPU is to be simultaneously dedicated to said H. T. Mattern (NCT-E) Well No. 3 and its H. T. Mattern (NCT-E) Well Nos. 10, 11, and 13 located in Unit N of said Section 1 and Units B and H of said Section 12, respectively. **In the absence of objection, this application will be taken under advisement.**

CASE 11865: (This Case Will Be Continued to November 6, 1997.)

Application of Thompson Engineering & Production Corp. for an unorthodox gas well location and downhole commingling, San Juan County, New Mexico. Applicant seeks authorization to drill its Blancett Well No. 2R at an unorthodox "off-pattern" coal gas location in the Basin-Fruitland Coal Gas Pool 790 feet from the South line and 830 feet from the East line (Unit P) of Section 13, Township 20 North, Range 12 West. Applicant also seeks authority to downhole commingle production from the Pictured Cliffs formation, Aztec-Pictured Cliffs Gas Pool, and the Fruitland formation, Basin-Fruitland Coal Gas Pool within the wellbore of said well. The E/2 of said Section 13 is to be dedicated to said well forming a standard 320-acre spacing and proration unit. Said unit is located approximately 20 miles north-northeast of Crownpoint, New Mexico.

CASE 11866: Application of Stevens & Tull, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 SE/4 of Section 25, Township 20 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools spaced on 40-acre spacing, including but not limited to the DK-Abo Pool. Said unit is to be dedicated to its D-K Well No. 6 to be drilled and completed at a standard well location in Unit P of said Section 25. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 14 miles southeast of Hobbs, New Mexico.

CASE 11859: (Continued from October 9, 1997, Examiner Hearing.)

Application of Louis Dreyfus Natural Gas Corp. for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 13, Township 22 South, Range 25 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing, including but not limited to the Happy Valley-Morrow Gas Pool; the SE/4 to form a 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing; and the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing. Said units are to dedicated to its McGruder Federal Com "13" Well No. 1 which will be a directional wellbore with a surface location 280 feet from the South line and 1930 feet from the West line and with a bottomhole location 710 feet from the South line and 1650 feet from the East line (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 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 units are located approximately 6 miles southwest of Carlsbad, New Mexico.

CASE 11867: In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting, reclassifying, and redesignating certain pools in Lea County, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Brushy Canyon production and designated as the Antelope Ridge-Brushy Canyon Pool. The discovery well is the TOCO LLC Newkumet Federal Well No. 1 located in Unit H of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 10: NE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Berry-Wolfcamp Pool. The discovery well is the Yates Petroleum Corporation Alphabet AQR State Well No. 1 located in Unit F of Section 17, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 17: NW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the West Brinninstool-Wolfcamp Pool. The discovery well is the Santa Fe Energy Resources Inc. Thistle Unit Well No. 2 located in Unit E of Section 28, Township 23 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 28: NW/4

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for McKee production and designated as the North Eunice-McKee Pool. The discovery well is the Conoco Inc. Deck Estate 7 Well No. 1 located in Unit L of Section 7, Township 21 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 7: SW/4

- (e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Grayburg and San Andres production and designated as the East Knowles-Grayburg-San Andres Pool. The discovery well is the JKR Oil & Gas Inc. Byers Well No. 1 located in Unit N of Section 7, Township 17 South, Range 39 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH. RANGE 39 EAST. NMPM

Section 7: SW/4

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Laguna Valley-Delaware Pool. The discovery well is the Nearburg Producing Company Federal LS Well No. 1 located in Unit B of Section 25, Township 20 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH. RANGE 34 EAST. NMPM

Section 25: NE/4

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Grayburg production and designated as the Pearl-Grayburg Pool. The discovery well is the Mallon Oil Company Mallon 34 Federal Well No. 7 located in Unit H of Section 34, Township 19 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH. RANGE 34 EAST. NMPM

Section 34: NE/4

- (h) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Grayburg production and designated as the West Reeves-Grayburg Pool. The discovery well is the Yates Petroleum Corporation Pawnee APW State Well No. 1 located in Unit A of Section 20, Township 18 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH. RANGE 35 EAST. NMPM

Section 20: NE/4

- (i) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the West Reeves-San Andres Pool. The discovery well is the Yates Petroleum Corporation Pawnee APW State Well No. 1 located in Unit A of Section 20, Township 18 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH. RANGE 35 EAST. NMPM

Section 20: NE/4

- (j) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Northeast San Simon-Wolfcamp Pool. The discovery well is the Yates Petroleum Corporation Treat State Unit Well No. 1 located in Unit B of Section 34, Township 21 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH. RANGE 35 EAST. NMPM

Section 34: NE/4

- (k) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the East Scharb-Delaware Pool. The discovery well is the TMBR/Sharp Drilling Inc. TMBR State Well No. 1 located in Unit G of Section 1, Township 19 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH. RANGE 35 EAST. NMPM

Section 1: NE/4

- (l) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the Southwest Tatum-Devonian Pool. The discovery well is the Saba Energy of Texas Inc. Saba State Well No. 1 located in Unit I of Section 7, Township 13 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH. RANGE 36 EAST. NMPM

Section 7: SE/4

- (m) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the West Triple X-Bone Spring Pool. The discovery well is the Parker & Parsley Development LP Tres Equis State Well No. 1 located in Unit J of Section 6, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM

Section 6: SE/4

- (n) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the North Triste Draw-Atoka Gas Pool. The discovery well is the Penwell Energy Inc. Tomcat Federal 21 Com Well No. 1 located in Unit F of Section 21, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM

Section 21: N/2

- (o) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the East Triste Draw-Bone Spring Pool. The discovery well is the Parker & Parsley Development LP Getty 28 State Well No. 1 located in Unit J of Section 28, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM

Section 28: SE/4

- (p) CONTRACT the West Lovington-Strawn Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 1: Lots 11, 12, 13 and 14

- (q) RECLASSIFY the House-Tubb Gas Pool in Lea County, New Mexico, from a gas pool to an oil pool and redesignate said pool as the House-Tubb Pool.

- (r) EXTEND the East Bell Lake-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 28: SE/4

- (s) EXTEND the South Big Dog-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 1: Lots 11, 12, 13 and 14

Section 2: Lots 9, 10, 11, 12, 13, 14, 15 and 16

Section 3: Lots 9, 10, 15, 16 and SE/4

- (t) EXTEND the Crazy Horse-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 13: SE/4

- (u) EXTEND the Northeast Echol-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 37 EAST, NMPM

Section 15: SE/4

- (v) EXTEND the North Feather-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM

Section 9: S/2

- (w) EXTEND the East Fowler-Ellenburger Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM

Section 17: S/2

- (x) EXTEND the High Plains-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH. RANGE 34 EAST. NMPM

Section 27: S/2

- (y) EXTEND the Kemnitz-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH. RANGE 34 EAST. NMPM

Section 13: W/2

Section 14: N/2 and SW/4

- (z) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH. RANGE 36 EAST. NMPM

Section 12: NE/4

- (aa) EXTEND the West Maljamar-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH. RANGE 32 EAST. NMPM

Section 17: SE/4

Section 20: NE/4

- (bb) EXTEND the Maljamar-Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH. RANGE 33 EAST. NMPM

Section 5: SW/4

- (cc) EXTEND the Mesa Verde-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH. RANGE 32 EAST. NMPM

Section 8: S/2

- (dd) EXTEND the Monument-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH. RANGE 36 EAST. NMPM

Section 23: SW/4

Section 26: SE/4

Section 35: E/2

TOWNSHIP 20 SOUTH. RANGE 37 EAST. NMPM

Section 5: SW/4

- (ee) EXTEND the North Monument-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH. RANGE 36 EAST. NMPM

Section 12: SW/4

Section 13: NW/4

Section 23: NE/4

- (ff) EXTEND the West Nadine-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH. RANGE 38 EAST. NMPM

Section 4: SW/4

- (gg) EXTEND the West Red Tank-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH. RANGE 32 EAST. NMPM

Section 13: SE/4

Section 24: NE/4

TOWNSHIP 23 SOUTH. RANGE 32 EAST. NMPM

Section 1: NE/4

- (hh) EXTEND the San Simon-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH. RANGE 35 EAST. NMPM

Section 18: NE/4

- (ii) EXTEND the Northeast Shoebar-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH. RANGE 36 EAST. NMPM

Section 5: S/2

Section 6: SE/4

Section 8: W/2

- (jj) EXTEND the Townsend-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH. RANGE 35 EAST. NMPM

Section 26: SE/4

- (kk) EXTEND the Triste Draw-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH. RANGE 32 EAST. NMPM

Section 26: S/2

Section 35: NW/4

- (ll) EXTEND the West Triste Draw-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH. RANGE 32 EAST. NMPM

Section 30: NW/4

- (mm) EXTEND the Vacuum-Atoka Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH. RANGE 34 EAST. NMPM

Section 25: S/2

- (nn) EXTEND the North Vacuum-Atoka-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH. RANGE 34 EAST. NMPM

Section 35: W/2 and SE/4

Section 36: W/2

- (oo) EXTEND the Vacuum-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH. RANGE 35 EAST. NMPM

Section 32: SE/4

- (pp) EXTEND the East Vacuum-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH. RANGE 35 EAST. NMPM

Section 28: SE/4

(qq) EXTEND the East Warren-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 24: NW/4

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

DOCKET: COMMISSION HEARING - THURSDAY - OCTOBER 30, 1997

9:00 A.M. - 2040 SOUTH PACHECO - SANTA FE, NEW MEXICO
The Land Commissioner's designee for this hearing will be Jami Bailey

CASE 11723: (De Novo)

Application of Mewbourne Oil Company for an unorthodox gas well location and non-standard gas proration unit, Eddy County, New Mexico. Applicant seeks authorization to drill a well at an unorthodox gas well location 660 feet from the South line and 2310 feet from the East line (Lot 31-Unit W) of Irregular Section 1, Township 21 South, Range 25 East, to test the Catclaw Draw-Morrow Gas Pool. Lots 29, 30, 31, and 32 and the SW/4 (S/2 equivalent) of said irregular Section 1 is to be dedicated to said well to form a non-standard 297.88-acre, more or less, gas spacing and proration unit for said pool. Said unit is located approximately 9 miles northwest of Carlsbad, New Mexico. Upon application of Mewbourne Oil Company and Texaco Exploration and Production Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11755: (De Novo)

Application of Fasken Oil and Ranch, Ltd. for a non-standard gas proration and spacing unit and two alternate unorthodox gas well locations, Eddy County, New Mexico. Applicant seeks to dedicate a non-standard 297.88-acre gas spacing unit consisting of Lots 29, 30, 31, 32 and the SW/4 (S/2 equivalent) of Irregular Section 1, Township 21 South, Range 25 South to one of the following described alternative wells and authority to drill a well to a depth sufficient to test the Morrow formation at an unorthodox gas well location either 2080 feet from the West line and 750 feet from the West line or, in the alternative, 660 feet from the South line and 2310 feet from the East line, both in said Irregular Section 1, said locations being unorthodox for any and all gas producing formations from the top of the Wolfcamp to the base of the Morrow, including but not limited to the Catclaw Draw-Morrow Gas Pool. Said unit is located approximately 9 miles northwest of Carlsbad, New Mexico. Upon application of Mewbourne Oil Company and Texaco Exploration and Production Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11868: **Application of Texaco Exploration and Production Inc. for clarification or, in the alternative, an exception to the special pool rules and regulations for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico.** Applicant seeks an order clarifying the Division Rules which govern the development of the Catclaw Draw-Morrow Gas Pool as these rules apply to second wells on spacing units within this pool or, in the alternative, for an exception to these rules for its E. J. Levers Federal "NCT-1" Well Nos. 1 and 2 located in Section 12, Township 21 South, Range 25 East. Said area is located approximately 8.5 miles northwest of Carlsbad, New Mexico.