

from the South line and 1670 feet from the East line (Unit O) of Section 18, Township 30 North, Range 2 West, Jicarilla Apache Indian Reservation. Said Well is located approximately 2.5 miles west-northwest of Highway Junction US-64 and New Mexico 537.

CASE 9191: Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn and Atoka formations underlying the S/2 of Section 28, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian pools, forming a standard 80-acre oil spacing 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. Said location is approximately 6.5 miles east-southeast of Lovington, New Mexico.

CASE 9192: Application of Terra Resources, Inc. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Diamond Mound Atoka-Morrow Gas Pool underlying the E/2 of Section 7, Township 16 South, Range 28 East, to form a standard 320-acre gas spacing and proration unit to be dedicated to a well to be drilled at an unorthodox gas well location 660 feet from the North and East lines (Unit A) of said Section 7. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said location is approximately 1 mile east from the top of Diamond Mound.

Case 9193: Application of Conoco Inc. for an unorthodox oil well location, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location to be drilled 1390 feet from the North line and 1720 feet from the West line (Unit F) of Section 9, Township 18 North, Range 10 West (which is approximately 2 miles northeast of Seven Lakes, New Mexico), to test the Entrada formation, the SE/4 NW/4 of said Section 9 to be dedicated to the well.

Case 9194: Application of Pennzoil Company for approval of an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 2310 feet from the North line and 1650 feet from the East line (Unit G) of Section 16, Township 16 South, Range 37 East, undesignated Northeast Lovington-Pennsylvanian Pool, the S/2 NE/4 of said Section 16 to be dedicated to the well. Said location is approximately 1.4 miles south of Milepost 5.5 on New Mexico Highway No. 83.

CASE 9195: Application of Pennzoil Company for approval of an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1650 feet from the North line and 2100 feet from the West line (Unit F) of Section 16, Township 16 South, Range 37 East, Undesignated Northeast Lovington-Pennsylvanian Pool, the E/2 NW/4 of said Section 16 to be dedicated to the well. Said location is approximately 1.3 miles south of Milepost 5.5 on New Mexico Highway No. 83.

CASE 9123: (Continued from July 15, 1987, Examiner Hearing)

Application of Curtis J. Little for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1-E, located 1850 feet from the South line and 800 feet from the East line (Unit I) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9124: (Continued from July 15, 1987, Examiner Hearing)

Application of Rocanville Corporation for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of Section 14, Township 17 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1, located 1100 feet from the North line and 990 feet from the East line (Unit A) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9196: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating the following pool in Harding and Union Counties, New Mexico:

(a) CREATE a new pool in Harding and Union Counties, New Mexico, classified as a carbon dioxide gas pool for Tubb production and designated as the Bravo Dome Carbon Dioxide (640-Acre) Gas Pool. Said pool would comprise:

TOWNSHIP 18 NORTH, RANGE 33 EAST, NMPM  
Sections 1 through 4: All  
Sections 9 through 16: All  
Sections 23 through 26: All

TOWNSHIP 18 NORTH, RANGE 34 EAST, NMPM  
Sections 1 through 30: All  
Sections 33 through 36: All

TOWNSHIP 18 NORTH, RANGE 35 EAST, NMPM  
Sections 1 through 24: All  
Sections 27 through 32: All

TOWNSHIP 19 NORTH, RANGE 33 EAST, NMPM  
Sections 1 through 4: All  
Sections 9 through 16: All  
Sections 20 through 29: All  
Sections 34 through 36: All

TOWNSHIP 19 NORTH, RANGE 34 EAST, NMPM  
Sections 1 through 36: All

TOWNSHIP 19 NORTH, RANGE 35 EAST, NMPM  
Sections 1 through 11: All  
Sections 13 through 36: All

TOWNSHIP 19 NORTH, RANGE 36 EAST, NMPM  
Section 31: All

TOWNSHIP 20 NORTH, RANGE 33 EAST, NMPM  
Sections 1 through 15: All  
Sections 23 through 26: All  
Sections 34 through 36: All

TOWNSHIP 20 NORTH, RANGE 34 EAST, NMPM  
Sections 2 through 36: All

TOWNSHIP 20 NORTH, RANGE 35 EAST, NMPM  
Sections 17 through 21: All  
Sections 28 through 34: All

TOWNSHIP 21 NORTH, RANGE 33 EAST, NMPM  
Sections 31 through 36: All

TOWNSHIP 21 NORTH, RANGE 34 EAST, NMPM  
Sections 31 through 34: All

Suggested Name: Bravo Dome Carbon Dioxide (640-Acre) Gas Pool

CASE 9197: Application of Marshall & Winston, Inc. for the amendment of Division Order No. R-8457, Lea County, New Mexico. Division Order No. R-8457 issued in Case No. 9141 and pursuant to the provisions set forth by General Rule 1207.1(ii) on June 15, 1987 compulsorily pooled all mineral interests in the Abo formation underlying Lot 13 (Unit M) of Irregular Section 6, Township 21 South, Range 38 East (being approximately 1.2 miles east of Milepost 38 on New Mexico Highway No. 18), forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Applicant, in the above styled cause, now seeks the amendment of Order R-8457 changing the monthly overhead charges for supervision while drilling and producing said well to \$4,500.00 and \$450.00, respectively. All other provisions in said Order No. R-8457 shall remain in full force and effect. IF THERE ARE NO OBJECTIONS THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

Dockets Nos. 27-87 and 28-87 are tentatively set for September 9 and September 23, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 26, 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 9187: (Readvertised) (Continued from August 12, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Evans Production Company, American Motorists Insurance Company and all other interested parties to appear and show cause why the five wells listed below should not be plugged and abandoned in accordance with a Division-approved plugging program:

Inditos Well No. 1 located 2310 feet from the North line and 330 feet from the East line (Unit H) of Section 15, Township 16 North, Range 9 West;  
Bullseye Well No. 2 located 540 feet from the South line and 1560 feet from the West line (Unit N) of Section 18, Township 16 North, Range 9 West;  
Bullseye Well No. 9 located 330 feet from the South line and 1650 feet from the East line (Unit O) of Section 18, Township 16 North, Range 9 West;  
Bullseye Well No. 8 located 330 feet from the North line and 990 feet from the West line (Unit D) of Section 19, Township 16 North, Range 9 West; and,  
Bullseye A Well No. 2 located 990 feet from the South and East lines (Unit P) of Section 13, Township 16 North, Range 10 West, all in McKinley County.

These wells are located in an area approximately 14 miles north of Ambrosia Lake, New Mexico.

CASE 9198: Application of Bell, Foy, & Middlebrook, Ltd. for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Culp Ranch Unit Area comprising 1919.16 acres, more or less, of State and Federal lands in Sections 2, 11, and 14 of Township 12 South, Range 30 East, said acreage being approximately 11.5 miles southwest from the junction of U.S. 380 and New Mexico 172.

CASE 9190: (Continued from August 12, 1987, Examiner Hearing)

Application of Robert L. Bayless for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Gallup and Pictured Cliffs formations in the wellbore of its Jicarilla 519 Well No. 1 located 790 feet from the South line and 1670 feet from the East line (Unit O) of Section 18, Township 30 North, Range 2 West, Jicarilla Apache Indian Reservation. Said Well is located approximately 2.5 miles west-northwest of Highway Junction US-64 and New Mexico 537.

CASE 9199: Application of Jamar, Inc. for an Oil Treating Plant Permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to construct and operate an oil treating plant for the reclamation and treatment of sediment oil at a site in the NE/4 NE/4 (Unit A) of Section 8, Township 20 South, Range 37 East, which is approximately 2 miles west of Milepost 41 on New Mexico 18.

CASE 8352: (Reopened) (Continued from July 15, 1987, Examiner Hearing)

In the matter of Case 8352 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 9191: (Readvertised)

Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn and Atoka formations underlying the S/2 SE/4 of Section 28, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian pools, forming 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. Said location is approximately 6.5 miles east-southeast of Lovington, New Mexico.

CASE 9171: (Continued from August 12, 1987 Examiner Hearing)

Application of MorOilCo, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates, Seven Rivers, and Queen formations in the perforated interval from approximately 3951 feet to 3995 feet and in the open hole interval from approximately 4064 feet to 5000 feet in the Atlantic Richfield Company's Mesalero Ridge Unit "MA" Well No. 31 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 21, Township 19 South, Range 34 East, Undesignated Pearl-Queen Pool and Quail Ridge-Yates Gas Pool, which is approximately 2.5 miles north of N.M. milepost No. 77 on U.S. Highway 62/180.

CASE 9129: (Continued from July 15, 1987, Examiner Hearing)

Application of Virginia P. Uhden, Helen Orbesen, and Carrol 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 9200: Application of Mobil Producing Texas and New Mexico Inc. for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Upper Pennsylvanian production comprising the NW/4 of Section 6, Township 17 South, Range 36 East, and the promulgation of special rules therefor including a provision for 80-acre spacing and designated well locations. Said area is approximately 5.75 miles south of the Lovington-Lea County Airport.

CASE 9201: Application of Barbara Fasken 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 Devonian formation underlying the NW/4 NW/4 (Unit D) of Section 33, Township 11 South, Range 38 East, forming a statewide 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said location is approximately 5 miles north of Milepost 240 on U.S. Highway 380.

CASE 9202: Application of Meridian Oil Inc. 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 Devonian formation underlying the NE/4 NE/4 (Unit A) of Section 35, Township 18 South, Range 35 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said location is approximately one mile north from the junction of New Mexico Highways Nos. 8 and 529.

CASE 9203: Application of Sun Exploration and Production Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bough "D" member of the Cisco formation (at a depth of approximately 10,500 feet underlying the SW/4 of Section 22, Township 13 South, Range 34 East, to form a 160-acre spacing and proration unit for any and all formations and/or pools within said vertical limits which are 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 actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is approximately 11 miles west of Milepost 88.5 on New Mexico highway No. 18.

CASE 9204: Application of Samedan Oil Corporation for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the SE/4 SW/4, NE/4 SE/4, and S/2 SE/4 of Section 17, Township 23 South, Range 37 East, Jalmat Gas Pool, to be dedicated to the applicant's Hughes Federal Well No. 3 located 660 feet from the South line and 2080 feet from the West line (Unit N) of said Section 17, which is located approximately 50 yards east of New Mexico State Road 18 at Milepost 21.8.

CASE 9205: Application of Horizontal Recoveries Specialist, Inc. for a horizontal directional drilling pilot project, special operating rules therefor and two unorthodox gas well locations, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a horizontal directional drilling pilot project in the SE/4 of Section 20 and NW/4 of Section 28, Township 32 North, Range 5 West, forming two standard 160-acre gas spacing and proration units in the Fruitland formation. The applicant proposes to drill a well vertically on each of the above-described gas spacing units at unorthodox surface locations and to then drill horizontally therefrom, bottoming each well in the Fruitland formation at a vertical depth of approximately 3050 feet and extending laterally approximately 1500 feet. Applicant further seeks special rules and provisions within the pilot project area including the designation of a prescribed area within each proration unit limiting the extent of its respective wellbore. Said area is approximately 2.75 miles south of Mile Corner No. 238.5 on the New Mexico/Colorado border.

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 August 12, 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 recompleat 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 9207: Application of Western Oil Producers, Inc. for an Unorthodox Gas Well Location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 1, Township 22 South, Range 27 East, Undesignated East Carlsbad-Wolfcamp Gas Pool, the S/2 of said Section 1 to be dedicated to the well. Said location is approximately 5 miles east of Carlsbad, New Mexico.

CASE 9189: (Readvertised)

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 Cherry Canyon formation in the perforated interval from approximately 3670 feet to 3720 feet in its Merland Well No. 1 located 990 feet from the South line and 1870 feet from the East line (Unit O) of Section 24, Township 22 South, Range 26 East, South Carlsbad-Delaware Pool. Said well is approximately 400 yards northeast of the intersection of Hidalgo Road and Mescalero Road in Carlsbad, New Mexico.

CASE 9208: Application of Hixon Development Company for a gas storage well, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization to utilize its Carson Unit Well No. 24-18 located 660 feet from the South line and 1930 feet from the West line (Unit N) of Section 18, Township 25 North, Range 11 West (which is approximately 5 miles south-southwest of the Carson Trading Post), as a gas storage well.

CASE 9123: (Continued from August 12, 1987, Examiner Hearing)

Application of Curtis J. Little for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1-E, located 1850 feet from the South line and 800 feet from the East line (Unit 1) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9124: (Continued from August 12, 1987, Examiner Hearing)

Application of Rocanville Corporation for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of Section 14, Township 17 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1, located 1100 feet from the North line and 990 feet from the East line (Unit A) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9191: (Readvertised) (This case will be dismissed.)

Application of Amerind Oil Company 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 in the Strawn and Atoka formations underlying the S/2 SE/4 of Section 28, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian Pools, forming a standard 80-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks a 200

Dockets Nos. 28-87 and 29-87 are tentatively set for September 23 and October 7, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 9, 1987

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

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

CASE 9169: (Continued from August 12, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit C.R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O.F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9179: (Continued from August 12, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Turman & Hayes, Western Surety Company, and all other interested parties to appear and show cause why the following four wells located on the "B" Lee State Lease in Section 7, Township 18 South, Range 35 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program:

- Well No. 1 located 1650 feet from the North line and 2236 feet from the West line (Unit F);
- Well No. 3 located 2319 feet from the North line and 918 feet from the West line (Unit E);
- Well No. 4 located 2055 feet from the South line and 660 feet from the West line (Unit L);
- and Well No. 5 located 994 feet from the South line and 330 feet from the West line (Unit M).

All of these wells are located approximately 2.5 to 3 miles south of Buckeye, New Mexico.

CASE 9206: Application of Tipperary Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an exploratory unit area comprising 160 acres of State lands underlying the SW/4 of Section 29, Township 16 South, Range 37 East, said acreage being approximately 5.5 miles southeast of Lovington, New Mexico.

CASE 8863: (Continued from August 12, 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 recomplete 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 August 12, 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 recomplete 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,

percent penalty to be assessed as a charge for the risk involved in the drilling of said well, \$5,000.00 per month while drilling and \$500.00 per month while producing to be fixed as reasonable charges, and that the applicant be named operator of said well and unit. Said location is approximately 6.5 miles east-southeast of Lovington, New Mexico. IF THERE ARE NO OBJECTIONS THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 9209:

Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn and Atoka formations underlying the W/2 SW/4 of Section 27, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian Pools, forming a standard 80-acre oil spacing and proration unit, to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said location is approximately 7 miles southeast of Lovington, New Mexico.

CASE 9210:

Application of Pello Oil Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purposes of establishing a secondary recovery project, all mineral interests in the Twin Lakes-San Andres Associated Pool underlying 4863.82 acres, more or less, of State and Fee lands in either all or portions of the following described lands: Sections 25, 26, 35, and 36, Township 8 South, Range 28 East; Sections 30, 31, and 32, Township 8 South, Range 29 East; Sections 1, 2, and 12, Township 9 South, Range 28 East; and Sections 5, 6, 7, 8, and 18, Township 9 South, Range 29 East. The center of said area is approximately 9 miles south of Elkins, New Mexico. Said unit is to be designated the Twin Lakes-San Andres Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in well and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 9211:

Application of Pello Oil Company for a water flood project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the San Andres formation in its proposed Twin Lakes-San Andres Unit Area (Division Case No. 9210) underlying portions of Township 8 and 9 South, Ranges 28 and 29 East, Twin Lakes-San Andres Associated Pool. Said area is centered approximately 9 miles south of Elkins, New Mexico.

CASE 9168:

(Continued from August 12, 1987, Examiner Hearing)

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 interested 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 2 1/2 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.

CASE 8668:

(Reopened) (This case will be continued to October 7, 1987.)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 8769:

(Reopened) (This case will be continued to October 7, 1987.)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 9212:

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

- (a) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and

designated as the Oasis-Abo Gas Pool. The discovery well is the Tom Brown, Inc. Middlebrook "3" Well No. 1 located in Unit K of Section 3, Township 10 South, Range 30 East, NMIM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 30 EAST, NMIM  
Section 3: SW/4

- (b) EXTEND the North Hume-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15, SOUTH, RANGE 33 EAST, NMFM  
Section 36: SW/4

- (c) EXTEND the Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25, SOUTH, RANGE 34 EAST, NMFM  
Section 3: NE/4

- (d) EXTEND the Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24, SOUTH, RANGE 34 EAST, NMFM  
Section 27: W/2  
Section 28: N/2

TOWNSHIP 25, SOUTH, RANGE 34 EAST, NMFM  
Section 4: S/2  
Section 9: N/2

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

TOWNSHIP 18, SOUTH, RANGE 35 EAST, NMFM  
Section 11: SE/4  
Section 14: NE/4

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

TOWNSHIP 22, SOUTH, RANGE 35 EAST, NMFM  
Section 4: NE/4

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

TOWNSHIP 16, SOUTH, RANGE 37 EAST, NMFM  
Section 33: SE/4

- (h) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18, SOUTH, RANGE 32 EAST, NMIM  
Section 11: NE/4