

CASE 10043: Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying all of Section 7, Township 28 North, Range 10 West, forming a standard 257.95-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 (equivalent) 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, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 4 miles southeast of Bloomfield, New Mexico.

CASE 10044: Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 20, Township 28 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5.5 miles southeast of Bloomfield, New Mexico.

CASE 10045: Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the W/2 of Section 22, Township 28 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 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 unit is located approximately 6 miles southwest by south of Blanco, New Mexico.

CASE 10046: Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 27, Township 28 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 of said Section 27. 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 6.5 miles south-southwest of Blanco, New Mexico.

CASE 10047: Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of Section 30, Township 28 North, Range 10 West, forming a standard 329.40-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 (equivalent) of said Section 30. 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 6 miles south-southeast of Bloomfield, New Mexico.

CASE 9973: (Continued from July 25, 1990, Examiner Hearing.)

Application of Manzano Oil Corporation for compulsory pooling and an unorthodox gas well location, 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 following described acreage in Section 14, Township 19 South, Range 33 East, and in the following described manner: the E/2 to form 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 Tonto-Atoka Gas Pool, Undesignated Quail Ridge-Morrow Gas Pool, Undesignated North Quail Ridge-Morrow Gas Pool, and Undesignated East Gem-Morrow Gas Pool) and the NE/4 to form 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 units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1980 feet from the North line and 2310 feet from the East line (Unit G) of said Section 14. 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 location is approximately 7 miles southwest by west of the old Hobbs Army Air Corps Auxiliary Airfield No. 4.

CASE 9980: (Continued and Readvertised.)

Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 of Section 16, Township 29 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed F. C. State Com Well No. 10 to be drilled at a standard coal gas well location in the NE/4 of said Section 16. 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 9 miles east of Blanco, New Mexico.

CASE 10017: (Continued from July 25, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its existing Morris Well No. 1 located 1190 feet from the South line and 990 feet from the East line (Unit P) of Section 15, Township 27 North, Range 10 West, the E/2 of said Section 15 to be dedicated to a well to form a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 10.5 miles south by west of Blanco, New Mexico.

CASE 10019: (Continued from July 25, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its existing Kutz Canyon Oil and Gas Well No. 1 located 990 feet from the South line and 1650 feet from the East line (Unit O) of Section 17, Township 28 North, Range 10 West, the S/2 of said Section 17 to be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 6.25 miles southwest of Blanco, New Mexico.

CASE 10020: (Continued from July 25, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its existing Kutz Deep Test Well No. 1 located 990 feet from the South line and 1650 feet from the East line (Unit O) of Section 21, Township 28 North, Range 10 West, the E/2 of said Section 21 to be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 6.5 miles southeast of Bloomfield, New Mexico.

CASE 10021: (Continued from July 25, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its existing Kutz Deep Test Well No. 2 located 990 feet from the South and East lines (Unit P) of Section 28, Township 28 North, Range 10 West, the S/2 of said Section 28 to be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 7.25 miles south-southwest of Blanco, New Mexico.

CASE 10022: (Continued from July 25, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its existing Feasel "A" Well No. 3 located 990 feet from the North line and 1070 feet from the West line (Unit D) of Section 34, Township 28 North, Range 10 West, the W/2 of said Section 34 to be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 7.25 miles south-southwest of Blanco, New Mexico.

CASE 10039: Application of Meridian Oil, Inc. for an unorthodox coal gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Rosa Unit Well No. 222 drilled at an unorthodox coal gas well location 1910 feet from the North line and 635 feet from the East line (Unit H) of Section 15, Township 31 North, Range 6 West, Basin-Fruitland Coal (Gas) Pool, the E/2 of said Section 15 dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. This application should also serve to correct all previous well records which had the subject well located at a standard coal gas well location, based upon an original survey made by Northwest Pipeline Corporation, 1880 feet from the North line and 830 feet from the East line (Unit H) of said Section 15. Said proration unit is located approximately 9.5 miles east by south of the Navajo Reservoir Dam.

CASE 10040: Application of Meridian Oil, Inc. for an unorthodox coal gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Rosa Unit Well No. 201 drilled at an unorthodox coal gas well location 1640 feet from the North line and 420 feet from the East line (Unit H) of Section 22, Township 31 North, Range 6 West, Basin-Fruitland Coal (Gas) Pool, the E/2 of said Section 22 dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. This application should also serve to correct all previous well records which had the subject well located at a standard coal gas well location, based upon an original survey made by Northwest Pipeline Corporation, 1230 feet from the North line and 1330 feet from the East line (Unit B) of said Section 22. Said proration unit is located approximately 9.25 miles east of the Navajo Reservoir Dam.

CASE 10041: Application of Meridian Oil, Inc. for five non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 6 of Division Order No. R-8768 to establish five non-standard gas spacing and proration units for Basin-Fruitland Coal (Gas) Pool production in Irregular Sections 12, 13, 24, 25, and 36, Township 30 North, Range 6 West. Said row of Sections are located approximately 5 to 9 miles north by west of Gobernador, New Mexico.

CASE 10042: Application of Meridian Oil, Inc. for six non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 6 of Division Order No. R-8789 to establish six non-standard gas spacing and proration units for Basin-Fruitland Coal (Gas) Pool production in Irregular Sections 30 and 31, Township 30 North, Range 7 West and Irregular Sections 6, 7, 18, and 19, Township 29 North, Range 7 West. Said row of Sections are located approximately 18 miles east of Blanco, New Mexico.

CASE 8350: (Reopened) (Continued from March 30, 1987, Commission Hearing.)

In the matter of Case 8350 being reopened pursuant to the provisions of Commission Order No. R-7745, which order promulgated temporary special rules and regulations for the Gavilan Greenhorn-Graneros-Dakota Oil Pool in Rio Arriba County, including a provision for 320-acre spacing units. Operators in said pool may appear and show cause why said pool should not be developed on 40-acre spacing units.

within 150 feet of a target point 1181 feet from the North line and 1533 feet from the East line (Unit B) of said Section 22, which is an unorthodox gas well location in said Morrow Gas Pool. The aforementioned Strawn penetration point is unorthodox if said zone is placed in the Undesignated South Parkway-Strawn Pool but is a standard gas well location if said zone is placed in the Undesignated East Burton Flat-Strawn Gas Pool. The N/2 of said Section 22 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit in both the Undesignated East Burton Flat-Strawn Gas Pool and the Undesignated East Burton Flat-Morrow Gas Pool and/or the NE/4 of said Section 22 is to be dedicated to said well to form a standard 160-acre oil spacing and proration unit in the Undesignated Parkway-Strawn Pool. Said area is located approximately 4 miles northwest of the junction of U.S. Highway 62/180 and New Mexico State Road No. 31.

CASE 9995: (Continued from July 11, 1990, Examiner Hearing.)

Application of Sendero Petroleum, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool underlying all of Section 8, Township 21 South, Range 23 East, forming a standard 640-acre gas spacing and proration unit for said pool, to be dedicated to the plugged and abandoned Santa Fe Exploration Company Indian Basin Federal Well No. 1 located at a previously authorized unorthodox gas well location (NSL-2809, dated June 7, 1990) 660 feet from the South and East lines (Unit P) of said Section 8. 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 the re-entering and recompleting of said well. Said unit is located approximately 3.75 miles west-northwest of the Marathon Oil Company Indian Basin Gas Plant.

CASE 10015: 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 6,300 feet, whichever is deeper, underlying the SE/4 NE/4 (Unit H) of Section 15, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 40-acre spacing, which presently includes but is not necessarily limited to the Undesignated Loving-Cherry Canyon Pool and Undesignated East Loving-Delaware Pool. Said unit is to be dedicated to a well 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles east-northeast of Loving, New Mexico.

CASE 10016: Application of Oryx Energy Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the E/2 of Section 23, Township 17 South, Range 35 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 South Shoe Bar-Atoka 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 5 miles east by north of Buckeye, New Mexico.

CASE 9997: (Continued from July 11, 1990, Examiner Hearing.)

Application of TXO Production 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 following described acreage in Section 20, Township 19 South, Range 25 East, and in the following manner: the E/2 to form 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 North Cemetery-Atoka Gas Pool, Cemetery-Morrow Gas Pool and Undesignated Boyd-Morrow Gas Pool); the SE/4 to form 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 (which presently includes the Undesignated North Dagger Draw-Upper Pennsylvanian Gas Pool); and the NE/4 SE/4 to form 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 units are to be dedicated to a single well to be drilled at a standard location 1980 feet from the South line and 660 feet from the East line (Unit I) 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7.5 miles west by north of Lakewood, New Mexico.

CASE 9973: (Continued from July 11, 1990, Examiner Hearing.)

Application of Manzano Oil Corporation for compulsory pooling and an unorthodox gas well location, 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 following described acreage in Section 14, Township 19 South, Range 33 East, and in the following described manner: the E/2 to form 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 Tonto-Atoka Gas Pool, Undesignated Quail Ridge-Morrow Gas Pool, Undesignated North Quail Ridge-Morrow Gas Pool, and Undesignated East Gem-Morrow Gas Pool) and the NE/4 to form 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 units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1980 feet from the North line and 2310 feet from the East line (Unit G) of said Section 14. 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 location is approximately 7 miles southwest by west of the old Hobbs Army Air Corps Auxiliary Airfield No. 4.

Dockets Nos. 22-90 and 23-90 are tentatively set for August 8, 1990 and August 22, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 25, 1990

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, Alternate Examiner:

CASE 9977: (Readvertised)

Application of Pacific Enterprises Oil Company (USA) for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the E/2 of Section 34, Township 17 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 spaced on 320 acres, which presently includes but is not necessarily limited to the Empire-Pennsylvanian Gas Pool, said unit 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 1/2 mile southeast of the junction of U.S. Highway 82 and New Mexico State Highway No. 360.

CASE 10010: Application of Oxy USA, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the Wolfcamp formation to the base of the Morrow formation underlying the E/2 of Section 29, Township 21 South, Range 27 East, forming a 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 La Huerta-Strawn Gas Pool, Undesignated La Huerta-Atoka Gas Pool, and East Carlsbad-Morrow Gas Pool), said unit 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 2 miles northeast of Carlsbad, New Mexico.

CASE 9998: (Continued from July 11, 1990, Examiner Hearing.)

Application of Yates Energy Corporation to amend Division Order No. R-9093, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-9093, as amended, which order compulsorily pooled all mineral interests in the Undesignated Tamano-Bone Spring Pool underlying the SE/4 SW/4 (Unit N) of Section 1, Township 18 South, Range 31 East. Applicant now seeks to include a provision within said order pooling all mineral interests in the Undesignated Tamano-San Andres Pool. Said unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 10011: 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 approval for an unorthodox gas well location 1980 feet from the South line and 990 feet from the West line (Unit L) of Section 27, Township 21 South, Range 32 East, to test the Undesignated Bilbrey-Morrow Gas Pool, the S/2 of said Section 27 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. Said unit location is approximately eight miles south-southeast of the junction of U.S. Highway 62/180 and New Mexico State Highway 176.

CASE 10012: Application of Santa Fe Energy Operating Partners, L. P. for compulsory pooling, non-standard gas proration unit, 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 Lots 4 through 7 and the SE/4 (S/2 equivalent) of Section 12, Township 22 South, Range 25 East, forming a non-standard 332.74-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 Catclaw Draw-Wolfcamp Gas Pool, Undesignated McKittrick Canyon-Upper Pennsylvanian Gas Pool, Undesignated Hackberry Hills-Canyon Gas Pool, Undesignated Happy Valley-Morrow Gas Pool, and Undesignated Revelation-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at an unorthodox gas well location 1680 feet from the South line and 330 feet from the West line (Unit L) of said Section 12. 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 7 miles west of Carlsbad, New Mexico.

CASE 10013: Application of Bridge Oil Company, L. P. 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 Mississippian formation underlying the E/2 of Section 34, Township 15 South, Range 35 East, to form 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 and the NE/4 of said Section 34 to form a standard 160-acre gas spacing and proration unit for all formations and or pools developed on 160-acre spacing. Both aforementioned units are to be dedicated to its Julia Culp Well No. 2 presently drilling 2310 feet from the North line and 660 feet from the East line (Unit H) of said Section 34 (which is a standard gas well location for 320-acre spacing but unorthodox for 160-acre spacing). 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 3 miles northwest by west of Lovington, New Mexico.

CASE 10014: Application of Yates Petroleum Corporation for directional drilling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Gazelle "AHG" Federal Well No. 2 from a surface location 1000 feet from the South line and 5 feet from the East line (Unit P) of Section 16, Township 20 South, Range 29 East, in such a manner as to penetrate the Strawn formation within 150 feet of a target point 825 feet from the North line and 2145 feet from the East line (Unit B) of Section 22, Township 20 South, Range 29 East and continue to drill in such a manner as to bottom the well in the Undesignated East Burton Flat-Morrow Gas Pool

Dockets Nos. 21-90 and 22-90 are tentatively set for July 25, 1990 and August 8, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 11, 1990

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for August, 1990, from fourteen prorated gas pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for August, 1990, from four prorated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9995: Application of Sendero Petroleum, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool underlying all of Section 8, Township 21 South, Range 23 East, forming a standard 640-acre gas spacing and proration unit for said pool, to be dedicated to the plugged and abandoned Santa Fe Exploration Company Indian Basin Federal Well No. 1 located at a previously authorized unorthodox gas well location (NSL-2809, dated June 7, 1990) 660 feet from the South and East lines (Unit P) of said Section 8. 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 the re-entering and recompletion of said well. Said unit is located approximately 3.75 miles west-northwest of the Marathon Oil Company Indian Basin Gas Plant.

CASE 9996: Application of TXO Production for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its proposed Yates Federal Well No. 16 to be drilled 2540 feet from the South line and 100 feet from the East line (Unit I) of Section 18, Township 20 South, Range 29 East, to test the Undesignated Burton-Delaware Pool. The NE/4 SE/4 of said Section 18 is to be dedicated to said well forming a standard statewide 40-acre oil spacing and proration unit for said pool. Said unit is located approximately 7.5 miles west northwest of the junction of U.S. Highway 62/180 and old New Mexico Highway 31.

CASE 9997: Application of TXO Production 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 following described acreage in Section 20, Township 19 South, Range 25 East, and in the following manner: the E/2 to form 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 North Cemetery-Atoka Gas Pool, Cemetery-Morrow Gas Pool and Undesignated Boyd-Morrow Gas Pool); the SE/4 to form 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 (which presently includes the Undesignated North Dagger Draw-Upper Pennsylvanian Gas Pool); and the NE/4 SE/4 to form 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 units are to be dedicated to a single well to be drilled at a standard location 1980 feet from the South line and 660 feet from the East line (Unit I) 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7.5 miles west by north of Lakewood, New Mexico.

CASE 9973: (Continued from June 27, 1990, Examiner Hearing.)

Application of Manzano Oil Corporation for compulsory pooling and an unorthodox gas well location, 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 following described acreage in Section 14, Township 19 South, Range 33 East, and in the following described manner: the E/2 to form 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 Tonto-Atoka Gas Pool, Undesignated Quail Ridge-Morrow Gas Pool, Undesignated North Quail Ridge-Morrow Gas Pool, and Undesignated East Gem-Morrow Gas Pool) and the NE/4 to form 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 units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1980 feet from the North line and 2310 feet from the East line (Unit G) of said Section 14. 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 location is approximately 7 miles southwest by west of the old Hobbs Army Air Corps Auxiliary Airfield No. 4.

CASE 9950: (Continued from June 27, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the E/2 of Section 17, Township 18 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 (which presently includes but is not necessarily limited to the Undesignated North Shugart-Atoka Gas Pool and the Undesignated North Shugart-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 5 miles south of the junction of U.S. Highway 82 and State Highway No. 3/South.

CASE 9998: Application of Yates Energy Corporation to amend Division Order No. R-9093, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-9093, as amended, which order compulsorily pooled all mineral interests in the Undesignated Tamano-Bone Spring Pool underlying the SE/4 SW/4 (Unit N) of Section 1, Township 18 South, Range 31 East. Applicant now seeks to include a provision within said order pooling all mineral interests in the Undesignated Tamano-San Andres Pool. Said unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 9999: Application of Mobil Producing Texas and New Mexico Inc. for dual completion and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Bridges State Well No. 36, located 660 feet from the North and West lines (Unit D) of Section 25, Township 17 South, Range 34 East, in such a manner as to allow production from the Vacuum Grayburg-San Andres Pool and the downhole commingled production from both the Vacuum-Glorieta Pool and Vacuum-Blinebry Pool through two parallel strings of tubing. Said well is located approximately 1/2 mile west-northwest of Buckeye, New Mexico.

CASE 10000: Application of Mobil Producing Texas and New Mexico Inc. for a new waterflood project, dual completions, waterflood expansion and two unorthodox water injection well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a new waterflood project on its State Bridges Lease comprising all or portions of Sections 3, 10, 11, 12, 13, 14, 15, 23, 24, 25, 26 and 27, Township 17 South, Range 34 East, by the commingled injection of a water stream into the Vacuum-Glorieta and Vacuum-Blinebry Pools through the following six wells:

WELL NO.	FOOTAGE LOCATION	UNIT	SECTION
601 (to be drilled)	1670'FNL - 2600'FWL	N	25
602 (to be drilled)	1190'FNL - 1260'FWL	D	25
109	610'FSL - 1830'FWL	N	24
116	1880'FSL - 510'FWL	L	24
119	1980'FNL - 1780'FWL	F	24
204	660'FNL - 860'FWL	P	24

Applicant further seeks to expand its Bridges Vacuum Grayburg San Andres Waterflood Project by dually completing said Well Nos. 601 and 602 such that water injection into the Grayburg/San Andres formation will be through a second parallel string of tubing. Also, said well Nos. 109, 116, 119 and 204 are to be completed in a similar manner as to allow the injection of water into said commingled Blinebry/Glorieta injection zone and to continue injecting water into the North Vacuum Abo Pressure Maintenance Project through parallel strings of tubing. Said area is located approximately 1/2 mile northwest of Buckeye, New Mexico.

CASE 10001: Application of Santa Fe Energy Operating Partners, L. P. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 5000 feet below the surface to the base of the Morrow formation underlying the E/2 of Section 20, Township 17 South, Range 29 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 North Grayburg-Atoka Gas Pool, Undesignated Grayburg-Atoka Gas Pool, Undesignated Grayburg-Morrow Gas Pool, and Undesignated South Empire-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 6.5 miles west of Loco Hills, New Mexico.

CASE 10002: Application of Bridge Oil Company, L. P. for pool creation, special pool rules, discovery allowable, and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Devonian production comprising the E/2 NE/4 of Section 34, Township 15 South, Range 35 East, and the promulgation of temporary special pool rules therefor including a provision for 80-acre spacing and designated locations. Applicant further seeks the assignment of an oil discovery allowable as allowed by General Rule 509 to the discovery well for said pool being the applicant's Julia Culp Well No. 2 located at an unorthodox oil well location for the proposed special pool rules 2310 feet from the North line and 660 feet from the East line (Unit H) of said Section 34. Said area is located approximately 3.5 miles northwest of Lovington, New Mexico.

CASE 10003: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 36, Township 29 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to the existing FC State Com Well No. 17 located at a standard coal gas well location 1580 feet from the South line and 1335 feet from the West line (Unit K) 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 2.5 miles south by west of Blanco, New Mexico.

CASE 10004: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 32, Township 29 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed FC State Com Well No. 8 to be drilled at a standard coal gas well location in the SW/4 of said Section 32. 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 8 miles east-southeast of Blanco, New Mexico.

CASE 9953: (Continued from June 13, 1990, Examiner Hearing.)

Application of Oryx Energy 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 Morrow formation underlying the following described acreage in Section 24, Township 17 South, Range 35 East, and in the following described manner: the W/2 to form 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 South Shoe Bar- Atoka Gas Pool); the NW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing within said vertical extent; and the SE/4 NW/4 to form standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on statewide 40-acre oil spacing (which presently includes but is not necessarily limited to the Undesignated Vacuum-Abo Reef Pool, the Vacuum Grayburg-San Andres Pool, and the Undesignated Vacuum-Glorieta Pool). Said units are to be dedicated to a single well to be drilled at a standard location in the SE/4 NW/4 (Unit F) of said Section 24. 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. This area is located approximately 5.5 miles east by north of Buckeye, New Mexico.

CASE 9972: Application of Gary L. Bennett 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 Cavalcade Federal "21" Lease comprising the E/2 SW/4 and SE/4 of Section 21, Township 18 South, Range 32 East, by the injection of water into the Querecho Plains-Queen Associated Pool through the perforated interval from approximately 4088 feet to 4130 feet in its Well No. 4 located 400 feet from the South line and 660 feet from the East line (Unit P) of said Section 21. Said area is located approximately 8.75 miles south of Maljamar, New Mexico.

CASE 9973: Application of Manzano Oil Corporation for compulsory pooling and an unorthodox gas well location, 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 following described acreage in Section 14, Township 19 South, Range 33 East, and in the following described manner: the E/2 to form 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 Tonto-Atoka Gas Pool, Undesignated Quail Ridge-Morrow Gas Pool, Undesignated North Quail Ridge-Morrow Gas Pool, and Undesignated East Gem-Morrow Gas Pool) and the NE/4 to form 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 units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1980 feet from the North line and 2310 feet from the East line (Unit G) of said Section 14. 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 location is approximately 7 miles southwest by west of the old Hobbs Army Air Corps Auxiliary Airfield No. 4.

CASE 9950: (Continued from May 30, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the E/2 of Section 17, Township 18 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 (which presently includes but is not necessarily limited to the Undesignated North Shugart-Atoka Gas Pool and the Undesignated North Shugart-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 5 miles south of the junction of U.S. Highway 82 and State Highway No. 3/South.

CASE 9974: Application of Meridian Oil, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling certain record title owners of a federal oil and gas lease in the Basin-Fruitland Coal (Gas) Pool underlying the S/2 equivalent of Section 35, Township 31 North, Range 4 West, forming a standard 320-acre, more or less, gas spacing and proration unit for said pool, to be dedicated to the Chicosa Canyon Well No. 1 located at a standard coal gas well location 830 feet from the South line and 1100 feet from the West line (Unit M) of said Section 35, which is located approximately 10.25 miles south of Mile Corner No. 230 on the New Mexico/ Colorado stateline. Also to be considered will be the designation of applicant as operator of the well and unit.

CASE 9975: Application of Meridian Oil, Inc. for fourteen non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to establish fourteen non-standard gas spacing and proration units for Basin-Fruitland Coal Gas Pool production in Sections 7 through 12, 18, 19, 30 and 31, Township 32 North, Range 9 West; Sections 6 and 18, Township 31 North, Range 9 West; and Sections 11 and 12, Township 32 North, Range 10 West. This area includes those partial Sections along the New Mexico/Colorado Stateline which extend 9 miles east from the Animas River and includes the western portions of those partial western most Sections in Townships 31 and 32 North, Range 9 West, which extend south for approximately 8 miles from Mile Corner No. 263 located on the stateline.

CASE 9976: Application of Southland Royalty Company for two non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for two non-standard gas spacing and proration units for Basin-Fruitland Coal Gas Pool production in portions of Sections 23 and 24, Township 31 North, Range 12 West. Said area is located 6 miles north by east of Flora Vista, New Mexico.

Dockets Nos. 19-90 and 20-90 are tentatively set for July 11, 1990 and July 25, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 27, 1990

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, Alternate Examiner:

CASE 9968: Application of Mobil Exploration Producing U.S. Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Siluro-Devonian formations in the open hole interval from approximately 11,800 feet to 13,970 feet in its State Section "27" Well No. 1 located 660 feet from the North line and 1983 feet from the East line (Unit B) of Section 27, Township 18 South, Range 35 East, South Vacuum-Devonian Pool, which is approximately 2 miles northwest by west of the junction of New Mexico State Highway Nos. 8 and 529.

CASE 9969: Application of Hixon Development Company for downhole commingling and a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authorization to commingle oil production from the Undesignated Gavilan-Mancos Oil and Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pool within the wellbore of its Evans Well No. 1 located 790 feet from the North and West lines (Unit D) of Section 5, Township 24 North, Range 2 West. Applicant further seeks approval for a 326.44-acre non-standard oil proration unit for both pools comprising Lots 3 and 4, the S/2 NW/4, and SW/4 (W/2 equivalent) of said Section 5. Said well is located approximately 3 miles northwest by north of Lindrith, New Mexico.

CASE 9961: (Continued from June 13, 1990, 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 18, Township 17 South, Range 27 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 Logan Draw-Cisco Canyon Gas Pool, Undesignated Riverside-Atoka Gas Pool, and Undesignated Logan Draw-Morrow Gas Pool. Said unit is to be dedicated to a single 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 1 mile east of Riverside, New Mexico.

CASE 9924: (Continued from June 13, 1990, Examiner Hearing.)

Application of Strata Production Company to amend Division Order No. R-9097, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9097, which authorized a horizontal directional drilling pilot project in the SE/4 of Section 18, Township 26 South, Range 25 East, being a standard 160-acre gas spacing and proration unit in the Bone Spring formation by expanding the prescribed area limiting the horizontal displacement of the proposed wellbore such that any portion thereof can be no closer than 330 feet from the North line, nor closer than 660 feet from the East and West lines, nor closer than 460 feet from the South line of said 160-acre tract. Said location is approximately 2.5 miles east of Mile Post No. 6 on U.S. Highway 62/180.

CASE 9970: Application of Pacific Enterprises Oil Company (USA) 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 following described acreage in Section 16, Township 17 South, Range 31 East, and in the following manner: the E/2 to form 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 Fren-Pennsylvanian Gas Pool); the SE/4 to form 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; and the NW/4 SE/4 to form 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 Fren-Seven Rivers Pool, Grayburg-Jackson Seven Rivers-Queen-Grayburg-San Andres Pool, and Undesignated Fren-Paddock Pool). Said units are to be dedicated to a single well to be drilled at a standard location in the NW/4 SE/4 (Unit J) of said Section 16. 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 area is located approximately 1.5 miles north of the junction of U.S. Highway 82 and New Mexico State Highway 529.

CASE 9971: Application of Conoco, Inc. for two salt water disposal wells, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in its Southeast Monument Unit Wells Nos. 99 and 101, located 1980 feet from the North line and 1650 feet from the West line (Unit F) and 660 feet from the North line and 330 feet from the West line (Unit D), respectively, of Section 29, Township 20 South, Range 38 East, Eunice-Monument Pool. Both wells are located approximately 7.25 miles north of Eunice, New Mexico.