

Dockets Nos. 13-76 and 14-76 are tentatively set for hearing on April 28 and May 12, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 14, 1976

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for May, 1976, from seventeen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for May, 1976, from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 5663: Application of Anne Burnett Tandy dba Windfohr Oil Company for 12 unorthodox oil well locations and an administrative procedure, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of 12 oil wells to be drilled to the San Andres formation at the following locations in the Grayburg-Jackson Unit, Township 17 South, Range 30 East, Eddy County, New Mexico:

in Section 13: extreme SE/corner of Units E and O, the extreme SW/corner of Unit N, the extreme NE/corner of Units J and K, and the extreme NW/corner of Units M, N, O, and P;

in Section 14: the extreme SE of Unit H;

in Section 24: the extreme SW/corner of Unit C and extreme NW/corner of Unit D.

Applicant further seeks the establishment of an administrative procedure whereby the above wells could be relocated and other similar unorthodox locations approved without notice and hearing.

CASE 5664: Application of Mesa Petroleum Company for a dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (conventional) of its Nash Unit Well No. 2, located in Unit F of Section 18, Township 23 South, Range 30 East, Eddy County, New Mexico, to produce gas from the Atoka and Morrow formations through parallel strings of tubing.

CASE 5665: Application of Howard Boatwright Company, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation through the open-hole interval from 2979 to 3180 feet in its State CS Well No. 1 located in Unit L of Section 17, Township 21 South, Range 27 East, Burton Flats Field, Eddy County, New Mexico.

CASE 5666: Application of Belco Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in and below the Pennsylvanian formation underlying the E/2 of Section 7, Township 22 South, Range 27 East, Eddy County, New Mexico, to be dedicated to a well to be drilled 2410 feet from the North line and 560 feet from the East line of said Section 7. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5667: Application of Belco Petroleum Corporation for approval of an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Morrow test well to be drilled 660 feet from the North line and 1480 feet from the West line of Section 19, Township 21 South, Range 35 East, Osudo-Morrow Gas Pool, Lea County, New Mexico, the N/2 of said Section 19 to be dedicated to the well.

CASE 5443: (Reopened)

In the matter of Case 5443 being reopened pursuant to the provisions of Order No. R-4994, which order established special rules and regulations for the East Lusk-Bone Spring Oil Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre spacing units.

CASE 5446: (Reopened)

In the matter of Case 5446 being reopened pursuant to the provisions of Order No. R-4992, which order established special rules and regulations for the Casey-Strawn Pool, Lea County, New Mexico, including a provision for 80-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 5652: (Continued & Readvertised)

Application of Continental Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Basin-Dakota gas and Otero-Gallup oil production in the wellbores of the following wells on its Northeast Haynes Lease in Township 24 North, Range 5 West, Rio Arriba County, New Mexico:

- No. 1 in Unit L of Section 9
- No. 2 in Unit D of Section 16
- No. 3 in Unit P of Section 16
- No. 4 in Unit E of Section 21
- No. 5 in Unit F of Section 22
- No. 6 in Unit D of Section 15
- No. 7 in Unit L of Section 10
- No. 8 in Unit P of Section 15

CASE 5668: Application of Anadarko Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the Queen formation through the perforated interval from approximately 4553 to 4881 feet in its New Mexico "W" State Well No. 1, located in Unit O of Section 21, Township 18 South, Range 34 East, East E-K Queen Pool, Lea County, New Mexico.

CASE 5669: Southeastern New Mexico nomenclature case calling for an order for the creation and extension of certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Queen production and designated as the Eidson-Queen Pool. The discovery well is the Hanson Oil Corporation Caldonia Well No. 1, located in Unit N of Section 11, Township 16 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM  
Section 11: S/2  
Section 12: SW/4

b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McKittrick Hills-Atoka Gas Pool. The discovery well is the Southern Union Production Company Shelby Federal Well No. 1, located in Unit H of Section 13, Township 22 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM  
Section 13: N/2

c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the McKittrick Hills-Strawn Gas Pool. The discovery well is the Southern Union Production Company Shelby Federal Well No. 1, located in Unit H of Section 13, Township 22 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM  
Section 13: N/2

d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the McKittrick Hills-Upper Pennsylvanian Gas Pool. The discovery well is the Southern Union Production Company Shelby Federal Well No. 2, located in Unit K of Section 12, Township 22 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM  
Section 12: S/2

e) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Strawn production and designated as the South Newmill-Strawn Gas Pool. The discovery well is the Marathon Oil Company State 27 Well No. 1, located in Unit M of Section 27, Township 4 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 27 EAST, NMPM  
Section 27: W/2

f) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the South Prairie-Wolfcamp Pool. The discovery well is the SNB Operating Company New Mexico Federal Well No. 1, located in Unit I of Section 20, Township 8 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM  
Section 20: SE/4

Dockets Nos. 14-76 and 15-76 are tentatively set for hearing on May 12 and May 26, 1976. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 28, 1976

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- CASE 5670: Application of Read & Stevens, Inc. for an unorthodox location and directional drilling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to deviate its Harris-Federal Well No. 3, the surface location of which is 660 feet from the South line and 1980 feet from the East line of Section 27, Township 15 South, Range 28 East, Chaves County, New Mexico, by directionally drilling said well from a kick-off point at approximately 6000 feet and bottoming it at an unorthodox location in the Pennsylvanian formation within 250 feet of a point 990 feet from the South line and 1650 feet from the East line of said Section 27, the S/2 of the Section to be dedicated to the well.
- CASE 5671: Application of Ard Drilling Co. for directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to deviate its State 10 Well No. 1, the surface location of which is 660 feet from the South and East lines of Section 10, Township 10 South, Range 32 East, North Mescalero-Cisco Pool, Lea County, New Mexico, by directionally drilling said well from a kick-off point at approximately 7800 feet and bottoming it in the Cisco formation within 100 feet of a point 810 feet from the South line and 660 feet from the East line of said Section 10.
- CASE 5672: Application of Horace F. McKay, Jr. for downhole commingling and simultaneous dedication, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Aztec-Fruitland and Aztec-Pictured Cliffs gas production in the wellbore of his Beardon "A" Well No. 1, located in Unit C of Section 19, Township 29 North, Range 10 West, San Juan County, New Mexico. Applicant further seeks approval for the simultaneous dedication of the NW/4 of said Section 19 to the above-described well and his Beardon Well No. 1 in Unit E of said Section 19.
- CASE 5673: Application of David Fasken for approval of an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1980 feet from the South line and 660 feet from the West line of Section 32, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 32 to be dedicated to the well.
- CASE 5674: Application of Agua, Inc. for an extension of time and amendment of Orders Nos. R-4495-A and R-4495-B, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Orders Nos. R-4495-A and R-4495-B to permit disposal, after the current May 7, 1976, deadline, of produced salt water through perforations from 4230 feet to 4320 feet in its SWD Well No. C-2, located in Unit C of Section 2, Township 22 South, Range 37 East, Lea County, New Mexico. Applicant seeks the amendment of said orders to permit such disposal for an additional 90-day period after May 7, 1976, and thereafter until 30 days after the entry of an order favorable to the applicant in Case No. 5644.
- CASE 5675: Application of Merrion & Bayless for a dual completion and downhole commingling, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion (combination) of its Jicarilla 428 Well No. 2, located in Unit A of Section 31, Township 23 North, Range 4 West, Sandoval County, New Mexico, by cementing parallel strings of 2 7/8-inch casing and 4 1/2-inch casing in a common wellbore, completing said well in such a manner as to commingle undesignated Pictured Cliffs and undesignated Chacon gas production in the 2 7/8-inch casing, and to commingle various undesignated Mesaverde, Mancos, Gallup, Carlisle, and Graneros gas stringers in the 4 1/2-inch casing.
- CASE 5443: (Reopened & Continued)

In the matter of Case 5443 being reopened pursuant to the provisions of Order No. R-4994, which order established special rules and regulations for the East Lusk-Bone Spring Oil Pool, Lea County, New Mexico, including a provision for 160-acre spacing and proration units. All interested parties may appear and show cause why said pool should not be developed on less than 160-acre spacing units.