

CASE 12167: Continued from April 15, 1999, Examiner Hearing.

Application of Energen Resources Corporation for compulsory pooling and an unorthodox well location, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in the Mesaverde and Dakota formations in the E/2 of Section 30, Township 30 North, Range 4 West, forming standard 320-acre spacing and proration units respectively. These units are to be dedicated to its Carson Well No. 5 which is to be drilled at an unorthodox well location in Unit B of Section 30. Applicant also seeks approval to dedicate the pooled units to its Carson No. 5-M infill well to be drilled at an orthodox infill location in Unit P of Section 30, following the completion of the Carson Well No. 5. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for the risk involved in drilling the wells. These wells are located approximately 6 miles northeast of Gobernador, New Mexico

CASE 12168: Continued from April 15, 1999, Examiner Hearing.

Application of Energen Resources Corporation for compulsory pooling and an unorthodox well location, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in the Mesaverde and Dakota formations in the W/2 of Section 29, Township 30 North, Range 4 West, forming standard 320-acre spacing and proration units respectively. These units are to be dedicated to its Carson Well No. 6 which is to be drilled at an unorthodox well location in Unit M of Section 29. Applicant also seeks approval to dedicate these pooled units to its Carson No. 6-M infill well to be drilled at an orthodox infill location in Unit C of Section 29, following the completion of the Carson Well No. 6. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for the risk involved in drilling the wells. These wells are located approximately 6 miles northeast of Gobernador, New Mexico.

CASE 12008: Continued from March 18, 1999, Examiner Hearing.

Application of Robert E. Landreth for a determination of reasonable well costs, Lea County, New Mexico Applicant, as a mineral interest owner in the standard 320-acre gas spacing and proration unit comprising the S/2 of Section 29, Township 22 South, Range 34 East, seeks an order ascertaining the reasonableness of actual well costs for: (i) the Santa Fe Energy Resources, Inc. Gaucho Unit Well No. 2-Y (API No. 30-025-34026), located 1650 feet from the South line and 1725 feet from the West line (Unit K) of Section 29; and (ii) the plugged and abandoned Gaucho Unit Well No. 2 (API No. 30-025-33682), located 1650 feet from the South and West lines (Unit K) of Section 29. This 320-acre unit was the subject of compulsory pooling Order No. R-10764, dated February 14, 1997. This area is located approximately 20 miles west by south of Eunice, New Mexico.

CASE 12184: In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting vertical limits, redesignating, and extending certain pools in Lea County, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the South Hardy-Strawn Pool. The discovery well is the Conoco Inc. Hardy 36 State Well No. 26 located in Unit B of Section 36, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 36: NE/4

Further, ASSIGN a discovery allowable of 37,825 barrels of oil to the discovery well to be produced over a two-year period.

- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the West Johnson Ranch-Wolfcamp Gas Pool. The discovery well is the Cobra Oil & Gas Corporation State 19 Well No. 1 located in Unit G of Section 19, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 19: N/2

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Querecho Plains-Atoka Gas Pool. The discovery well is the Mewbourne Oil Company Querecho 28 Federal Well No. 1 located in Unit I of Section 28, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 28: E/2

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the South San Simon-Strawn Pool. The discovery well is the Yates Petroleum Corporation Trick ARK State Well No. 1 located in Unit B of Section 18, Township 22 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 18: NE/4

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- (e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Devonian production and designated as the Sioux-Devonian Gas Pool. The discovery well is the Vista Resources of Texas, Inc. South Lea Federal Well No. 1 located in Unit K of Section 17, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM

Section 17: W/2

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the West Wantz-Abo Pool. The discovery well is the Titan Resources I Inc. State DC Well No. 3 located in Unit F of Section 19, Township 21 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Section 19: N/2 and SE/4

- (g) CONTRACT the vertical limits of the Anderson Ranch-Pennsylvanian Pool in Lea County, New Mexico, to include only the Cisco and Canyon formations and redesignate the pool as the Anderson Ranch-Cisco Canyon Pool.
- (h) CONTRACT the vertical limits of the High Plains-Permo Pennsylvanian Pool in Lea County, New Mexico, to include only the Wolfcamp, Cisco, Canyon and Strawn formations and redesignate the pool as the High Plains-Permo Upper Pennsylvanian Pool.
- (i) EXTEND the Anderson Ranch-Morrow Gas Pool in Lea County, New Mexico, to include:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM

Section 14: N/2

- (j) EXTEND the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM

Section 9: N/2

Section 10: NW/4

- (k) EXTEND the Baish-Cisco Pool in Lea County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 20: N/2

Section 21: W/2

- (l) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 14: NE/4

Section 24: E/2

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM

Section 19: SW/4

- (m) EXTEND the South Corbin-Morrow Gas Pool in Lea County, New Mexico, to include;

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 31: N/2

- (n) EXTEND the DK-Abo Pool in Lea County, New Mexico, to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 13: SE/4

- (o) EXTEND the EK-Yates-Seven Rivers-Queen Pool in Lea County, New Mexico, to include:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 13: NE/4