

**CASE 10775:** (Continued from July 29, 1993, examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox infill gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant seeks approval of an unorthodox well location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 1, Township 24 South, Range 28 East, Malaga-Atoka Gas Pool. Further, the applicant seeks an exception to Division General Rule 104.c(2) to allow the existing 320-acre gas spacing and proration unit comprising the S/2 of said Section 1 to be simultaneously dedicated in the Malaga-Atoka Gas Pool to the proposed well and to the existing Malaga Federal 1 Well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1. Said unit is located approximately 2 miles northeast of Malaga, New Mexico.

**CASE 10824:** Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks approval to drill its Salt Draw 33 Fed. Well No. 1 at an unorthodox gas well location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 33, Township 24 South, Range 28 East, to test the Atoka formation. The E/2 of said Section 33 will be dedicated to the well. Said well is located approximately 3 miles south of Malaga, New Mexico.

**CASE 10513:** (Continued from August 26, 1993, Examiner Hearing.)

Application of Hanley Petroleum Inc. for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as a working interest owner in the Santa Fe Energy Operating Partners, L.P. Kachina "8" Federal Well No. 2 located 1830 feet from the North line and 660 feet from the West line (Unit E) of Section 8, Township 18 South, Range 33 East, South Corbin-Wolfcamp Pool, which was drilled pursuant to the compulsory pooling provisions of Division Order Nos. R-9480, R-9480-A, and R-9480-B, all entered in Case Nos. 10211 and 10219, and to which is dedicated the W/2 NW/4 (Units D and E) of said Section 8, seeks an order ascertaining the reasonableness of actual well costs for the subject well. Said unit is located approximately 7.5 miles southeast by south of Maljamar, New Mexico.

**CASE 10825:** In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Northeast Avalon-Strawn Gas Pool. The discovery well is the Bravo Operating Co. Mesa Macho Well No. 1 located in Unit O of Section 24, Township 20 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 24: E/2

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the East Dark Canyon-Delaware Pool. The discovery well is the Dakota Resources Drag C Well No. 2 located in Unit O of Section 19, Township 23 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 19: SE/4

- (c) EXTEND the Southeast Acme-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM

Section 13: E/2 NW/4 and NW/4 NW/4

- (d) EXTEND the South Carisbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 33: S/2

- (e) EXTEND the Cedar Lake-Strawn Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 2: SE/4

- (f) EXTEND the East Chisum-San Andres Pool in Chaves County, New Mexico, to include therein:  
TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM  
Section 15: SW/4
- (g) EXTEND the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 34: S/2
- (h) EXTEND the Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM  
Section 34: SE/4
- (i) EXTEND the Frontier Hills-Strawn Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM  
Section 22: S/2
- (j) EXTEND the Happy Valley-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM  
Section 33: NW/4 NW/4 and S/2 NW/4
- (k) EXTEND the Indian Basin-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM  
Section 15: S/2  
Section 22: All
- (l) EXTEND the Indian Basin-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM  
Section 27: S/2  
Section ~~24~~: All  
<sup>34</sup>  
TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM  
Sections 3, 9, 10, 16: All  
Section 17: E/2
- (m) EXTEND the Ingle Wells-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 24: SW/4  
Section 25: W/2
- (n) EXTEND the Los Medanos-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 17: SW/4
- (o) EXTEND the East Loving-Brushy Canyon Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 9: NE/4

- (p) EXTEND the East Millman Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 6: NW/4

- (q) EXTEND the Penasco Draw-Permo Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM  
Section 11: E/2  
Section 14: N/2

- (r) EXTEND the West Sand Dunes-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 33: NE/4