

Dockets Nos. 33-35 and 34-35 are tentatively set for November 6 and November 21, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 23, 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 David Catanach, Alternate Examiner:

CASE 5777: (Continued from August 28, 1985, Examiner Hearing)

In the matter of Case 5777 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-5316 which order created the Horse Back-Pennsylvanian Gas Pool in Lea County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.

CASE 8730: Application of Ray Westall for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers formation in the perforated and open-hole interval from approximately 2420 feet to 2581 feet in the Texas Crude Oil Co. Tennessee Federal Well No. 1 located 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 21, Township 19 South, Range 31 East, North Hackberry Yates-Seven Rivers Pool.

CASE 8731: Application of Amerada Hess Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the Wolfcamp through Atoka formations underlying the N/2 SE/4 of Section 10, 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 8711: (Continued and Readvertised)

Application of Yates Petroleum Corporation for compulsory pooling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the PreCambrian formation underlying the S/2 of Section 27, Township 2 South, Range 29 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 8719: (Continued and Readvertised)

Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the SE/4 NE/4 of Section 4, Township 17 South, Range 37 East, to form a standard 40-acre oil spacing unit, to be dedicated to a well to be drilled at a standard location thereon. IN THE ALTERNATIVE, the applicant seeks an order pooling all mineral interests from the surface to the top of the Strawn formation underlying the SE/4 NE/4 of said Section 4, forming a standard 40-acre oil spacing unit and all mineral interests in the Strawn formation underlying the E/2 NE/4 of said Section 4, forming a standard 80-acre oil spacing unit, both units to be dedicated to a well to be drilled at a standard location thereon. Also to be considered, in either 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 8732: Application of Earle M. Craig, Jr. Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Phantom Draw-Wolfcamp Gas Pool underlying the S/2 of Section 18, Township 26 South, Range 31 East, to be dedicated to a well to be drilled at a previously approved unorthodox gas well location 660 feet from the South and East lines of said Section 18. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

- ASE 8733: Application of Earle M. Craig, Jr. Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Wolfcamp formation 1980 feet from the North line and 1580 feet from the East line of Section 25, Township 26 South, Range 30 East, a 320-acre standard gas spacing and proration unit consisting of the N/2 of said Section 25 to be dedicated to the well.
- ASE 8734: Application of Amoco Production Company for pool reclassification, pool extension, and special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the Hogback-Pennsylvanian Gas Pool to an oil pool and the extension of the horizontal limits of the proposed Hogback-Pennsylvanian Oil Pool in portions of Sections 7, 8, 29, and 30, Township 29 North, Range 16 West, and Sections 12, 13, and 24, Township 29 North, Range 17 West. Applicant further seeks the promulgation of special pool rules therefor including a provision for 160-acre spacing units, designated well locations, exemption from a gas-oil ratio limitation factor, exception to Division General Rule 306 to allow the venting of casinghead gas, and the assignment of a special depth bracket allowable for each spacing unit within the pool.
- ASE 8712: (Continued from September 25, 1985, Examiner Hearing)
- Application Kimbell Oil Company of Texas for HARSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Salazar Well No. 4-E located 1630 feet from the North line and 1460 feet from the West line (Unit F) of Section 34, Township 25 North, Range 6 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- ASE 8735: 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 Morrow formation underlying the W/2 of Section 26, Township 19 South, Range 28 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.
- ASE 8736: Application of Southland Royalty Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Dakota formation underlying the N/2 of Section 13, Township 25 North, Range 2 West, Basin-Dakota 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.
- ASE 8737: Application of Southland Royalty Company for compulsory pooling, Chaves 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 SW/4 of Section 30, Township 15 South, Range 28 East, and all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of said Section 30, 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.
- ASE 8721: (Continued from October 9, 1985, Examiner Hearing)
- Application of Inexco Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Atoka formation underlying the W/2 NW/4 of Section 13, Township 17 South, Range 37 East, to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre units, 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.
- ASE 8689: (Continued from September 25, 1985, Examiner Hearing)
- Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying a previously approved 120-acre non-standard proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to its Justis Christmas Gas Com Well No. 1 located 2225 feet from the North line and 790 feet from the West line of said Section 20. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

Dockets Nos. 35-85 and 36-85 are tentatively set for November 21 and December 4, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 6, 1985

8 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 8741: (This case will be continued to November 21, 1985.)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Rapid Company, Inc., American Employers' Insurance Co. and all other interested parties to appear and show cause why the following wells in Lea County should not be plugged and abandoned in accordance with a Division-approved plugging program:

Punch No. 1	Unit J	Sec. 11, T-12-S, R-34-E
Ranger Lake No. 1	Unit N	Sec. 11, T-12-S, R-34-E
Ranger Lake No. 3	Unit N	Sec. 11, T-12-S, R-34-E
Texas Pacific AH State No. 1	Unit F	Sec. 14, T-12-S, R-34-E
Ranger Lake SWD No. 1	Unit H	Sec. 15, T-12-S, R-34-E

CASE 8673: (Continued from October 9, 1985, Examiner Hearing)

Application of Chevron USA Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Trooper Unit Area comprising 2,880 acres, more or less, of State lands in Township 11 South, Range 35 East.

CASE 8712: (Continued from October 23, 1985, Examiner Hearing)

Application of Kimbell Oil Company of Texas for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Salazar Well No. 4-E located 1630 feet from the North line and 1460 feet from the West line (Unit F) of Section 34, Township 25 North, Range 6 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8742: Application of Reeves Drilling & Petroleum Corporation for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Gallup Sandstone formation in the open-hole interval from approximately 2465 feet to 2615 feet in the Malco Copple Well No. 2 located 360 feet from the North line and 1650 feet from the West line of Section 5, Township 30 North, Range 15 West, Verde-Gallup Oil Pool.

CASE 8743: Application of H. L. Brown, Jr. for salt water disposal, Roosevelt 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 4030 feet to 4535 feet in its Saunders "A" Well No. 1 located 1650 feet from the North and West lines of Section 5, Township 8 South, Range 37 East, Bluit-San Andres Gas Pool.

CASE 8635: (Continued from September 11, 1985, Examiner Hearing)

Application of Energy Reserves Group, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Fusselman formation in the perforated interval from 8150 feet to 8220 feet in its McClellan Well No. 1 located 2000 feet from the South line and 1900 feet from the West line of Section 10, Township 6 South, Range 33 East.

CASE 8731: (Continued and Readvertised)

Application of Amerada Hess Corporation for compulsory pooling and an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the Wolfcamp through Atoka formations underlying the N/2 SE/4 of Section 10, Township 15 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 1700 feet from the South line and 2300 feet from the East line of said Section 10. 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 8744: Application of Union Texas Petroleum Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks blanket approval for the downhole commingling of Otero-Gallup and Basin-Dakota production in the wellbore of all existing wells and all wells subsequently to be drilled in the Jicarilla "L" and "N" Leases in Townships 24 and 25 North, Range 5 West.

CASE 87-5: Application of Benson-Montin-Greer Drilling Corporation for authority to conduct a long term Reservoir Pressure Study, Mancos Formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to conduct a long term reservoir pressure study among certain Mancos formation wells that are located in Section 6, Township 25 North, Range 1 West and Sections 1 and 2 of Township 25 North, Range 2 West, including the granting of a special temporary allowable, accumulation of underproduction and exceptions for Division Rules 503, 505, and 306.

CASE 8746: (This case will be continued to December 18, 1985.)

Application of Jack J. Grynberg for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 25, Township 18 South, Range 26 East, to form a standard 320-acre gas spacing and 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 8735: (Continued from October 23, 1985, Examiner Hearing)

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 Morrow formation underlying the W/2 of Section 2, Township 19 South, Range 28 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 8736: (Continued from October 23, 1985, Examiner Hearing)

Application of Southland Royalty Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Dakota formation underlying the N/2 of Section 13, Township 25 North, Range 2 West, Basin-Dakota 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 8737: (Continued from October 23, 1985, Examiner Hearing)

Application of Southland Royalty Company for compulsory pooling, Chaves 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 SW/4 of Section 30, Township 15 South, Range 28 East, and all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of said Section 30, 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 8689: (Continued from October 23, 1985, Examiner Hearing)

Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying a previously approved 120-acre non-standard proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to its Justis Christmas Gas Com Well No. 1 located 2225 feet from the North line and 790 feet from the West line of said Section 20. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8739: (Continued from October 23, 1985, Examiner Hearing)

Application of Chama Petroleum Company to rescind Division Order No. R-7637, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to rescind Division Order No. R-7637 which authorized the disposal of produced water into the "C" and "D" zones of the Cisco Canyon formation through the Dagger Draw Salt Water Disposal Well located 1495 feet from the North line and 225 feet from the West line of Section 22, Township 19 South, Range 25 East, Undesignated North Dagger Draw-Upper Pennsylvanian Pool, in which Anadarko Production Company is the operator.