

DOCKET: COMMISSION HEARING - WEDNESDAY - JULY 16, 1998

9:00 A.M. - 2040 South Pacheco

Santa Fe, New Mexico

The Land Commissioner's designee for this hearing will be Jami Bailey or Gary Carlson

The minutes of the May 7, 1998, Commission hearing will be adopted.

CASE 11839: (Continued from May 7, 1998, Commission Hearing.)

Application of Odessa Oil Investments, Inc. for salt water disposal, Eddy County, New Mexico. Applicant seeks authority to re-enter the existing Lakewood State Com Well No. 1 (formerly the Monsanto Company Lakewood State Com Well No. 1), located 1980 feet from the North and West lines (Unit F) of Section 30, Township 19 South, Range 26 East, and utilize the well to dispose of produced water into the Devonian formation through the open-hole interval from approximately 10,300 feet to 10,700 feet. Said well is located approximately 3 miles west of Lakewood, New Mexico. Upon application of Odessa Oil Investments, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11925: (De Novo)

Application of KCS Medallion Resources, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks approval of an unorthodox gas well location within the Turkey Track-Morrow Gas Pool for its PDM Well No. 1 to be drilled 860 feet from the South line and 600 feet from the West line (Unit M) of Section 16, Township 19 South, Range 29 East, being approximately 12.5 miles south-southwest of Loco Hills, New Mexico. The S/2 of said Section 16 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit for said pool. Upon application of KCS Medallion Resources, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11807: (De Novo - Continued from June 17, 1998, Commission Hearing.)

Application of Stevens & Tull, Inc. for salt water disposal, Lea County, New Mexico. Applicant seeks authority to dispose of water produced 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. 4 located 330 feet from the North and East lines (Unit A) 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 ½ miles northeast of the intersection of US Highway 180 and New Mexico Highway 176 in New Mexico. Upon application of Stevens & Tull, Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11809: (Continued from June 17, 1998, Commission Hearing.)

Application of Burlington Resources Oil & Gas Company for compulsory pooling, an unorthodox gas well location and a non-standard proration unit, San Juan County, New Mexico. Applicant seeks an order pooling all mineral owners, including working interests, royalty interests and overriding royalty interests below the base of the Dakota formation (base of the Cretaceous aged formation) to the top of the Pre-Cambrian aged formation underlying all of Irregular Section 8, Township 31 North, Range 10 West, forming a non-standard 639.78-acre gas spacing and proration unit for any formations and/or pools developed on 640-acre spacing within said vertical extent. Said unit is to be dedicated to its Marcotte Well No. 2 to be drilled at an unorthodox gas well location 1540 feet from the South line and 935 feet from the East line (Unit I) of said Section 8. 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 well is located approximately 2 ½ miles southeast of Cedar Hills, New Mexico. Upon applications of Total Minatome Corporation, Timothy B. Johnson, Trustee for Ralph A. Bard, Jr. Trust U/A/D February 12, 1983 et al., Lee Wayne Moore and Joann Montgomery Moore, Trustees, and Bert Harris, this case will be heard De Novo pursuant to the provisions of Rule 1220.

The Oil Conservation Commission may vote to close the open meeting to deliberate any De Novo cases heard at this hearing.