

Dockets Nos. 23-91 and 24-91 are tentatively set for August 22, 1991 and September 5, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 8, 1991

**8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO**

The following cases will be heard before David R. Catanach, Examiner or Michael E. Stogner, or Jim Morrow, Alternate Examiners:

CASE 10321: (Readvertised)

Application of McKay Oil Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Charolette State Unit Agreement for an area comprising 13,946.73 acres, more or less, of State, Federal and Fee lands in portions of Township 5 South, Range 20 East, which is located approximately 13 miles southwest of Mesa, New Mexico.

CASE 10280: (Continued from July 11, 1991, Examiner Hearing.)

Application of Knox Industries Inc. for special pool rules, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Milnesand-Abo Pool, including a provision for 80-acre spacing and designated well location requirements. Said pool is located in portions of Sections 33 and 34, Township 8 South, Range 35 East, and Section 3, Township 9 South, Range 35 East, straddling the Roosevelt/Lea County line approximately 4 miles north by west of Crossroads, New Mexico.

CASE 10360: Application of Bird Creek Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 6300 feet, whichever is deeper, underlying the NW/4 NW/4 (Unit D) of Section 22, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the East Loving-Delaware Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location 990 feet from the North line and 760 feet from the West line of said Section 22. 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 1 mile northeast of Loving, New Mexico.

CASE 10290: (Continued from June 27, 1991, Examiner Hearing.)

Application of Avon Energy Corporation for amendment of Division Order Nos. R-3185, R-3185-A and R-3528 to expand the vertical limits and to establish an injection pressure limitation for the Turner "B" Lease Waterflood Project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Division Order No. R-3185, R-3185-A, and R-3528 to expand the vertical limits and to establish an injection pressure limitation for the Turner "B" Lease Waterflood Project to 450 psi above the formation parting pressure as determined from step-rate tests for four (4) certain injection wells in the entire Grayburg-San Andres formation of the Grayburg-Jackson Pool within the project area being all or parts of Sections 17, 20, 29, and 30 of Township 17 South, Range 31 East. Said project area is located approximately 4.5 miles east of Loco Hills, New Mexico.

CASE 10361: Application of Seay Exploration, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Seven Rivers formation underlying Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) of Section 6, Township 20 South, Range 39 East, forming a 160.04-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent, developed on 160-acre gas spacing, which presently includes but is not necessarily limited to the House-Yates Seven Rivers Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location thereon. 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 2.25 miles east-southeast of the community of Nadine, New Mexico.

CASE 10362: Application of Robert N. Enfield for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Grayburg formation, or to a depth of 4500 feet, whichever is deeper, underlying the NE/4 SW/4 (Unit K) of Section 29, Township 18 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Corbin-Yates Pool, Undesignated Buffalo-Queen Pool, and Undesignated South Corbin-Queen Pool. Said unit is dedicated to the plugged and abandoned Pennzoil United, Inc. Hudson "29" Federal Well No. 2 (T.D.-13,575 feet) located at a standard oil well location 1980 feet from the South and West lines of said Section 29. Also to be considered will be the cost of re-entering and recompleting 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 re-entering and recompleting said well. Said well is located approximately 10.5 miles south-southeast of Maljamar, New Mexico.

CASE 10363: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool underlying the W/2 of Section 25, Township 20 South, Range 24 East, forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon. 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 8 miles west-southwest of Seven Rivers, New Mexico.

CASE 10352: (Continued from July 25, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 36, Township 20 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated North Turkey Track-Cisco Gas Pool, Undesignated Palmillo Draw-Strawn Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location in the NW/4 SW/4 of said Section 36. 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 unit is located approximately 12 miles southwest of Loco Hills, New Mexico.

CASE 10353: (Continued from July 25, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 20, Township 22 South, Range 33 West, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated East Red Tank-Atoka Gas Pool and Undesignated Bootleg Ridge-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location thereon. 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 unit is located approximately 11.25 miles northeast by north of the Lea/Eddy County line on State Highway No. 128.

CASE 10323: (Continued from July 25, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. for compulsory pooling and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation or to a depth of 15,100 feet, whichever is deeper, underlying Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of Section 31, Township 21 South, Range 32 East, forming a non-standard 334.72-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated Red Tank-Atoka Gas Pool and Undesignated Bilbrey-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location thereon. 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 unit is located approximately 32.75 miles west of Eunice, New Mexico.