

Township 22 South, Range 34 East

Section 2: All

Section 5: All

Section 8: N/2, SE/4

Section 9: All

Section 11: All

Section 14: N/2, SW/4

Section 15: All

Section 16: N/2, SE/4

The application requests the Division establish rules requiring operators of all newly drilled or recompleted wells in the Morrow formation to provide the operator of the Unit with information and data obtained during drilling, completion, and production to determine whether such wells are in communication with the unitized formation or would otherwise interfere with Unit operations. The special project rules would also include provisions requiring the operators of wells determined to be in communication with the Unitized Interval to demonstrate how such well may be produced without interfering with Unit operations or to take such other action determined to be appropriate. The Grama Ridge Morrow Gas Storage Unit is approximately 18 miles west of Eunice, New Mexico.

**CASE 12489:** **Application of Ray Westall-Operator for approval to convert the Taylor Federal Wells No. 2, 4 and 11 to injection on its Taylor Unit (A. C. Taylor Lease) in the Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool, Eddy County, New Mexico.** Applicant seeks approval to convert its Taylor Federal Wells 2, 4, and 11 to injection to improve the recovery efficiency of the waterflood patterns and enhance production of this waterflood project which was approved by the Division by order WFX-243 on September 19, 1966. The wells are located in Township 18 South, Range 31 East, NMPM, as follows: Well No. 2 – 1980 feet from the South and East lines of Section 12, Unit J; Well No. 4 – 1980 feet from the South line and 660 feet from the West line of Section 12, Unit L; and Well No. 11 – 660 feet from the North line and 1980 feet from the East line of Section 13, Unit B. Water will be injected into the Queen formation in the Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool. Injection will occur at an expected maximum rate of 300 barrels of water per day per well and an expected pressure of 800 pounds per square inch. This area is located approximately 12 miles southeast of Loco Hills, New Mexico.

**CASE 12462:** **Continued from August 10, 2000, Examiner Hearing.**

**Application of Santa Fe Snyder Corporation for an unorthodox gas well location, Lea County, New Mexico.** Applicant seeks approval to produce its Outland State Unit Well No. 1 at an unorthodox gas well location 638 feet from the South line and 739 feet from the West line (Unit M) of Section 12, Township 21 South, Range 34 East, for production from the Morrow formation, Wilson-Morrow Gas Pool, to be dedicated to a standard 320-acre gas spacing and proration unit consisting of the W/2 of this section. This location is approximately 16 miles west-northwest of Eunice, New Mexico.