

DOCKET: EXAMINER HEARING - THURSDAY - JULY 21, 1994
8:15 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

Dockets Nos. 22-94 and 23-94 are tentatively set for August 4, 1994 and August 18, 1994. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11003: (Continued from June 23, 1994, Examiner Hearing.)

Application of Hal J. Rasmussen Operating, Inc. for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on its Farnsworth A Lease in Section 13, Township 26 South, Range 36 East, by the injection of water into the Seven Rivers formation, Scarborough Yates-Seven Rivers Pool, through its Farnsworth A Wells No. 1 and 2 located in Units A and P, respectively, of said Section 13. Said project is located approximately 4 miles south-southwest of Jal, New Mexico.

CASE 11019: **Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks authorization to drill a well at an unorthodox gas well location 330 feet from the South line and 950 feet from the West line (Lot 4-Unit M) of Irregular Section 7, Township 22 South, Range 31 East, to test the Undesignated Cabin Lake-Morrow Gas Pool. Lots 3 and 4, the E/2 SW/4 and the SE/4 (S/2 equivalent) of said Section 7 are to be dedicated to said well to form a 319.81-acre gas spacing and proration unit. Said unit is located approximately 19 miles northeast by east of Malaga, New Mexico.

CASE 11020: **Application of Paloma Resources, Inc. for simultaneous dedication of, in the alternative, pool creation, pool contraction and for two non-standard gas proration units, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks an exception to Division General Rule 104.C(2) as outlined in Division Memorandum dated August 30, 1990, to authorize the concurrent production of its Peery Federal Well No. 2, located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 29, Township 15 South, Range 30 East, and its Peery Federal Well No. 3, located 1820 feet from the South line and 2140 feet from the West line (Unit K) of said Section 29 and the simultaneous dedication of said wells to a standard 320-acre gas spacing and proration unit comprising the S/2 of said Section 29 for production from the Little Lucky Lake-Morrow Gas Pool. IN THE ALTERNATIVE, the applicant seeks the contraction of the Little Lucky Lake-Morrow Gas Pool by deleting the SE/4 of said Section 29 from said pool and the concomitant creation of a new Morrow gas pool to comprise said acreage. Further, the applicant requests the formation of two non-standard 160-acre gas spacing and proration units for Morrow gas production from the SE/4 and SW/4 of said Section 29. Said area is located approximately 11.5 miles north by east of Loco Hills, New Mexico,

CASE 11021: **Application of Mewbourne Oil Company 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 E/2 of Section 22, Township 20 South, Range 25 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Cemetery-Morrow Gas Pool or the Undesignated West Bubbling Springs-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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 5 miles south of Lakewood, New Mexico.

CASE 11022: **Application of Bass Enterprises Production Co., 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 S/2 of Section 12, Township 22 South, Range 30 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Livingston Ridge-Atoka Gas Pool and Undesignated Cabin Lake-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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6 miles east of the IMC Potash Mine and Mill.

CASE 10994: (Continued from June 23, 1994, Examiner Hearing.)

Application of Enserch Exploration, Inc. for the assignment at a special depth bracket oil allowable, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks a special depth bracket oil allowable, pursuant to General Rule 505(d), of 500 barrels of oil per day for the South Peterson-Fusselman Pool, which is located in portions of Townships 5 and 6 South, Ranges 32 and 33 East, being approximately 14 miles east of Kenna, New Mexico.

- CASE 11023:** Application of AnSon Gas Corporation 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 Strawn formation, underlying the SE/4 NW/4 (Unit F) of Section 33, Township 16 South, Range 38 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. Said unit is to be dedicated to the proposed Mary "33" Well No. 1 to be drilled at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles north-northwest of Knowles, New Mexico.
- CASE 11024:** Application of AnSon Gas Corporation 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 Strawn formation, underlying the NE/4 SW/4 (Unit K) of Section 33, Township 16 South, Range 38 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. Said unit is to be dedicated to the proposed Lawrence "33" Well No. 1 to be drilled at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles north-northwest of Knowles, New Mexico.
- CASE 11025:** Application of AnSon Gas Corporation 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 Strawn formation, underlying the NW/4 SE/4 (Unit J) of Section 33, Township 16 South, Range 38 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. Said unit is to be dedicated to the proposed Anderson "33" Well No. 1 to be drilled at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles north-northwest of Knowles, New Mexico.
- CASE 11026:** Application of AnSon Gas Corporation 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 Strawn formation, underlying the NW/4 NE/4 (Unit B) of Section 8, Township 17 South, Range 38 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. Said unit is to be dedicated to the proposed Schaap "8" Well No. 1 to be drilled at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 2.5 miles west-northwest of Knowles, New Mexico.
- CASE 11027:** Application of Enron Oil & Gas Company for unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to drill a well at an unorthodox oil well location 990 feet from the South and West lines (Unit M) of Section 7, Township 25 South, Range 34 East, to test the Undesignated Red Hills-Bone Spring Pool. The W/2 SW/4 of said Section 7 is to be dedicated to said well forming a standard 80-acre spacing and proration unit for said pool. Said unit is located approximately 19 miles west by north of Jal, New Mexico.
- CASE 11028:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle South Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com Well No. 47, located 1760 feet from the South line and 835 feet from the West line (Unit L) of Section 2, Township 27 North, Range 8 West, which is located approximately 13 miles southeast by east of Blanco, New Mexico.
- CASE 11029:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "G" Well No. 2A, located 1650 feet from the South and East lines (Unit J) of Section 32, Township 29 North, Range 8 West, which is located approximately 8 miles east-southeast of Blanco, New Mexico.
- CASE 11030:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "R" Well No. 14, located 940 feet from the South line and 990 feet from the West line (Unit M) of Section 36, Township 30 North, Range 9 West, which is located approximately 6 miles east-northeast of Turley, New Mexico.

- CASE 11031:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "Q" Well No. 13A, located 1500 feet from the South line and 1450 feet from the East line (Unit J) of Section 36, Township 29 North, Range 8 West, which is located approximately 12 miles east by south of Blanco, New Mexico.
- CASE 11032:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool, Blanco-Mesaverde Pool, and Glades-Fruitland Sand Pool gas production within the wellbore of its State Com "S" Well No. 15A, located 790 feet from the North line and 1150 feet from the West line (Unit D) of Section 36, Township 32 North, Range 12 West, which is located approximately 8 miles east by north of La Plata, New Mexico.
- CASE 11033:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Basin-Dakota Pool gas production with Glades-Fruitland Sand Pool gas production within the wellbore of its State Com "AJ" Well No. 34E, located 1185 feet from the South line and 1485 feet from the West line (Unit N) of Section 36, Township 32 North, Range 12 West, which is located approximately 8 miles east by north of La Plata, New Mexico.
- CASE 11034:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Basin-Dakota Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "AK" Well No. 35, located 790 feet from the North line and 1700 feet from the East line (Unit B) of Section 36, Township 32 North, Range 12 West, which is located approximately 8 miles east by north of La Plata, New Mexico.
- CASE 11035:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Mesaverde Pool gas production with Otero-Chacra Pool gas production within the wellbore of its Graham "C-WN" Federal Well No. 1A, located 1050 feet from the South line and 1600 feet from the East line (Unit O) of Section 9, Township 27 North, Range 8 West, which is located approximately 12.5 miles southeast by south of Blanco, New Mexico.
- CASE 11036:** Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Basin-Dakota Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its Bruington Well No. 15E, located 1650 feet from the North line and 1740 feet from the West line (Unit F) of Section 15, Township 30 North, Range 11 West, which is located approximately 1 mile southeast of Aztec, New Mexico.
- CASE 11037:** Application of Yates Energy Corporation for an unorthodox gas well location and non-standard gas proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to drill a well at an unorthodox gas well location 1680 feet from the South line and 330 feet from the West line (Lot 5-Unit L) of Irregular Section 12, Township 22 South, Range 25 East, to test the Undesignated Revelation Morrow Gas Pool. Lots 4, 5, 6 and 7 and the SE/4 (S/2 equivalent) of said Section 12 is to be dedicated to said well to form a non-standard 332.74-acre gas spacing and proration unit. Said unit is located approximately 7 miles west of Carlsbad, New Mexico.
- CASE 11038:** Application of Meridian Oil Inc. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks exceptions from Division General Rule 303(C) to establish on an area-wide basis authorization for downhole commingling of Dakota, Mesaverde and Gallup gas production in the wellbores of existing or future wells drilled anywhere within Sections 26 through 30, 33, 34 and S/2 of 35 in Township 26 North, Range 6 West, said production being portions of the Basin-Dakota Pool, the Blanco Mesaverde Pool and Undesignated Gallup production. The center of said area is located approximately 4 miles southeast of El Paso Natural Gas Company Largo Station, New Mexico.
- CASE 11039:** Application of Meridian Oil Inc. for downhole commingling and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Aztec-Pictured Cliffs Pool and Basin-Fruitland Coal Gas Pool production within the wellbore of its existing Fifield Well No. 2, located 1650 feet from the South line and 1090 feet from the East line (Unit I) Section 5, Township 29 North, Range 11 West. Said well is considered to be an "off-pattern" unorthodox coal gas well location and is to be dedicated to a 305.92-acre gas spacing unit for the Basin-Fruitland Coal Gas Pool comprising Lots 1 and 2, the S/2 NE/4 and SE/4 (E/2 equivalent) of said Section 5. Said well is located approximately 3.5 miles north northwest of Bloomfield, New Mexico.

CASE 11040: Application of Maralo Inc. for the creation of a new pool in the Bone Spring formation, classification of this pool as an associated oil and gas pool and for the promulgation of special pool rules therefor, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool in the Bone Spring formation in the NE/4 of Section 32, Township 20 South, Range 28 East, to be classified as an "associated pool" and to adopt the "General Rules and Regulations for the Associated Oil and Gas Pools in Northwest and Southeast New Mexico", as promulgated by Division Order No. R-5353, as amended, as the governing procedures for said pool and to include provisions for 80-acre oil and 160-acre gas spacing and proration units. Further, the applicant requests an increased gas-oil ratio limitation of 8,000 cubic feet of gas per barrel of oil for said pool. Said area is located approximately 14 miles east southeast of Seven Rivers, New Mexico.

CASE 11041: Application of PG&E Resources Company for pool creation, special pool rules and a discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Strawn formation comprising the S/2 SW/4 of Section 15, Township 16 South, Range 36 East, and the promulgation of special rules therefor including provisions for 80-acre spacing and proration units and designated well location requirements. Applicant further seeks the assignment of an oil discovery allowable for its Smith "15" Well No. 1 located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 15. Said area is located approximately 2 miles south from the center of Lovington, New Mexico.

CASE 11042: Application of Meridian Oil Inc. for salt water disposal, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Jillison Federal SWD Well No. 1 in the SE/4 NW/4 (Unit F) of Section 8, Township 24 North, Range 3 West, for the purpose of disposing produced salt water into the Entrada formation through perforations from approximately 8441 feet to 8683 feet. Said location is approximately 6 miles west-northwest of Lindrieth, New Mexico.

CASE 11043: Application of J. K. Edwards Associates, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to utilize its Bengal "A" Well No. 1, located 1980 feet from the South and West lines (Unit K) of Section 1, Township 26 North, Range 12 West, to dispose of produced salt water into the Gallegos-Gallup Associated Pool through the perforated interval from approximately 4993 feet to 5174 feet. Said well is located approximately 16.5 miles southeast by east of Farmington, New Mexico.

CASE 11044: In the matter of the application of the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Eddy County, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Corral Draw-Bone Spring Pool. The discovery well is the Pogo Producing Company H. Buck State Well No. 1 located in Unit J of Section 16, Township 24 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 16: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Hackberry Hills-Atoka Gas Pool. The discovery well is the Mewbourne Oil Company Federal N Well No. 1 located in Unit M of Section 6, Township 22 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 6: W/2

- (c) EXTEND the West Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 34: E/2

- (d) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 11: SW/4

- (e) EXTEND the North Black River-Atoka Gas Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPPM
Section 25: S/2
Section 26: SE/4
- (f) EXTEND the Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPPM
Section 27: S/2
- (g) EXTEND the South Burton-Yates Gas Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPPM
Section 21: SE/4
- (h) EXTEND the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPPM
Section 16: S/2
Section 21: N/2
- (i) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPPM
Section 29: SE/4
- (j) EXTEND the South Golden Lane-Delaware Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPPM
Section 16: SE/4
- (k) EXTEND the Happy Valley-Strawn Gas Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPPM
Section 34: W/2
- (l) EXTEND the Indian Basin-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPPM
Section 2: E/2
- (m) EXTEND the Ingle Wells-Delaware Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPPM
Section 3: NE/4
- (n) EXTEND the Los Medanos-Delaware Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPPM
Section 8: NE/4
Section 17: NW/4
- (o) EXTEND the Malaga-Bone Spring Pool in Eddy County, New Mexico, to include therein:
TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPPM
Section 15: NW/4
Section 16: NE/4

- (p) EXTEND the Old Millman Ranch-Bone Spring Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 3: NE/4

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

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM

Section 7: NE/4

Section 8: NW/4

- (r) EXTEND the Willow Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM

Section 1: NE/4

DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 1, 1994
8:15 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

Dockets Nos. 26-94 and 27-94 are tentatively set for September 15, 1994 and September 29, 1994. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 10444: (Continued from August 4, 1994, Examiner Hearing - Reopened)

In the matter of Case No. 10444 being reopened pursuant to the provisions of Order No. R-9696 which order promulgated special rules and regulations for the Hobbs-Lower Blinebry Pool including a provision for 80-acre spacing units. Operators in the subject pool should be prepared to appear and show cause why the temporary special pool rules for the Hobbs-Lower Blinebry Pool should not be rescinded and said pool not be developed on 40-acre spacing units and why both the upper and lower Blinebry pools formed by this order should not be rejoined and redesignated the Hobbs-Blinebry Pool.

CASE 11074: **Application of Collins & Ware, Inc. for salt water disposal, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks authority to re-enter the previously plugged and abandoned C & K Petroleum, Inc. West Airport Federal Com. (Unit) Well No. 1-Y located 2250 feet from the North line and 998 feet from the East line (Unit H) of Section 29, Township 22 South, Range 29 East, and to utilize said well to dispose of produced salt water into the Bell Canyon Member of the Undesignated Happy Valley-Delaware Pool through the open-hole interval from approximately 2304 feet to 2396 feet. Said well is located approximately 3 miles northwest of the Cavern City Airport at Carlsbad, New Mexico.

CASE 11021: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mewbourne Oil Company 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 E/2 of Section 22, Township 20 South, Range 25 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Cemetery-Morrow Gas Pool or the Undesignated West Bubbling Springs-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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 5 miles south of Lakewood, New Mexico.

CASE 11075: **Application of Texaco Exploration and Production, Inc. to amend Division Order No. R-10033 to include additional wells for downhole commingling, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to include an additional five wells to the provisions of Division Order No. R-10033, which order authorized the downhole commingling of Jalmat and Langlie Matix production within its Cooper Jal Unit located in Sections 13 and 24, Township 24 South, Range 36 East and Section 19, Township 24 South, Range 37 East. Said area is located approximately six miles north by west of Jal, New Mexico.

CASE 11028: (Continued from August 18, 1994, Examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle South Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com Well No. 47, located 1760 feet from the South line and 835 feet from the West line (Unit L) of Section 2, Township 27 North, Range 8 West, which is located approximately 13 miles southeast by east of Blanco, New Mexico.

CASE 11029: (Continued from August 18, 1994, Examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "G" Well No. 2A, located 1650 feet from the South and East lines (Unit J) of Section 32, Township 29 North, Range 8 West, which is located approximately 8 miles east-southeast of Blanco, New Mexico.

CASE 11030: (Continued from August 18, 1994, Examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "R" Well No. 14, located 940 feet from the South line and 990 feet from the West line (Unit M) of Section 36, Township 30 North, Range 9 West, which is located approximately 6 miles east-northeast of Turley, New Mexico.

CASE 11031: (Continued from August 18, 1994, Examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "Q" Well No. 13A, located 1500 feet from the South line and 1450 feet from the East line (Unit J) of Section 36, Township 29 North, Range 8 West, which is located approximately 12 miles east by south of Blanco, New Mexico.

CASE 11032: (Continued from August 18, 1994, examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Pictured Cliffs Pool, Blanco-Mesaverde Pool, and Glades-Fruitland Sand Pool gas production within the wellbore of its State Com "S" Well No. 15A, located 790 feet from the North line and 1150 feet from the West line (Unit D) of Section 36, Township 32 North, Range 12 West, which is located approximately 8 miles east by north of La Plata, New Mexico.

CASE 11033: (Continued from August 18, 1994, Examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Basin-Dakota Pool gas production with Glades-Fruitland Sand Pool gas production within the wellbore of its State Com "AJ" Well No. 34E, located 1185 feet from the South line and 1485 feet from the West line (Unit N) of Section 36, Township 32 North, Range 12 West, which is located approximately 8 miles east by north of La Plata, New Mexico.

CASE 11034: (Continued from August 18, 1994, Examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Basin-Dakota Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its State Com "AK" Well No. 35, located 790 feet from the North line and 1700 feet from the East line (Unit B) of Section 36, Township 32 North, Range 12 West, which is located approximately 8 miles east by north of La Plata, New Mexico.

CASE 11035: (Continued from August 18, 1994, Examiner Hearing.)

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Mesaverde Pool gas production with Otero-Chacra Pool gas production within the wellbore of its Graham "C-WN" Federal Well No. 1A, located 1050 feet from the South line and 1600 feet from the East line (Unit 0) of Section 9, Township 27 North, Range 8 West, which is located approximately 12.5 miles southeast by south of Blanco, New Mexico.

CASE 11036: (Continued from August 18, 1994, Examiner H

Application of Conoco Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Basin-Dakota Pool gas production with Blanco-Mesaverde Pool gas production within the wellbore of its Bruington Well No. 15E, located 1650 feet from the North line and 1740 feet from the West line (Unit F) of Section 15, Township 30 North, Range 11 West, which is located approximately 1 mile southeast of Aztec, New Mexico.

CASE 11076: **Application of Santa Fe Energy Operating Partners, L. P. for a unit agreement, Lee County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the Quail Ridge Unit Agreement for an area comprising 4134.35 acres, more or less, of Federal and State lands in a portion of Townships 20 and 21 South, Ranges 33 and 34 East, which is centered approximately 7.5 miles south by east of the junction of U.S. Highway 62/180 and N.M. State Highway No. 176.

CASE 11077: Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, an unorthodox gas well location, and directional drilling, 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 Lots 3 and 4, the E/2 SW/4, and the SE/4 (S/2 equivalent) of Section 18, Township 20 South, Range 34 East, to form a standard 320.03-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Quail Ridge-Morrow Gas Pool. Applicant proposes to dedicate said unit to a well to be directionally drilled from an unorthodox surface gas well location 2041 feet from the South line and 2171 feet from the East line (Unit J) of said Section 18 to an unorthodox bottomhole gas well location within the Morrow formation that is within a 50-foot radius of a point 1300 feet from the South and East lines (Unit P) of said Section 18. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 1/2 miles southwest of the Warren Gas Co. Compressor Station.

CASE 11057: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the SW/4 NW/4 of Section 27, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "27" Federal Well No. 3 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11058: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the SE/4 SW/4 of Section 27, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "27" Federal Well No. 1 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11059: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the SE/4 SE/4 of Section 27, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "27" Federal Well No. 2 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11060: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the SW/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 5 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11061: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the NE/4 NE/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 2 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11062: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the NE/4 SE/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 3 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11063: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the NW/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 1 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11064: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the SE/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 4 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11065: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company 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 Delaware formation underlying the NE/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 6 to be drilled and completed at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11078: Application of Bass Enterprises Production Company for a pressure maintenance project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on its Golden "8" Federal lease in Section 8, Township 21 South, Range 29 East, by the injection of water into the South Golden Lane-Delaware Pool through the perforated interval from approximately 4248 feet to 4310 feet in its Golden "8" Federal Well No. 3, located 1980 feet from the South line and 660 feet from the East line (Unit L) of said Section 8. Said well is located approximately 3.25 miles southwest of the junction of U.S. Highway 62/180 and N.M. State Highway No. 31.

CASE 11079: Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to drill its Cygnet "4" Federal Com. Well No. 1 at an unorthodox gas well location 2310 feet from the South line and 1800 feet from the East line (Unit J) of Section 4, Township 22 South, Range 32 East, to test the Undesignated Bilbrey-Morrow Gas Pool. The S/2 said Section 4 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said unit is located approximately 31 miles west of Eunice, New Mexico.

CASE 11080: Application of Santa Fe Energy Operating Partners, L.P. 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 from the surface to the base of the Morrow formation underlying the following described areas in Section 20, Township 23 South, Range 29 East, and in the following manner: The S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, including the Laguna Salado-Atoka Gas Pool; and the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said unit is to be dedicated to its Harroun Trust 20 Fed. Com Well No. 1, to be drilled at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of said Section 20. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles east of Loving, New Mexico.

CASE 10976: (Continued from August 4, 1994, Examiner Hearing.)

Application of Harvey E. Yates Company 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 E/2 of Section 32, Township 17 South, Range 31 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 1.5 miles southwest of the junction of U.S. Highway 82 and State Road 529.

CASE 10882: (Continued from June 9, 1994, Examiner Hearing.)

Application of James C. Brown, Trustee, and Bayshore Production Co., Limited Partnership, to vacate and void Division Administrative Orders NSP-1632(L)(SD) and NSP-1633(L), Lea County, New Mexico. Applicants seeks approval of an order from the Division vacating and voiding Administrative Order NSP-1633(L) covering the N/2 N/2 (equivalent) and Administrative Order NSP-1632(L) (SD) covering the S/2 N/2 (equivalent) of Section 7, Township 23 South, Range 37 East, Jalmat Gas Pool. The said units are located approximately 8 miles south-southwest of Eunice, New Mexico.

CASE 11081: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Eddy County, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production and designated as the South Indian Basin-Yeso Pool. The discovery well is the Yates Petroleum Corporation Sacahuiste KE Federal Well No. 1 located in Unit O of Section 34, Township 22 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 23 EAST, NMPM
Section 34: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Los Medanos-Wolfcamp Gas Pool. The discovery well is the Mitchell Energy Corporation Apache 25 Federal Com Well No. 2 located in Unit P of Section 25, Township 22 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 25: S/2

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Northwest Sulphate Draw-Wolfcamp Gas Pool. The discovery well is the Hallwood Petroleum Corporation, Inc. Target 23 State Well No. 1 located in Unit E of Section 23, Township 24 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 23: W/2

- (d) EXTEND the Cedar Canyon-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 16: E/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: NE/4

- (f) EXTEND the South Dagger Draw-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 1/2 SOUTH, RANGE 23 EAST, NMPM
Section 36: All

- (g) EXTEND the East Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 29 EAST, NMPM
Section 31: NW/4

- (h) EXTEND the Illinois Camp-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 16: S/2

- (i) EXTEND the North Illinois Camp-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 20: N/2

- (j) EXTEND the Little Box Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 21 EAST, NMPM
Section 1: E/2
Section 12: N/2

- (k) EXTEND the Nash Draw-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM
Section 24: S/2 and NE/4

- (l) EXTEND the Old Millman Ranch-Bone Spring Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 10: NE/4

- (m) EXTEND the Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 23: SW/4

- (n) EXTEND the Southeast Willow Lake-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 29 EAST, NMPM

Section 8: NE/4

- (o) EXTEND the Willow Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM

Section 1: SE/4