

THE COMMISSION HEARING SCHEDULED FOR MAY 29, 1985, HAS BEEN CONTINUED TO JUNE 12, 1985, AT 9 O'CLOCK A.M. IN THE OIL CONSERVATION DIVISION CONFERENCE ROOM.

Dockets Nos. 20-85 and 21-85 are tentatively set for June 19th and July 2, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 5, 1985

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

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner, Alternate Examiner:

CASE 3599: (Continued from May 22, 1985, Examiner Hearing)

Application of L. L. Robinett to remove and market oil from the Ogalalla formation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to remove and market oil from the Ogalalla formation underlying the S/2 SE/4 of Section 29, Township 19 South, Range 37 East, without restriction concerning the method of operation or quantity of oil recovered.

CASE 3461: (Continued from May 22, 1985, Examiner Hearing) (This case will be dismissed)

Application of Alpha Twenty-One Production 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 Grayburg formation underlying the SE/4 NE/4 of Section 32, Township 18 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 3600: (Continued from May 22, 1985, Examiner Hearing)

Application of Wayne Newkumet for the contraction and extension of the horizontal limits of two Permo Pennsylvanian oil pools, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the North Morton-Permo Pennsylvanian Pool by the deletion therefrom of the S/2 of Section 25, SE/4 of Section 26, and the N/2 of Section 36, Township 14 South, Range 34 East, and the extension of the High Plains-Permo Pennsylvanian Pool to include the SW/4 of Section 25, the SE/4 of Section 26, and the NW/4 of Section 36, Township 14 South, Range 34 East. Applicant also seeks an exception to the well location requirements for the High Plains-Permo Pennsylvanian Pool for any well reclassified from the North Morton-Permo Pennsylvanian Pool, which well's location does not satisfy the High Plains-Permo Pennsylvanian Pool Rules requirements.

CASE 3601: (Continued from May 22, 1985, Examiner Hearing)

Application of Read & Stevens, Inc. for three unorthodox gas well locations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for three unorthodox gas well locations in the Buffalo Valley-Pennsylvanian Gas Pool at the following locations, all within Township 15 South, Range 27 East:

Langley Federal Com Well No. 4
1570' FNL - 1780' FEL
Section 14, N/2 dedication;

Langley Federal Com Well No. 3
1190' FSL - 2310' FEL
Section 14, S/2 dedication;

Toles Federal Well No. 2
1980' FSL - 990' FNL
Section 24, S/2 dedication.

CASE 8563: (Continued from May 22, 1985, Examiner Hearing) (This case will be dismissed)

Application of Cabot Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres and Glorieta formations in the open-hole interval from 4583 feet to 6730 feet in the J. L. Reed Well No. 3 located 1980 feet from the North line and 1650 feet from the East line of Section 35, Township 13 South, Range 37 East.

CASE 8602: (Continued from May 22, 1985, Examiner Hearing) (This case will be dismissed)

Application of TXO Production Corp. 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 top of the Wolfcamp formation underlying the NW/4 of Section 29, Township 22 South, Range 26 East, to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools dedicated on 160-acre spacing, to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the W/2 of said Section 29 to form a standard 320-acre gas spacing and proration unit within said vertical limits also to be dedicated to the above-mentioned well at a standard gas well location for a 320-acre gas spacing and proration unit. In the event oil is encountered in any producing horizon from the surface to the base of the Morrow formation, the applicant proposes to dedicate the SW/4 NW/4 of said Section 29, forming a standard 40-acre oil spacing and proration unit also to be dedicated to said well. Also to be considered, in any case, 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.

CASE 8564: (Continued from May 22, 1985 Examiner Hearing)

Application of the Commissioner of Public Lands for the State of New Mexico for amendment of Division Order No. R-7817, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7817 to rescind that portion of said Order No. R-7817 which authorized TXO Production Corp. to pool all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 2, Township 22 South, Range 27 East.

CASE 8603: (Continued from May 22, 1985, Examiner Hearing)

Application of Sage Energy Company for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bough "C" member of the Cisco formation in the perforated interval from 9777 feet to 9795 feet in its Cabot State Well No. 4 located 1980 feet from the North and East lines of Section 32, Township 8 South, Range 36 East.

CASE 8604: (Continued from May 22, 1985, Examiner Hearing)

Application of HCW Exploration, Inc. for compulsory pooling and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Jalmat Gas Pool, underlying the SE/4 of Section 27, Township 23 South, Range 36 East, forming a 160-acre non-standard gas proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8605: (Continued from May 22, 1985, Examiner Hearing)

Application of Doyle Hartman to rescind Division Order No. R-3690, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to rescind Division Order No. R-3690 which authorized the disposal of produced water into the Seven Rivers formation through the Etz Well No. 3 located 330 feet from the South line and 1650 feet from the West line of Section 27, Township 23 South, Range 36 East, Jalmat Gas Pool, in which HCW Exploration, Inc. is the operator.

Dockets Nos. 8-85 and 10-85 are tentatively set for March 27 and April 10, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 13, 1985

8:00 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for April, 1985, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for April, 1985, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8492: (Continued and Readvertised)

Application of Gulf Oil Corporation for a unit agreement, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Hospah Federal-State Unit Area comprising 1439.01 acres, more or less, of Federal and State lands in Townships 18 and 19 North, Range 8 West.

- CASE 8509: Application of TXO Production Corporation for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Strawn formation underlying the E/2 of Section 14, Township 21 South, Range 27 East, to form a standard 320-acre gas spacing and production unit, to be dedicated to a well to be drilled at an unorthodox gas well location 990 feet from the North line and 1980 feet from the East line 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.

CASE 8461: (Continued from January 30, 1985, Examiner Hearing)

Application of Alpha Twenty-One Production 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 Grayburg formation underlying the SE/4 NE/4 of Section 32, Township 18 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8462: (Continued from January 30, 1985, Examiner Hearing)

Application of Alpha Twenty-One Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 3700 feet to 4000 feet in the existing Sun Exploration and Production Company Gregory "A" Well No. 3 located 660 feet from the North and West lines (Unit D) of Section 33, Township 25 South, Range 37 East.

- CASE 8510: Application of Santa Fe Energy Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 990 feet from the North line and 660 feet from the West line (Unit D) of Section 25, Township 22 South, Range 27 East, to test the Wolfcamp, Strawn and Morrow formations, the W/2 of said Section 25 to be dedicated to the well.

- CASE 8511: Application of Santa Fe Energy Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1570 feet from the South line and 990 feet from the East line (Unit I) of Section 22, Township 22 South, Range 27 East, to test the Wolfcamp, Strawn and Morrow formations, the S/2 of said Section 22 to be dedicated to the well.

- CASE 8512: Application of Gary-Williams Oil Producer for an unorthodox oil well location, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1739 feet from the North line and 2107 feet from the West line of Section 32, Township 21 North, Range 3 West, the SE/4 NW/4 of said Section 32 to be dedicated to the well, Rio Puerco-Mancos Oil Pool.

- CASE 8513: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Undesignated Gallup and Basin-Dakota production in the wellbore of its Rosa Unit Well No. 59 located 1120 feet from the South line and 1560 feet from the West line (Unit N) of Section 25, Township 31 North, Range 6 West.
- CASE 8514: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Undesignated Gallup and Basin-Dakota production in the wellbore of its Rosa Unit Well No. 98 located 1840 feet from the South line and 790 feet from the West line (Unit L) of Section 23, Township 31 North, Range 6 West.
- CASE 8515: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Undesignated Gallup and Basin-Dakota production in the wellbore of its Rosa Unit Well No. 99Y located 855 feet from the South line and 1790 feet from the West line (Unit N) of Section 26, Township 31 North, Range 6 West.
- CASE 8516: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Undesignated Gallup and Basin-Dakota production in the wellbore of its Rosa Unit Well No. 100 located 890 feet from the South line and 1850 feet from the West line (Unit N) of Section 21, Township 31 North, Range 6 West.
- CASE 8517: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Undesignated Gallup and Basin-Dakota production in the wellbore of its Rosa Unit Well No. 101 located 1760 feet from the South line and 1850 feet from the West line (Unit K) of Section 24, Township 31 North, Range 6 West.
- CASE 8518: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Undesignated Gallup and Basin-Dakota production in the wellbore of its Rosa Unit Well No. 102 located 1790 feet from the South line and 900 feet from the East line (Unit I) of Section 30, Township 31 North, Range 5 West.
- CASE 8504: (Continued and Readvertised) (This case will be dismissed.)
- Application of Southland Royalty Company 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 formation to the base of the Pennsylvanian formation underlying the S/2 of Section 12, Township 19 South, Range 28 East, 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.
- CASE 8445: (Continued from February 13, 1985, Examiner Hearing)
- Application of GeoEngineering, Inc. for an exception to General Rules 104-F and 104 C.I., McKinley County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rules 104-F and 104 C.I. of the Division's General Rules and Regulations within portions of Sections 20, 21, 22, 27, 28, 29, and 30, all in Township 20 North, Range 9 West, to provide for Mesaverde oil wells to be located not nearer than 10 feet to the quarter-quarter section line nor nearer than 165 feet to lands owned by an offset operator and to also permit applicant to develop the Mesaverde formation within said area with more than four wells on each 40-acre tract.
- CASE 8519: Application of ARCO Oil and Gas Co. for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Upper Pennsylvanian production comprising the E/2 NW/4 of Section 35, Township 17 South, Range 29 East, and the promulgation of temporary special pool rules therefor including a provision for 80-acre well spacing and proration units and special well location requirements.
- CASE 8520: Application of ARCO Oil and Gas Co. for amendment of Division Order No. R-638-B, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-638-B, as amended, to delete that portion requiring proration units to consist of either the E/2 or W/2 of each governmental quarter section.

Docket Nos. 14-85 and 15-85 are tentatively set for May 8 and May 22, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - MONDAY - APRIL 22, 1985

9 A.M. - OIL CONSERVATION COMMISSION - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following case was continued from April 3, 1985, Commission Hearing:

CASE 8224: In the matter of the hearing called by the Oil Conservation Commission on its own motion to define the vertical and areal extent of aquifers potentially vulnerable to contamination by the surface disposition of water produced in conjunction with the production of oil and gas in McKinley, Rio Arriba, Sandoval and San Juan Counties, New Mexico. Applicant seeks to define such areas and prohibit and/or limit the disposition of such produced waters on the surface of the ground therein at any location where such waters are produced or collected.

Docket No. 13-85

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 24, 1985

8 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 Gilbert P. Quintana, Alternate Examiner:

CASE 8561: Application of Mar Oil & Gas Corp. Inc. for a unit agreement, Torrance County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Willard Unit Area comprising 7040 acres, more or less, of State, Federal and Fee lands in Townships 4 and 5 North, Range 8 East.

CASE 8562: Application of Mar Oil & Gas Corp. Inc. for a unit agreement, Torrance County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Berkshire Unit Area comprising 27,840 acres, more or less, of State, Federal and Fee lands in Townships 6 and 7 North, Ranges 9 and 10 East.

CASE 8582: Application of Parabo, Inc. for amendment of Division Order No. R-5516, as amended, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-5516, as amended, authorizing the water levels to be raised in Pits 2, 3, 5, 6, and 7.

CASE 8563: (This case will be continued to May 22, 1985)

Application of Cabot Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres and Glorieta formations in the open-hole interval from 4583 feet to 6730 feet in the J. L. Reed Well No. 3 located 1980 feet from the North line and 1650 feet from the East line of Section 35, Township 13 South, Range 37 East.

CASE 8461: (Continued from March 13, 1985, Examiner Hearing)

Application of Alpha Twenty-One Production 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 Grayburg formation underlying the SE/4 NE/4 of Section 32, Township 18 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8462: (Continued from March 13, 1985, Examiner Hearing)

Application of Alpha Twenty-One Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 3700 feet to 4000 feet in the existing Sun Exploration and Production Company Gregory "A" Well No. 3 located 660 feet from the North and West lines (Unit D) of Section 33, Township 25 South, Range 37 East.

CASE 8564: Application of the Commissioner of Public Lands for the State of New Mexico to vacate and void Division Order No. R-7817, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to vacate and void Division Order No. R-7817 which authorized TXO Production Company to pool all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 2, Township 22 South, Range 27 East, to be dedicated to a well at an unorthodox gas well location 660 feet from the South and East lines.

CASE 8534: (Continued from April 10, 1985, Examiner Hearing) (This case will be dismissed.)

Application of A.M. Kalaf and George Kalaf for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the East Puerto Chiquito-Mancos Oil Pool underlying the SE/4 of Section 4, Township 25 North, Range 1 East, to be dedicated to a well to be drilled at standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8565: (This case will be dismissed)

Application of TXO Production Corp. for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 2, Township 22 South, Range 27 East, to be dedicated to a well to be drilled at an unorthodox well location 660 feet from the South and East lines of said Section 2. 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.

CASE 8552: (Continued from April 10, 1985, Examiner Hearing)

Application of J. M. Huber 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 Wolfcamp formation underlying the N/2 NW/4 of Section 8, Township 13 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8471: (Continued from March 27, 1985, Examiner Hearing)

Application of Amoco Production Company for NGPA Wellhead Price Ceiling Category Determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the determination that its Wood Gas Com "A" Well No. 1 located in the NW/4 NE/4 of Section 4, Township 31 North, Range 10 West, NMPM, Cedar Hill Fruitland Basal Coal Gas Pool, meets the NGPA well category criteria for Section 107, High Cost Occluded Gas Produced from Coal Seams, under Section 107 of the Natural Gas Policy Act of 1978.

CASE 8566: Application of Amoco Production Company for NGPA Wellhead Price Ceiling Category determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the determination that its Leeper Gas Com "D" Well No. 1-Y located 1500 feet from the South line and 840 feet from the West line of Section 34, Township 32 North, Range 10 West, NMPM, Cedar Hill Fruitland Basal Coal Gas Pool, meets the NGPA well category criteria set for Section 107, High Cost Occluded Gas Produced from Coal Seams, under Section 107 of the Natural Gas Policy Act of 1978.

CASE 8567: Application of Southland Royalty Company for pool creation and discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Bone Spring production comprising the NE/4 SE/4 of Section 15, Township 18 South, Range 34 East, and the assignment of a discovery allowable in the amount of 49,235 barrels for its Tonto State 15 Well No. 1.

Dockets Nos. 17-85 and 18-85 are tentatively set for June 5th and June 19th, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 22, 1985

8:00 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 Gilbert P. Quintana, Alternate Examiner:

CASE 8599: Application of L. L. Robinett to remove and market oil from the Ogalalla formation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to remove and market oil from the Ogalalla formation underlying the S/2 SE/4 of Section 29, Township 19 South, Range 37 East, without restriction concerning the method of operation or quantity of oil recovered.

CASE 8461: (Continued from April 24, 1985, Examiner Hearing)

Application of Alpha Twenty-One Production 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 Grayburg formation underlying the SE/4 NE/4 of Section 32, Township 18 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 3600: Application of Wayne Newkumet for the contraction and extension of the horizontal limits of two Permo Pennsylvanian oil pools, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the North Morton-Permo Pennsylvanian Pool by the deletion therefrom of the S/2 of Section 25, SE/4 of Section 26, and the N/2 of Section 36, Township 14 South, Range 34 East, and the extension of the High Plains-Permo Pennsylvanian Pool to include the SW/4 of Section 25, the SE/4 of Section 26, and the NW/4 of Section 36, Township 14 South, Range 34 East. Applicant also seeks an exception to the well location requirements for the High Plains-Permo Pennsylvanian Pool for any well reclassified from the North Morton-Permo Pennsylvanian Pool, which well's location does not satisfy the High Plains-Permo Pennsylvanian Pool Rules requirements.

CASE 8593: (Continued from May 8, 1985, Examiner Hearing)

Application of Corrine B. Grace for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Carlsbad Grace Well No. 1 located 1980 feet from the South line and 660 feet from the East line of Section 36, Township 22 South, Range 26 East, South Carlsbad-Strawn Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8601: Application of Read & Stevens, Inc. for three unorthodox gas well locations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for three unorthodox gas well locations in the Buffalo Valley-Pennsylvanian Gas Pool at the following locations, all within Township 15 South, Range 27 East:

Langley Federal Com Well No. 4
1570' FNL - 1780' FEL
Section 14, N/2 dedication;

Langley Federal Com Well No. 3
1190' FSL - 2310' FEL
Section 14, S/2 dedication;

Toles Federal Well No. 2
1980' FSL - 990' FWL
Section 24, S/2 dedication.

CASE 8563: (Continued from April 24, 1985, Examiner Hearing)

Application of Cabot Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres and Glorieta formations in the open-hole interval from 4583 feet to 6730 feet in the J. L. Reed Well No. 3 located 1980 feet from the North line and 1650 feet from East line of Section 35, Township 13 South, Range 37 East.

CASE 3602: Application of TXO Production Corp. 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 top of the Wolfcamp Formation underlying the NW/4 of Section 29, Township 22 South, Range 26 East, to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools dedicated on 160-acre spacing, to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the W/2 of said Section 29 to form a standard 320-acre gas spacing and proration unit within said vertical limits also to be dedicated to the above-mentioned well at a standard gas well location for a 320-acre gas spacing and proration unit. In the event oil is encountered in any producing horizon from the surface to the base of the Morrow formation, the applicant proposes to dedicate the SW/4 NW/4 of said Section 29, forming a standard 40-acre oil spacing and proration unit also to be dedicated to said well. Also to be considered, in any case, 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.

CASE 8564: (Continued and Readvertised)

Application of the Commissioner of Public Lands for the State of New Mexico for amendment of Division Order No. R-7817, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7817 to rescind that portion of said Order No. R-7817 which authorized TXO Production Corp. to pool all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 2, Township 22 South, Range 27 East.

CASE 8603: Application of Sage Energy Company for salt water disposal, Roosevelt County, New Mexico.

Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bough "C" member of the Cisco formation in the perforated interval from 9777 feet to 9795 feet in its Cabot State Well No. 4 located 1980 feet from the North and East lines of Section 32, Township 8 South, Range 36 East.

CASE 8604: Application of HCW Exploration, Inc. for compulsory pooling and a non-standard gas proration unit, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Jalmat Gas Pool, underlying the SE/4 of Section 27, Township 23 South, Range 36 East, forming a 160-acre non-standard gas proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator the well and a charge for risk involved in drilling said well.

CASE 8545: (Continued from May 8, 1985, Examiner Hearing)

Application of Myco Industries for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the perforated interval from 13,820 feet to 14,200 feet in the Shell Oil Company Big Eddy Unit Well No. 1 located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 36, Township 21 South, Range 28 East.

CASE 8605: Application of Doyle Hartman to rescind Division Order No. R-3690, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks to rescind Division Order No. R-3690 which authorized the disposal of produced water into the Seven Rivers formation through the Etz Well No. 3 located 330 feet from the South line and 1650 feet from the West line of Section 27, Township 23 South, Range 36 East, Jalmat Gas Pool, in which HCW Exploration, Inc. is the operator.

CASE 8594: (Continued and Readvertised)

Application of Doyle Hartman for compulsory pooling, a non-standard gas proration unit, 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 Jalmat Gas Pool underlying the SE/4 of Section 27, Township 23 South, Range 36 East, forming a 160-acre spacing and proration unit, to be dedicated to a well to be drilled 660 feet from the South line and 330 feet from the East line of said Section 27. Applicant further seeks approval for a 160-acre non-standard Jalmat Gas Pool spacing and proration unit comprising said SE/4 of Section 27 also to be dedicated to the aforementioned well which is an unorthodox gas well location in the Jalmat Gas Pool. 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.

- CASE 8464: Application of Mobil Producing Texas & New Mexico, Inc. for infill findings, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that infill drilling of all proration units in the North Vacuum Abo Pool located in portions of Townships 16 and 17 South, Ranges 34 and 35 East, is necessary to effectively and efficiently drain these proration units.
- CASE 8465: Application of Bison Petroleum Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1980 feet from the North line and 1200 feet from the West line of Section 34, Township 13 South, Range 30 East, NMPM, Southeast Chaves Queen Gas Area Associated Pool, the SW/4 NW/4 (Unit E) of said Section 34 to be dedicated to the well.
- CASE 8466: Application of El Paso Natural Gas Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox infill gas well location 1180 feet from the North line and 2440 feet from the East line of Section 9, Township 32 North, Range 7 West, NMPM, Blanco Mesaverde Pool, the previously approved 376.88-acre non-standard proration unit comprising the SE/4, E/2 SW/4 and Lots 1, 2, and 3 of said Section 9 and Lots 3 and 4 and the NW/4 SW/4 of Section 10, Township 32 North, Range 7 West, to be dedicated to the well.
- CASE 8467: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Jalmat Gas Pool and Langlie Mattix Pool production in the wellbore of its C. D. Woolworth Well No. 7 located 1980 feet from the South and East lines (Unit J) of Section 30, Township 24 South, Range 37 East.
- CASE 8440: (Continued from January 16, 1985, Examiner Hearing)
- Application of Conoco Inc. to amend Administrative Division Order DHC-417, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Administrative Division Order DHC-417 to allow its State H-35 Well No. 9 located in Unit H of Section 35, Township 17 South, Range 34 East, to produce approximately 120 more barrels of water per day than presently allowed.
- CASE 8448: (Continued from January 16, 1985, Examiner Hearing)
- Gary-Williams Oil Producer, Inc. for pool extension, amendment of Division Order No. R-7471 and for twelve non-standard oil proration units, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Rio Puerco-Mancos Oil Pool to include Sections 3, 4, 5, 8, 9, 10, 15, 16 and 17 of Township 20 North, Range 2 West, Sections 19 through 22 and 27 through 34 of Township 21 North, Range 2 West, Sections 21 through 28 of Township 20 North, Range 3 West, and Sections 25, 26, 35 and 36 of Township 21 North, Range 3 West and the amendment of the SPECIAL RULES AND REGULATIONS FOR THE RIO PUERCO-MANCOS OIL POOL, as promulgated in Division Order No. R-7471, to further restrict the well location requirements. Applicant further seeks approval of twelve non-standard oil proration and spacing units, all within the above-described pool extension area and necessitated by irregularities in section sizes and shapes, each comprised of various contiguous lots and/or tracts in Sections 3, 4, and 5 of Township 20 North, Range 2 West and Sections 19, 30 and 31 of Township 21 North, Range 2 West.
- CASE 8450: (Continued from January 16, 1985, Examiner Hearing)
- Application of Robert E. Chandler Corporation for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Blinbry formation underlying a non-standard oil proration unit, consisting of approximately 25.9 acres, comprising Lot 4 of Section 29, Township 18 South, Range 39 East, NMPM, East Hobbs-Blinbry Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8468: Application of Damson Oil Corporation for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA, for the Getty Oil Company (Texaco Inc.) operated Mexico Federal "K" Well No. 1-E located 1190 feet from the South line and 2020 feet from the West line of Section 8, Township 28 North, Range 10 West, NMPM, Basin Dakota Pool, San Juan County, New Mexico, in which Damson Oil Corporation owns an interest, as provided in Section 62-7-5, NMSA, 1978. To be considered will be the granting of said exemption from the date of the filing of the application. In the absence of objection, any such application for exemption which meets the criteria set forth in Division Order No. R-5436 will be granted.

Dockets Nos. 5-85 and 6-85 are tentatively set for February 13 and February 27, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 30, 1985

8 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 Gilbert P. Quintana, Alternate Examiner:

- CASE 8457: Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn formation underlying the W/2 NE/4 of Section 28, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8458: Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn formation underlying the E/2 NE/4 of Section 28, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8459: Application of John Yuronka for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to 7400 feet underlying Lot 13 (Unit M) of Section 6, Township 21 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8460: Application of John Yuronka for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to 7400 feet underlying Lot 12 (Unit L) of Section 6, Township 21 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8461: Application of Alpha Twenty-One Production 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 Grayburg formation underlying the SE/4 NE/4 of Section 32, Township 18 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8462: Application of Alpha Twenty-One Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 3700 feet to 4000 feet in the existing Sun Exploration and Production Company Gregory "A" Well No. 3 located 660 feet from the North and West lines (Unit D) of Section 33, Township 25 South, Range 37 East.
- CASE 8463: Application of David Fasken for termination of prorationing in the Burton Flat-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order terminating prorationing in the Burton Flat-Morrow Gas Pool located in portions of Townships 20 and 21 South, Ranges 26, 27, and 28 East, and to also cancel all cumulative over-production and under-production within said pool.