

Dockets Nos. 22-37 and 23-87 are tentatively set for July 15 and 29, 1987. Applications for hearing must be filed at least 21 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 1, 1987

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 9159: Application of Yates Petroleum Corporation for approval of a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Desert Rose State and Federal Unit comprising 2560.52 acres, more or less, of State and Federal lands in Townships 8 and 9 South, Range 26 East (19 miles northeast of Roswell, New Mexico).

CASE 8863: (Continued from June 3, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8863 being reopened upon application of Alana Oil and Gas Corporation to vacate or modify Division Order No. R-8210 entered in said Case 8863, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplate the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8210:

Samantha Well No. 1 located 1580' FSL - 1202' FWL (Unit L),
Samantha Well No. 2 located 1985' FSL - 2290' FWL (Unit K),
Samantha Well No. 3 located 1105' FSL - 2490' FWL (Unit N),
all in Section 26, Township 28 North, Range 1 East; and
Alana Well No. 1 located 511' FSL - 2144' FWL (Unit N) of
Section 11, Township 27 North, Range 1 West.

CASE 8864: (Continued from June 3, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8864 being reopened upon the application of Suntex Energy Corporation to vacate or modify Division Order No. R-8223 entered in said Case 8864, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplate the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8223:

Suntex Well No. 1 located 1824' FNL - 570' FWL (Unit E) of Section 26,
Suntex Well No. 2 located 660' FSL - 365' FEL (Unit P) of Section 22,
Suntex Well No. 3 located 1858' FNL - 1800' FWL (Unit F) of Section 14,
Suntex Well No. 4 located 935' FNL - 1650' FWL (Unit C) of Section 23,
Suntex Well No. 5 located 2004' FSL - 2310' FWL (Unit K) of Section 11, and
Suntex Well No. 6 located 1980' FSL - 660' FWL (Unit L) of Section 23,
all in Township 28 North, Range 1 East.

CASE 9074: (Continued from June 3, 1987, Examiner Hearing) (Reopened)

In the matter of Case 9074 being reopened upon application of Suntex Energy Corporation to vacate or modify Division Order No. R-8404 entered in said Case 9074, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplate the following wells formerly operated by Texas Rose Petroleum, Inc. which were ordered plugged pursuant to the provisions of said Order No. R-8404:

Well No. 1 located 1824' FSL - 1778' FEL (Unit J) of Section 14,
Well No. 2 located 618' FSL - 2418' FWL (Unit N) of Section 14,
Well No. 3 located 967' FSL - 2148' FWL (Unit N) of Section 11,
Well No. 7 located 990' FSL - 2310' FEL (Unit O) of Section 14, and
Well No. 8 located 2310' FS and WL (Unit K) of Section 14,
all on the El Poso Ranch Lease in Township 28 North, Range 1 East, as
projected into the unsurveyed Tierra Amarilla Land Grant.

CASE 9160: 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 the surface to the base of the Morrow formation underlying the W/2 of Section 34, Township 23 South, Range 31 East (which is approximately 19 1/4 miles east of Loving, New Mexico), forming a standard 320-acre gas proration 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.

CASE 9161: Application of Crown Central Petroleum 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 Abo formation, underlying either the SE/4 SE/4 (Unit P) of Section 25, Township 19 South, Range 38 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the SE/4 of said Section 25 to form a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing, both aforementioned 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. Said area is approximately 1 3/4 miles east of the community of Nadine, New Mexico.

CASE 9107: (Continued from June 3, 1987, Examiner Hearing) THIS CASE WILL BE DISMISSED.

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 5, Township 25 North, Range 2 West, forming a standard 320-acre oil spacing and proration unit in both pools 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 8963: (Continued from June 3, 1987, Examiner Hearing) (Reopened) THIS CASE WILL BE DISMISSED.

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the W/2 of Section 16, Township 25 North, Range 2 West, 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 9151: (Continued from June 17, 1987, Examiner Hearing)

Application of Bettis, Boyle & Stovall for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for a well to be drilled 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 9, Township 25 South, Range 29 East, to test the Wolfcamp, Strawn, Atoka, and Morrow formations, the W/2 of said Section 9 to be dedicated to the well.

CASE 9162: Application of Amerind Oil Company for compulsory pooling and a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn or Atoka formation underlying the SW/4 SE/4 and SE/4 SW/4 of Section 28, Township 16 South, Range 37 East, forming a non-standard 80-acre oil spacing and proration unit for either the West Casey-Strawn, Casey-Strawn, or Northeast Lovington-Pennsylvanian Oil Pools. 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 6.5 miles east-southeast of Lovington, New Mexico.

CASE 9163: Application of ARCO Oil and Gas Company for pool creation, special pool rules, and discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Wolfcamp production comprising the W/2 NW/4 of Section 9, Township 16 South, Range 32 East, and the promulgation of special rules therefor including a provision for 80-acre spacing and designated well locations. Applicant further seeks the assignment of an oil discovery allowable, as provided by Rule 509 of the Division's General Rules, to the discovery well for said pool being its West Anderson Ranch State Well No. 1 located 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 9 (approximately 6 miles north of Maljamar, New Mexico).

CASE 9164: Application of Phillips Petroleum Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Eumont-Queen gas production and Eunice Monument-Grayburg-San Andres oil production in the wellbore of its New Well No. 2 located 1980 feet from the North line and 330 feet from the East line (Unit H) of Section 26, Township 20 South, Range 36 East, being approximately 4 1/2 miles northwest of Oil Center, New Mexico.

CASE 9165: Application of Terra Resources, Inc. for a non-standard gas proration unit and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas spacing and proration unit comprising the SW/4 of Section 1, Township 22 South, Range 27 East, Undesignated East Carlsbad-Wolfcamp Gas Pool, to be dedicated to a well to be drilled at an unorthodox gas well location 1330 feet from the South line and 660 feet from the West line (Unit L) of said Section 1, said well being approximately 5 miles east of Carlsbad, New Mexico.

CASE 9154: (Continued and Readvertised)

Application of Tenneco Oil Company for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 595 feet from the North line and 335 feet from the East line (Unit A) of Section 1, Township 31 North, Range 11 West, Blanco-Fictured Cliffs Pool, the NE/4 of said Section 1 to be dedicated to the well.

- CASE 9166: Application of Marathon Oil 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 Pennsylvanian formation in the perforated interval from approximately 9,960 feet to 10,250 feet in its J. M. Denton Well No. 5 located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 11, Township 15 South, Range 37 East, which is approximately 11½ miles east-northeast of Lovington, New Mexico.
- CASE 9167: Application of Marathon Oil Company for lease commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle Devonian oil production from its Benson Well No. 1 located 330 feet from the South line and 990 feet from the East line (Unit P) of Section 14 and its V. E. Roddy Well No. 1 located 750 feet from the North and East lines (Unit A) of Section 23, both in Township 16 South, Range 38 East (both wells being approximately 2½ miles south of the old Hobbs Army Air Corps Auxiliary Airfield No. 1 on State Highway No. 132), in a common tank battery located on the Benson Lease in the SE/4 SE/4 of said Section 14.
- CASE 9168: Application of J.(James) A. Davidson for a determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as an interest owner in the Marathon Oil Company Benson Well No. 1 located 330 feet from the South line and 990 feet from the East line (Unit P) of Section 14, Township 16 South, Range 38 East (located approximately 2½ miles south of the old Hobbs Army Air Corps Auxiliary Airfield No. 1 on State Highway No. 132), which was drilled pursuant to the compulsory pooling provisions of Division Order No. R-8282, as amended, seeks an order ascertaining the reasonableness of actual well costs for the subject well.

Sockets Nos. 19-87 and 20-87 are tentatively set for June 17 and July 1, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 3, 1987

3:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

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

CASE 8878: (Reopened)

In the matter of Case 8878 being reopened pursuant to the provisions of Division Order No. R-3235, which order amended Rule 101 of the Division Rules to provide for the acceptance of cash bonds as well as surety bonds. Said rule will be reviewed to determine whether it is appropriate in meeting the needs of industry.

CASE 9139: Application of Elf Aquitaine Petroleum for a horizontal directional drilling pilot project and special operating rules therefor, West Lindrith Gallup-Dakota Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a horizontal directional drilling pilot project in the W/2 of Section 14, Township 23 North, Range 3 West, West Lindrith Gallup-Dakota Oil Pool. From a well to be located on the surface 500 feet from the North line and 1500 feet from the West line of Section 14, Township 23 North, Range 3 West, the applicant proposes to extend the wellbore horizontally and dedicate both the NW/4 and SW/4 of said Section 14 in the West Lindrith Gallup-Dakota Oil Pool to the well, either forming two standard 160-acre oil proration units or a single unorthodox 320-acre oil proration unit in said pool. Applicant further seeks special rules and provisions within the pilot project area including the designation of a prescribed area limiting the horizontal extent of the wellbore and special allowable considerations.

CASE 9140: Application of Permian Corporation for an exception to Division Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Division Order No. R-3221, as amended, to permit the disposal of water produced in conjunction with the production of oil and gas into a salt lake located in the NW/4 of Section 2, Township 23 South, Range 29 East.

CASE 8190: (Reopened)

In the matter of Case 8190 being reopened pursuant to the provisions of Division Order No. R-7254, which order established special rules and regulations for the Bravo Dome 640-Acre Area in Union, Harding, and Quay Counties, including a provision for 640-acre spacing units. Interested parties may appear and show cause why the Bravo Dome 640-Acre Area should not be developed on less than 640-acre spacing and proration units.

CASE 3352: (Reopened)

In the matter of Case 3352 being reopened pursuant to the provisions of Division Order No. R-7737, which order established special rules and regulations for the West Bravo Dome Carbon Dioxide Gas Area in Harding County, including a provision for 640-acre spacing units. Interested parties may appear and show cause why the West Bravo Dome Carbon Dioxide Gas Area should not be developed on less than 640-acre spacing and proration units.

CASE 9126: (Continued from May 20, 1987, Examiner Hearing)

Application of I & W, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Undesignated Empire-Wolfcamp (abandoned) Pool in the perforated interval from approximately 7518 feet to 7632 feet and in the open-hole interval from 7834 feet to 7961 feet in the Frostman Oil Corporation Walter Salt State Well No. 1 located 22-0 feet from the South line and 400 feet from the West line (Unit L) of Section 5, Township 18 South, Range 28 East.

CASE 9141: Application of Marshall & Winston, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order, pursuant to Division General Rule 1207.1.(ii), pooling all mineral interests from the surface to the base of the Abo formation underlying Lot No. 13 (Unit M) of Irregular Section 4, Township 21 South, Range 35 East, forming a standard statewide 40-acre oil spacing and proration unit, to be dedicated to a well to be drilled at a standard location 2350 feet from the South line and 660 feet from the East line of said Section 6. Applicant further seeks a 20 percent penalty to be assessed as a charge for the risk involved in the drilling of said well, \$3600.00 per month while drilling and \$360.00 per month while producing to be fixed as reasonable overhead charges, and that the applicant be named operator of said well and unit. IF THERE ARE NO OBJECTIONS THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 9142: Application of TXO Production Corp. 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 either the SW/4 NE/4 (Unit G) of Section 36, Township 16 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit within the formation, or the W/2 NE/4 of said Section 36 to form an 80-acre oil spacing and proration unit for any and all formations and/or pools within said vertical limits which are developed on 80-acre spacing, either unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the costs incurred in the drilling and completion of the well and the allocation of the costs 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 9143: Application of Amerind Oil Co. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for a well to be drilled 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 33, Township 16 South, Range 37 East, Shipp-Strawn Pool, the E/2 SW/4 of said Section 33 to be dedicated to the well.

CASE 9130: (Continued from May 6, 1987, Examiner Hearing) (This case will be continued to July 29, 1987.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 660 feet from the North and East lines of Section 27, Township 22 South, Range 34 East, to test the Morrow formation, the N/2 of said Section 27 to be dedicated to the well.

CASE 9131: (Continued from May 6, 1987, Examiner Hearing) (This case will be continued to July 29, 1987.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 1980 feet from the South line and 990 feet from the East line of Section 22, Township 22 South, Range 34 East, to test the Morrow formation, the S/2 of said Section 22 to be dedicated to the well.

CASE 9144: Application of Harvey E. Yates Company for revocation of Division Orders Nos. R-7240 and R-8190 and for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order revoking the provisions of Division Order No. R-7240 relating to the compulsory pooling of the S/2 SE/4 of Section 8, Township 16 South, Range 37 East, and revoking Division Order No. R-8190 in its entirety. Applicant now seeks to pool all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the E/2 SE/4 of said Section 8, forming a standard 80-acre oil spacing and proration unit to be dedicated to its existing East Lovington "8" Well No. 2 located 1874 feet from the South line and 354 feet from the East line (Unit I) of said Section 8, and further pooling all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the W/2 SE/4 of said Section 8, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the costs incurred in the drilling and completion of both wells and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.

CASE 9107: (Continued from May 6, 1987, Examiner Hearing)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 5, Township 25 North, Range 2 West, forming a standard 320-acre oil spacing and proration unit in both pools 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 8963: (Continued from May 6, 1987, Examiner Hearing) (Reopened)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the W/2 of Section 16, Township 25 North, Range 2 West, 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 9129: (Continued from May 6, 1987, Examiner Hearing)

Application of Virginia P. Uhden, Helen Orbesen, and Carroll O. Holmberg to void and vacate Division Order Nos. R-7588 and R-7588-A, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order vacating Division Order Nos. R-7588 and R-7588-A, which orders promulgated Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool, including a provision for 320-acre spacing and designated well locations.

CASE 8863: (Reopened)

In the matter of Case 8863 being reopened upon application of Alana Oil and Gas Corporation to vacate or modify Division Order No. R-8210 entered in said Case 8863, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplate the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8210:

Samartha Well No. 1 located 1580' FSL - 1202' FWL (Unit M) of Section 26,
Samartha Well No. 2 located 1985' FSL - 2290' FWL (Unit N) of Section 26,
Samartha Well No. 3 located 1105' FSL - 2490' FWL (Unit O) of Section 26,
all in Section 26, Township 28 North, Range 1 East; and
Alana Well No. 1 located 511' FSL - 2144' FWL (Unit N) of Section 11, Township 27 North, Range 1 West

CASE 8864: (Reopened)

In the matter of Case 8864 being reopened upon the application of Suntex Energy Corporation to vacate or modify Division Order No. R-8222 entered in said Case 8864, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplate the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8222:

Suntex Well No. 1 located 1624' FNL - 570' FWL (Unit E) of Section 26,
Suntex Well No. 2 located 660' FSL - 365' FWL (Unit F) of Section 22,
Suntex Well No. 3 located 1858' FNL - 1800' FWL (Unit F) of Section 14,
Suntex Well No. 4 located 935' FNL - 1650' FWL (Unit G) of Section 23,
Suntex Well No. 5 located 2004' FSL - 2310' FWL (Unit K) of Section 11, and
Suntex Well No. 6 located 1980' FSL - 660' FWL (Unit L) of Section 23,
all in Township 28 North, Range 1 East.

CASE 9074: (Reopened)

In the matter of Case 9074 being reopened upon application of Suntex Energy Corporation to vacate or modify Division Order No. R-8404 entered in said Case 9074, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplate the following wells formerly operated by Texas Rose Petroleum, Inc. which were ordered plugged pursuant to the provisions of said Order No. R-8404:

Well No. 1 located 1824' FSL - 1778' FSL (Unit J) of Section 14,
Well No. 2 located 618' FSL - 2416' FWL (Unit N) of Section 14,
Well No. 3 located 967' FSL - 2148' FWL (Unit N) of Section 11,
Well No. 7 located 990' FSL - 2310' FWL (Unit O) of Section 14, and
Well No. 8 located 2310' FS and WL (Unit K) of Section 14,
all on the El Poso Ranch Lease in Township 28 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant.

CASE 9143: Application of Marathon Oil Company for pool creation, special pool rules, and discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Siluro-Devonian production comprising the S/2 SE/4 of Section 14, Township 16 South, Range 38 East, and the promulgation of temporary special rules therefor including a provision for 80-acre spacing units and designated well locations. Applicant further seeks the assignment of a discovery allowable as provided by Rule 509 of the General Rules.

CASE 9146: Application of Marathon Oil Company for the amendment of Division Order No. R-8287, as amended, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-8287, as amended, which order compulsorily pooled all mineral interests from the surface to the base of the Siluro-Devonian formation underlying the SE/4 SE/4 of Section 14, Township 16 South, Range 38 East. Applicant now seeks an amendment to said order to include a provision pooling all mineral interests in the Siluro-Devonian formation underlying the S/2 SE/4 of said Section 14 to form an 80-acre spacing unit in the event of the approval of its pending pool creation request in Case No. 9145.

CASE 9132: (Continued from May 6, 1987, Examiner Hearing)

Application of Marathon 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 Pennsylvanian formation underlying the N/2 of Section 17, Township 17 South, Range 38 East, forming a 320-acre proration unit for all formations and/or pools developed on 320-acre spacing, to be dedicated to a well to be drilled 1980 feet from the North and West lines of said Section 17. Also to be considered will be the costs incurred in the drilling and completion of the well and the allocation of the costs 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 9147: Application of Phillips Petroleum Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard oil proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 2, Township 19 South, Range 32 East, Undesignated East Lusk-Bone Spring Pool, to be dedicated to its State "1-2" Well No. 1 located at a standard oil well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 2.

CASE 9148: Application of Texaco Producing Inc. for a drilling permit in the Potash-Oil Area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its proposed Forty-Niner Ridge Unit Well No. 3 to test the Delaware formation at a location 2310 feet from the North and East lines of Section 16, Township 23 South, Range 30 East, said location being within the boundaries of the Potash-Oil Area as defined by Division Order No. R-111-A, as amended, and having been objected to by the owners of potash leases in the area.

CASE 9149: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning a discovery allowable, and extending certain pools in Chaves and Eddy Counties, New Mexico:

(a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cisco production and designated as the Bear Grass Draw-Cisco Pool. The discovery well is the Phillips Petroleum Company Green B Well No. 12 located in Unit O of Section 18, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 18: SE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Cabin Lake-Delaware Pool. Further, assign approximately 28,125 barrels of discovery allowable to the discovery well, the Phillips Petroleum Company James A Well No. 2 located in Unit J of Section 2, Township 22 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 2: SE/4

(c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Kaiser Ranch-Strawn Gas Pool. The discovery well is the Yates Petroleum Corporation Compromise AEJ Federal Com Well No. 1 located in Unit H of Section 30, Township 18 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 30: E/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Parkway-Delaware Pool. The discovery well is the Santa Fe Energy Operating Partners, L.P. Parkway 36 State Well No. 1 located in Unit F of Section 36, Township 19 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 36: NW/4

(e) EXTEND the Atoka-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 27: S/2 NE/4

(f) EXTEND the East Carlsbad-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 2: W/2

(g) EXTEND the Grayburg Jackson-Queen-Grayburg-San Andres-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 1: SE/4

(h) EXTEND the Otis-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 24: E/2

- (1) EXTEND the West Pecos Slope-Abo Gas Pool in Chavez County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 11 EAST, N2PM
Section 6: S/1

- (2) EXTEND the Shugart Yatas-Seven Rivers-Quasi-Grayburg Pool Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, 1NPM
Section 35: SW/4

Dockets Nos. 16-87 and 17-87 are tentatively set for May 20, 1987 and June 3, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY MAY 6, 1987

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:

Case 9120: (Continued from April 22, 1987, Examiner Hearing)

In the matter called by the Oil Conservation Division on its own motion to permit Viking Petroleum, Inc. and all other interested parties to appear and show cause why the Viking Petroleum, Inc. Grynberg State Well No. 1 located 330 feet from the North and East lines (Unit A) of Section 12, Township 11 South, Range 27 East, Chaves County, should not be plugged and abandoned in accordance with the Division-approved plugging program.

Case 9125: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Eden Valley State and Federal Unit Area comprising 15,669.46 acres, more or less, of State, Federal, and Fee lands in Townships 6, 7, and 8 South, Range 24 East.

Case 9126: Application of I & W, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Undesignated Empire-Wolfcamp (abandoned) Pool in the perforated interval from approximately 7518 feet to 7832 feet and in the open-hole interval from 7832 feet to 7961 feet in the Frostman Oil Corporation Walter Solt State Well No. 1 located 2240 feet from the South line and 400 feet from the West line (Unit L) of Section 5, Township 18 South, Range 28 East.

Case 9127: Application of McKay Oil Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for a well to be drilled 660 feet from the North line and 330 feet from the West line (Unit D) of Section 23, Township 6 South, Range 22 East, West Pecos Slope Abo Pool, the NW/4 of said Section 23 to be dedicated to the well.

Case 9128: Application of Mobil Producing Texas and New Mexico, Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its Amco State Well No. 2 located 1830 feet from the South line and 510 feet from the West line (Unit L) of Section 6, Township 17 South, Range 36 East, Undesignated South Shoe Bar - Devonian Pool, the N/2 SW/4 of said Section 6 to be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool.

Case 9127: (Continued from April 8, 1987, Examiner Hearing)

Application of Mesa Grande Resource's Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 5, Township 25 North, Range 2 West, forming a standard 320-acre oil spacing and proration unit in both pools 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 8963: (Continued from April 8, 1987, Examiner Hearing)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the W/2 of Section 16, Township 25 North, Range 2 West, 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 9129: Application of Virginia P. Uhden, Helen Orbesen, and Carroll O. Holmberg to void and vacate Division Order Nos. R-7588 and R-7588-A, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order vacating Division Order Nos. R-7588 and R-7588-A, which orders promulgated Special Rules and

Regulations for the Cedar Hill-Fruitland Basal Coal Pool, including a provision for 320-acre spacing and designated well locations.

Case 9130: Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 660 feet from the North and East lines of Section 27, Township 22 South, Range 34 East, to test the Morrow formation, the N/2 of said Section 27 to be dedicated to the well.

Case 9131: Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 1980 feet from the South line and 990 feet from the East line of Section 22, Township 22 South, Range 34 East, to test the Morrow formation, the S/2 of said Section 22 to be dedicated to the well.

Case 9132: Application of Marathon 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 Pennsylvanian formation underlying the N/2 of Section 17, Township 17 South, Range 35 East, forming a 320-acre proration unit for all formations and/or pools developed on 320-acre spacing, to be dedicated to a well to be drilled 1980 feet from the North and West lines of said Section 17. Also to be considered will be the costs incurred in the drilling and completion of the well and the allocation of the costs 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 9133: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting, and extending certain pools in Lea County, New Mexico:

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Gem-Bone Spring Pool. The discovery well is the Manzano Oil Corporation Federal 31-G Well No. 1 located in Unit H of Section 31, Township 19 South, Range 33 East, NMFM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMFM
Section 31: NE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the North Knowles-Devonian Pool. The discovery well is the Marathon Oil Company Benson Well No. 1 located in Unit P of Section 14, Township 16 South, Range 38 East, NMFM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 38 East, NMFM
Section 14: SE/4

- (c) CONTRACT the Vacuum-Abo Reef Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMFM
Section 36: SE/4 NW/4

- (d) EXTEND the South Double A-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMFM
Section 36: N/2 NW/4 and SE/4 NW/4

- (e) EXTEND the North Air Strip-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMFM
Section 14: SE/4

- (f) EXTEND the Alston Ranch-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMFM
Section 25: NW/4 and E/2 SW/4

- (g) EXTEND the Casey-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMFM
Section 34: SW/4

- (h) EXTEND the Lower Double A-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMFM
Section 16: SE/4

- (i) EXTEND the House Yates-Seven Rivers Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 1: NE/4

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
Section 6: NW/4

- (j) EXTEND the Lazy J-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 28: SW/4

This paragraph to be dismissed:

- (k) EXTEND the Lusk-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 32: NW/4

- (l) EXTEND the North Sammal-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 7: SE/4
Section 8: SW/4

- (m) EXTEND the Sammal-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 1: NE/4 and SW/4

- (n) EXTEND the Shipp-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 5: NE/4

- (o) EXTEND the West Teas Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 9: N/2 SW/4

- (p) EXTEND the Vacuum Grayburg-San Andres Pool in Lea County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 35: NE/4

Docket No. 15-87

DOCKET: EXAMINER HEARING - WEDNESDAY MAY 13, 1987

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 June, 1987, from fourteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for June, 1987, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

Dockets Nos. 13-87 and 14-87 are tentatively set for April 22 and May 6, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 8, 1987

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 May, 1987, from fourteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for May, 1987, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9108: (Continued from March 18, 1987, Examiner Hearing) (This Case will be dismissed.)

Application of Columbus Energy Corporation (formerly Consolidated Oil & Gas, Inc.) contesting the disqualification of an NGPA Section 108 Stripper Well Classification, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination under the stripper well protest procedures, applicable under FERC Regulations (Section 271.805 and 274.206), contesting the disqualification by the gas purchaser of an NGPA Section 108 Stripper Well Classification on its Compass Well No. 1 located 1690 feet from the South line and 1986 feet from the East line (Unit J) of Section 22, Township 31 North, Range 13 West, Basin-Dakota Pool.

CASE 9115: Application of Long Trusts for an unorthodox oil well location and non-standard oil proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for a well to be drilled 900 feet from the North line and 1650 feet from the East line of Section 3, Township 6 South, Range 33 East, South Peterson-Fusselman Pool, Lots 1 and 2 of said Section 3 to be dedicated to the well forming a non-standard 93.90-acre oil spacing and proration unit for said pool.

CASE 9106: (Continued from March 18, 1987, Examiner Hearing)

Application of Mesa Grande Resources, Inc. 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 Pictured Cliffs formation underlying the SE/4 of Section 5, Township 25 North, Range 2 West, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing 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 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 9107: (Continued from March 18, 1987, Examiner Hearing)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 5, Township 25 North, Range 2 West, forming a standard 320-acre oil spacing and proration unit in both pools 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 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 8963: (Continued from March 18, 1987, Examiner Hearing)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the W/2 of Section 16, Township 25 North, Range 2 West, 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 8964: (Continued from March 18, 1987, Examiner Hearing)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 23, Township 25 North, Range 2 West, 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 9071: (Continued and Readvertised)

Application of Foran Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the S/2 NW/4 of Section 8, Township 16 South, Range 37 East, to form a standard 80-acre oil 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 9104: (Continued from March 18, 1987, Examiner Hearing)

Application of Baruch-Foster Corporation for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Little Jewel Com Well No. 1 located 1980 feet from the North line and 1900 feet from the West line (Unit F) of Section 31, Township 22 South, Range 27 East, South Carlsbad-Morrow and South Carlsbad-Strawn Gas Pools, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 9116: Application of Meridian Oil Inc. for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to have its Benson "3" Federal Well No. 1 located 760 feet from the North line and 280 feet from the East line (Unit B) of Section 3, Township 19 South, Range 30 East, approved as an unorthodox oil well location pursuant to the Special Rules and Regulations promulgated for the Benson-Strawn (Oil) Pool. IN THE ALTERNATIVE, the applicant seeks to have said well approved as an unorthodox gas well location if Yates Petroleum Corporation's application in Case No. 9109 to reclassify the Benson-Strawn Pool as a gas pool is granted.

CASE 9117: Application of Conoco Inc. 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 the Cherry Canyon formation comprising the S/2 SW/4 of Section 31, Township 23 South, Range 34 East, and the promulgation of temporary special rules and regulations therefor including a provision for 80-acre spacing and proration units and designated well location requirements. Applicant further seeks the assignment of an oil discovery allowable as allowed by Rule 509 of the Division's Central Rules to the discovery well for said pool being its Bell Lake Unit Well No. 11 located at an unorthodox oil well location for the proposed special pool rules 790 feet from the South line and 2265 feet from the West line (Unit N) of said Section 31.

CASE 9095: (Continued from March 4, 1987, Examiner Hearing)

Application of Curtis J. Little for the promulgation of Special Pool Rules for the Ojito Gallup-Dakota Oil Pool or, in the alternative, to abolish the Ojito Gallup-Dakota Oil Pool and to concomitantly expand the West Lindrith Gallup-Dakota Oil Pool, Rio Arriba and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks to establish Special Rules and Regulations for the Ojito Gallup-Dakota Oil Pool including a provision for 160-acre spacing. IN THE ALTERNATIVE, the applicant seeks to abolish said Ojito Gallup-Dakota Oil Pool and to concomitantly expand the horizontal limits of the West Lindrith Gallup-Dakota Oil Pool to include the horizontal extent of the abolished pool plus the E/2 NE/4 of Section 21, Township 25 North, Range 3 West, Rio Arriba County.

CASE 9092: (Continued from March 4, 1987, Examiner Hearing)

Application of Reading & Bates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Lindrith Gallup-Dakota Oil Pool underlying the SE/4 of Section 22, Township 25 North, Range 3 West, to form a standard 160-acre oil 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 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 9094: (Continued from March 4, 1987, Examiner Hearing)

Application of Reading & Bates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Ojito Gallup-Dakota Oil Pool underlying the NE/4 NE/4, NW/4 NE/4, SE/4 NE/4 and SW/4 NE/4 of Section 12, Township 25 North, Range 3 West, to form four standard 40-acre oil spacing and proration units to be dedicated to wells to be drilled at standard oil well locations thereon. IN THE ALTERNATIVE, applicant seeks an order pooling all mineral

interests in the Gallup and Dakota formations underlying the NE/4 of said Section 12, to form a standard 160-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon both provisions to be in accordance with the Special Pool Rules which are in existence at the time said well is drilled. Also to be considered in either case will be the cost of drilling and completing said well or wells 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 or wells and a charge for risk involved in drilling that well.

CASE 9118:

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

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production and designated as the Cedar Lake-Strawn Pool. The discovery well is the Southland Royalty Co. Holly 4 Federal Well No. 1 located in Unit N of Section 4, Township 18 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 4: SW/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Cotton Draw-Bone Spring Pool. The discovery well is the Texaco Producing, Inc. Todd 2 State Well No. 1 located in Unit F of Section 2, Township 24 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 2: NW/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Esperanza-Wolfcamp Pool. The discovery well is the TXO Production Corporation Delta Fee Well No. 1 located in Unit C of Section 12 Township 22 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 12: NW/4

- (d) ABOLISH the Cave-Seven Rivers Pool in Eddy County, New Mexico, in order that the productive acreage may be included in the Grayburg Jackson-Queen-Grayburg-San Andres Seven Rivers Pool in Eddy County, New Mexico.

- (e) EXTEND the East Carlsbad-Wolfcamp Gas pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM
Section 12: W/2

- (f) EXTEND the Cedar Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29, EAST, NMPM
Section 2: W/2
Section 3: S/2

- (g) EXTEND the Diablo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 28: SE/4

- (h) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 28: NW/4 SE/4

- (i) EXTEND the Northwest Fenton-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 1: SE/4

- (j) EXTEND the Grayburg Jackson-Queen-Grayburg-San Andres-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 7: SE/4

- (k) EXTEND the Malaga-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 7: SE/4

- (l) EXTEND the McMillan-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 16: E/2

- (m) EXTEND the East Red Lake Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 24: SE/4

- (n) EXTEND the North Ross Draw-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 14: SW/4

- (o) EXTEND the Saladar-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 29: S/2

- (p) EXTEND the North Sand Dunes-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 1: S/2

- (q) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 16: S/2

Dockets Nos. 12-87 and 13-87 are tentatively set for April 8 and 22, 1987. Applications for hearing must be filed at least 12 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 18, 1987

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 8798: (Recpened and Readvertised)

In the matter of Case 8798 being reopened pursuant to the provisions of Order No. R-8182, which order promulgated temporary special rules and regulations for the West Casey-Strawn Pool in Lea County, including a provision for 80-acre spacing units. Operators in said pool may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 9104: Application of Baruch-Foster Corporation for hardship gas well classification, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Little Jewel Com Well No. 1 located 1980 feet from the North line and 1900 feet from the West line (Unit F) of Section 31, Township 22 South, Range 27 East, South Carlsbad-Morrow and South Carlsbad-Strawn Gas Pools, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 9103: (Continued from March 4, 1987, Examiner Hearing)

Application of National Cooperative Refinery Association for hardship gas well classification, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal 11-20-34 Well No. 1 located 1980 feet from the North line and 2130 feet from the West line (Unit F) of Section 11, Township 20 South, Range 34 East, Lea-Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 9086: (Continued from March 4, 1987, Examiner Hearing)

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from a depth of 3595 feet to 9500 feet underlying the NE/4 SW/4 and SE/4 NW/4 of Section 12, Township 18 South, Range 31 East, forming two standard 40-acre oil spacing and proration units to be dedicated to wells to be drilled at standard oil well locations thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling that well.

CASE 9105: Application of Sage Energy Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for a well to be drilled 560 feet from the South line and 1100 feet from the West line of Section 29, Township 14 South, Range 34 East, West Tres Papalotes-Pennsylvanian Pool, the SW/4 of said Section 29 to be dedicated to the well forming a standard 160-acre oil spacing and proration unit for said pool.

CASE 9106: Application of Mesa Grande Resources, Inc. 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 Pictured Cliffs formation underlying the SE/4 of Section 5, Township 25 North, Range 2 West, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing 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 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 9107: Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 5, Township 25 North, Range 2 West, forming a standard 320-acre oil spacing and proration unit in both pools 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 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 8963: (Reopened)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the W/2 of Section 16, Township 25 North, Range 2 West, 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 8964: (Reopened)

Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos and Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 23, Township 25 North, Range 2 West, 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 9108: Application of Columbus Energy Corporation (formerly Consolidated Oil & Gas, Inc.) contesting the disqualification of an NGPA Section 108 Stripper Well Classification, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination under the stripper well protest procedures, applicable under FERC Regulations (Sections 271.805 and 274.206), contesting the disqualification by the gas purchaser of an NGPA Section 108 Stripper Well Classification on its Compass Well No. 1 located 1690 feet from the South line and 1986 feet from the East line (Unit J) of Section 22, Township 31 North, Range 13 West, Basin-Dakota Pool.

CASE 9109: Application of Yates Petroleum Corporation for pool reclassification or, in the alternative, the amendment of Division Order No. R-6129-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the Benson-Strawn (Oil) Pool to a gas pool. IN THE ALTERNATIVE, the applicant seeks to amend the Special Rules and Regulations for the Benson-Strawn Pool, as promulgated by Division Order No. R-6129-A, to provide for permanent changes in the depth bracket allowable and gas-oil ratio limitation provisions for said pool, said amendments to be made effective as of January 1, 1985.

CASE 9110: Application of Meridian Oil Inc. to amend Division Order No. R-6129-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend the special rules and regulations for the Benson-Strawn Pool as promulgated by Division Order No. R-6129-A to provide for temporary changes in the depth bracket allowable and gas-oil ratio limitation provisions for said pool.

CASE 9089: (Readvertised)

Application of David Petroleum Company for compulsory pooling, unorthodox oil well location, and the rescission of Division Order No. R-8398, Lea County, New Mexico. Division Order No. R-8398, dated February 18, 1987 force pooled all mineral interests from the surface to the base of the Atoka formation underlying the NW/4 NE/4 and N/2 NE/4 of Section 14, Township 17 South, Range 37 East, both units to be dedicated to a well to be drilled at a standard location, and designated Yates Petroleum Corporation as operator. Applicant, in the above-styled cause, seeks to have said Order No. R-8398 rescinded. Applicant further seeks an order pooling all mineral interests from the surface to the base of the Undesignated Humble City-Atoka Pool underlying the N/2 NE/4 of said Section 14 to form an 80-acre oil spacing and proration unit for any and all formations and/or pools within said vertical limits which are being developed on 80-acre spacing, said unit to be dedicated to a well to be drilled at an unorthodox oil well location 1200 feet from the North line and 1950 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 9088: (Continued from March 4, 1987, Examiner Hearing)

Application of Nearburg Producing Company to amend the unorthodox location authorized by Division Order No. R-8375 and to include a directional drilling provision in said Order, Lea County, New Mexico. Division Order No. R-8375, dated December 23, 1986, authorized an unorthodox oil well location in the Undesignated South Humble City-Strawn Pool for a well to be drilled 1665 feet from the North line and 830 feet from the East line of Section 12, Township 17 South, Range 37 East. Applicant, in the above-styled cause, seeks to amend said Order to include authorization to directionally drill its well, located at the above-described surface location, to a bottomhole location in the Strawn formation within 100 feet of a point, 1980 feet from the North line and 430 feet from the East line of said Section 12, said bottomhole target point being unorthodox pursuant to the Special Rules promulgated for the South Humble City-Strawn Pool.

CASE 9090: (Continued from March 4, 1987, Examiner Hearing)

Application of Reading & Bates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and the Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 16, Township 25 North, Range 2 West, to form a standard 320-acre oil 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 9091: (Continued from March 4, 1987, Examiner Hearing)

Application of Reading & Bates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Lindrith Gallup-Dakota Oil Pool underlying the NE/4 of Section 27, Township 25 North, Range 3 West, to form a standard 160-acre oil 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 9093: (Continued from March 4, 1987, Examiner Hearing)

Application of Reading & Bates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and the Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the E/2 of Section 24, Township 25 North, Range 3 West, to form a standard 320-acre oil 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 9111: Application of Benson-Montin-Greer Drilling Corporation for the expansion of the BMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the expansion of the BMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area as promulgated by Division Order No. R-3401, as amended, to include certain lands in Townships 24, 25, and 26 North, Range 1 West.

CASE 8951: (Continued and Readvertised)

Application of Benson-Montin-Greer Drilling Corporation for the amendment of Division Order No. R-8124, Rio Arriba County, New Mexico. The New Mexico Oil Conservation Division by Division Order No. F-8124, dated January 16, 1986, issued in Case 8745, authorized the applicant to conduct a long-term reservoir pressure test in the Mancos formation using certain wells in Rio Arriba County and further authorized the shut-in of certain wells and provided six months after completion of the test during which certain accumulated underproductions can be made up. Applicant, in the above-styled cause, now seeks the amendment of said Order No. R-8124 to provide for twelve months after completion of the reservoir pressure test during which to make up the accumulated underproduction of certain wells resulting from the test. Applicant further requests that all other provisions in said Order No. F-8124 remain in full force and effect.

CASE 9112: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in McKinley, Rio Arriba, San Juan, and Sandoval Counties, New Mexico:

- (a) CREATE a new pool in McKinley County, New Mexico, classified as an oil pool for Mesaverde production and designated as the Pot Mesa-Mesaverde Oil Pool. The discovery well is the Merriam Oil & Gas Corporation Pot Mesa Well No. 1 located in Unit B of Section 10, Township 20 North, Range 6 West, NMPM. Said pool would comprise:

TOWNSHIP 20 NORTH, RANGE 6 WEST, NMPM
Section 2: SW/4 SE/4 and S/2 SW/4
Section 3: S/2 SE/4 and SE/4 SW/4
Section 10: NW/4 NE/4 and NE/4 NW/4

- (b) CREATE a new pool in McKinley County, New Mexico, classified as an oil pool for Hospah production and designated as the Nose Rock-Hospah Oil Pool. The discovery well is the Black Oil, Inc. NMALCO Gurley Well No. 1 located in Unit P of Section 9, Township 20 North, Range 12 West, NMPM. Said pool would comprise:

TOWNSHIP 20 NORTH, RANGE 12 WEST, NMPM
Section 9: SE/4 SE/4

- (c) EXTEND the Albino-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPM
Section 10: SE/4

- (d) EXTEND the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 36: N/2 and SW/4

- (e) EXTEND the Beautiful Mountain-Mississippian Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 19 WEST, NMPM
Section 5: SW/4

- (f) EXTEND the Bisti-Farmington Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 33: NW/4

- (g) EXTEND the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPM
Section 30: S/2 NW/4 and SW/4
Section 31: N/2 NW/4

TOWNSHIP 25 NORTH, RANGE 11 WEST, NMPM
Section 29: W/2
Section 32: N/2 NW/4

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM
Section 20: E/2
Section 21: NW/4 and N/2 SW/4
Section 26: NE/4
Section 29: N/2 NE/4

- (h) EXTEND the Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM
Section 7: NW/4
Section 33: SW/4

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM
Section 12: NE/4

- (i) EXTEND the South Blanco-Tocito Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM
Section 3: NW/4
Section 4: NE/4

- (j) EXTEND the Bloomfield-Farmington Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 13: SE/4
Section 24: NE/4 and N/2 SE/4

- (k) EXTEND the Blue Mesa-Mesaverde Oil Pool in McKinley County, New Mexico, to include therein:

TOWNSHIP 19 NORTH, RANGE 5 WEST, NMPM
Section 11: N/2 SE/4

- (l) EXTEND the Chaco Wasn-Mesaverde Oil Pool in McKinley County, New Mexico, to include therein:

TOWNSHIP 20 NORTH, RANGE 9 WEST, NMPM
Section 28: SE/4 NE/4

- (m) EXTEND the Devils Fork-Gallup Associated Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Section 31: All

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM
Section 36: SE/4

- (n) EXTEND the Dufers Point Gallup-Dakota Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 8 WEST, NMPM
Section 5: SW/4
Section 8: NE/4

TOWNSHIP 25 NORTH, RANGE 9 WEST, NMPM
Section 2: NE/4

- (o) EXTEND the Escrito-Gallup Associated Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Section 14: NW/4 NE/4 and NE/4 NW/4

- (p) EXTEND the Flora Vista-Gallup Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 13 WEST, NMPM
Section 4: N/2

- (q) EXTEND the Flora Vista-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM
Section 16: E/2
Section 21: NE/4

- (r) EXTEND the Gallegos-Gallup Associated Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM
Section 21: SW/4
Section 28: NW/4

- (s) EXTEND the Gavilan-Mancos Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM
Section 4: All
Section 5: E/2
Section 10: E/2
Section 13: W/2
Section 14: All

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM
Section 7: All
Section 8: W/2
Section 15: E/2
Section 16: All
Section 17: E/2
Section 18: All
Section 32: E/2

- (t) EXTEND the Gavilan Greenhorn-Graneros-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM
Section 2: S/2
Section 11: All
Section 14: All
Section 15: E/2

- (u) EXTEND the Gavilan-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM
Section 5: SE/4

- (v) EXTEND the Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 5 WEST, NMPM
Section 2: NW/4
Section 3: NE/4

- (w) EXTEND the Kutz-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Section 1: SW/4
Section 2: SE/4
Section 11: NE/4
Section 12: NW/4

- (x) EXTEND the West Kutz-Fruitland Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM
Section 19: N/2

- (y) EXTEND the South Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM
Section 35: NE/4
Section 36: NW/4

- (z) EXTEND the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 2 WEST, NMPM
Section 6: NW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 18: NW/4
Section 35: All
Section 36: S/2 and NW/4

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM
Section 23: NW/4

- (aa) EXTEND the South Los Pinos Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM
Section 28: SW/4
Section 33: NW/4

- (bb) EXTEND the Lybrook-Gallup Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM
Section 1: S/2 NE/4, SE/4 NW/4,
E/2 SW/4, and SE/4
Section 12: S/2, NE/4, E/2 NW/4, and
SW/4 NW/4
Section 25: S/2 SE/4
Section 36: N/2 NE/4

- (cc) EXTEND the Many Rocks-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 17 WEST, NMPM
Section 26: NE/4 SW/4

- (dd) EXTEND the North Many Rocks-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 17 WEST, NMPM
Section 21: SW/4 NW/4 and NW/4 SW/4

- (ee) EXTEND the Nageezi-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 8 WEST, NMPM
Section 16: SE/4

- (ff) EXTEND the Northeast Ojito Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM
Section 31: All

- (gg) EXTEND the Otero-Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM
Section 4: SW/4
Section 9: NW/4

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 11: E/2

- (hh) EXTEND the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM
Section 21: SE/4
Section 22: W/2 SW/4
Section 27: NW/4 NW/4
Section 28: N/2 NE/4, SW/4 NE/4, and
SE/4 NW/4

- (ii) EXTEND the Potwin-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Section 17: NE/4

- (jj) EXTEND the Totah-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM
Section 16: S/2 NW/4
Section 17: S/2 NE/4

- (kk) EXTEND the Twin Mounds Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM
Section 32: NE/4

- (ll) EXTEND the Wild Horse-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
Section 5: SW/4
Section 6: All
Section 7: N/2

DOCKET: COMMISSION HEARING - MONDAY - MARCH 30, 1987

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

CASE 8350: (Reopened)

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 Cavilan 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.

CASE 7980: (Reopened)

In the matter of Case 7980 being reopened pursuant to the provisions of Commission Order No. R-7407, which order promulgated temporary special rules and regulations for the Cavilan-Mancos 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.

CASE 8946: (Reopened)

In the matter of Case 8946 being reopened pursuant to the provisions of Commission Order No. R-7407-D, which order promulgated a temporary limiting gas-oil ratio and depth bracket allowable for the Gavilan-Mancos Oil Pool in Rio Arriba County. This case is being reopened in consolidation with the reconsideration of the Temporary Special Rules established by Order No. R-7407 for the Gavilan-Mancos Oil Pool.

CASE 8950: (Reopened)

In the matter of Case 8950 being reopened pursuant to the provisions of Commission Order No. R-2565-E (R-6469-C) and No. R-3401-A, as amended, which order promulgated a temporary limiting gas-oil ratio for the West Puerto Chiquito-Mancos Oil Pool in Rio Arriba County. This case is being reopened in consolidation with the reconsideration of the Temporary Special Rules established by Order No. R-7407 for the Gavilan-Mancos Oil Pool.

CASE 9113: Application of Benson-Monwin-Greer Drilling Corporation, Jerome P. McHugh & Associates, and Sun Exploration and Production Company to abolish the Gavilan-Mancos Oil Pool, to extend the West Puerto Chiquito-Mancos Oil Pool, and to amend the special rules and regulations for the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the abolishment of the Gavilan-Mancos Oil Pool; the concomitant extension of the West Puerto Chiquito-Mancos Oil Pool; and the amendment of the special rules and regulations for the West Puerto Chiquito-Mancos Oil Pool as promulgated by the Division, including provisions for 640-acre spacing units, a 600 to 1 gas-oil ratio limitation, the establishment of an administrative procedure for the drilling of a second well on a standard proration unit, and special well location provisions.

CASE 9114: Application of Mesa Grande Resources, Inc. for the extension of the Gavilan-Mancos Oil Pool and the contraction of the West Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the West Puerto Chiquito-Mancos Oil Pool and the concomitant extension of the Gavilan-Mancos Oil Pool underlying certain lands in Townships 24, 25, and 26 North, Ranges 1 and 2 West.