

DOCKET: COMMISSION HEARING - THURSDAY - JANUARY 8, 1987

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

CASE 9015: (Continued from November 20, 1986, Commission Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion for the adoption of new Rules 315, 413, and 903 to establish a gas priority production schedule. The Division seeks adoption of a hierarchy of classes of gas production in times of severely restricted demand for gas from New Mexico wells. Also to be considered will be the application of such rules to purchasers with marketing affiliates.

CASE 9018: (Continued from November 20, 1986, Commission Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of Order No. R-8170. The Division seeks the amendment of Rule 10(a), 11(a), and 11(b) of the General Rules for the Prorated Gas Pools of New Mexico to provide for two-year balancing periods and for a twelve times overproduced limit for the prorated gas pools of northwest New Mexico. Further to be considered is creation of a Gas Bank wherein gas allowables may be deposited for later use.

CASE 9063: Application of Merrion Oil & Gas Corporation for enforcement of Common Purchaser Requirements of Section 70-2-19 NMSA 1978 (1984 Supplement) and other pertinent provisions of the Oil and Gas Act, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order requiring El Paso Natural Gas Company to purchase applicant's casinghead gas production, without discrimination as to price paid, quantity purchased, bases of measurement, or gas transportation facilities afforded, as compared to casinghead gas from other wells of like quantity, quality, and pressure, from the common source of supply known as the Gavilan-Mancos Oil Pool, from the following identified wells:

1. Oso Canyon Gas Com C Well No. 1 located 1650 feet from the North and West lines of Section 13, Township 24 North, Range 2 West;
2. Krystina Well No. 1 located 1820 feet from the South line and 1650 feet from the West line of Section 14, Township 24 North, Range 2 West.

Applicant further seeks an order requiring El Paso Natural Gas Company to take ratably the casinghead gas produced from the aforementioned wells and any such other relief as may be appropriate.

CASE 9056: (Continued from December 17, 1986, Examiner Hearing)

Application of Citation Oil & Gas Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates formation in the open-hole interval from approximately 2636 feet to 2725 feet in its State Well No. 1-Y located 380 feet from the North and West lines (Unit D) of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool.

CASE 9062: 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 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 Triple X-Bone Spring Pool. The discovery well is the Texaco Producing Inc. HNG 4F State Well No. 1 located in Unit F of Section 4, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 4: NW/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Abo production and designated as the North Tulk-Abo Pool. The discovery well is the Coastal Oil & Gas Corporation State 22 Well No. 2 located in Unit O of Section 22, Township 14 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 32 EAST, NMPM
Section 22: SE/4

- (c) EXTEND the South Corbin-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 20: NE/4

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

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 21: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 17: SE/4
Section 20: NE/4
Section 21: W/2
Section 28: N/2

- (f) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 6: SW/4
Section 7: NW/4

- (g) EXTEND the Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 11: NW/4

- (h) EXTEND the San Simon-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM
Section 4: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 6: SE/4

CASE 9018: (Reopened and Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of Order No. R-8170. The Division seeks the amendment of Rule 10(a), 11(a), and 11(b) of the General Rules for the Prorated Gas Pools of New Mexico to provide for two-year balancing periods and for a twelve times overproduced limit for the prorated gas pools of northwest New Mexico. Further to be considered is creation of a Gas Bank wherein gas allowables may be deposited for later use.

CASE 9063: (Readvertised)

Application of Merrion Oil & Gas Corporation for enforcement of Common Purchaser Requirements of Section 70-2-19 NMSA 1978 (1984 Supplement) and other pertinent provisions of the Oil and Gas Act, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order requiring El Paso Natural Gas Company to purchase applicant's casinghead gas production, without discrimination as to price paid, quantity purchased, bases of measurement, or gas transportation facilities afforded, as compared to casinghead gas from other wells of like quantity, quality, and pressure, from the common source of supply known as the Gavilan-Mancos Oil Pool, from the following identified wells:

1. Oso Canyon Gas Com C Well No. 1 located 1650 feet from the North and West lines of Section 13, Township 24 North, Range 2 West;
2. Krystina Well No. 1 located 1820 feet from the South line and 1650 feet from the West line of Section 14, Township 24 North, Range 2 West.

Applicant further seeks an order requiring El Paso Natural Gas Company to take ratably the casinghead gas produced from the aforementioned wells and any such other relief as may be appropriate.

Docket No. 9-87

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 11, 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:

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