

**CASE 10958:** **Application of Hanagan Petroleum Corporation for an unorthodox oil well location, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill its Leapin Lizard Well No. 1 at an unorthodox oil well location 421 feet from the North line and 2381 feet from the West line (Unit C) of Section 4, Township 14 South, Range 29 East, to test the Undesignated South Lone Wolf-Devonian Pool; Lot 3 (NE/4 NW/4 equivalent) of said Section 4 is to be dedicated to said well forming a standard 39.68-acre oil spacing and proration unit for said pool. Said unit is located approximately 17 miles east of Hagerman, New Mexico.

**CASE 10945:** (Continued from March 17, 1994, Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the San Andres formation to the base of the Morrow formation underlying the following described acreage in Section 21, Township 18 South, Range 28 East, and in the following manner: the W/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Illinois Camp-Morrow Gas Pool on the Undesignated North Turkey Track-Morrow Gas Pool; the NW/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the SW/4 NW/4 forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Illinois Camp-Bone Spring Pool. Said units are to be dedicated to a single well to be drilled in Unit "E" of said Section 21. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 13 miles west-southwest of Loco Hills, New Mexico.

**CASE 10946:** (Continued from March 17, 1994, Examiner Hearing.)

Application of Louis Dreyfus Natural Gas Corp. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N/2 of Section 21, Township 18 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Palmillo Draw-Atoka Gas Pool and the Undesignated North Illinois Camp-Morrow Gas Pool. Said unit is to be dedicated a well to be drilled at a standard gas well location thereon. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 13 miles west-southwest of Loco Hills, New Mexico.

**CASE 10832:** (Continued from March 3, 1994, Examiner Hearing.)

Application of James C. Brown, Trustee, and Bayshore Production Co., Limited Partnership, to vacate and void Division Administrative Orders NSP-1632(L)(SD) and NSP-1633(L), Lea County, New Mexico. Applicants seeks approval of an order from the Division vacating and voiding Administrative Order NSP-1633(L) covering the N/2 N/2 (equivalent) and Administrative Order NSP-1632(L) (SD) covering the S/2 N/2 (equivalent) of Section 7, Township 23 South, Range 37 East, Jalmat Gas Pool. The said units are located approximately 8 miles south-southwest of Eunice, New Mexico.

**DOCKET: COMMISSION HEARING - THURSDAY - APRIL 21, 1994**  
**9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO**  
**The Land Commissioner's designee for this hearing will be Gary Carlson**

**CASE 10345:** (De Novo - Continued from March 10, 1994, Commission Hearing.)

Application of Louise Y. Locke to consider objections to well costs, San Juan County, New Mexico. Applicant requests the Commission review actual well costs charged against her interest by BHP Petroleum (Americas), Inc., for the drilling of the Gallegos Canyon Unit Well #390 to determine the reasonableness of such costs pursuant to the provisions of Commission Order No. R-9581-A. Said well is located at the southeast edge of Farmington, New Mexico.

**CASE 10346:** (De Novo - Continued from March 10, 1994, Commission Hearing.)

Application of Louise Y. Locke to consider objections to well costs, San Juan County, New Mexico. Applicant requests the Commission review actual well costs charged against her interest by BHP Petroleum (Americas), Inc., for the drilling of the Gallegos Canyon Unit Well #391 to determine the reasonableness of such costs pursuant to the provisions of Commission Order No. R-9581-A. Said well is located at the southeast edge of Farmington, New Mexico.

**CASE 10943:** Application of Enron Oil & Gas Company for special pool rules, Lea County New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Red Hills-Bone Spring Pool located in Section 13, Township 25 South, Range 33 East, including a provision for 80-acre spacing and proration units and designated well location requirements. Said area is located approximately 5.5 miles south by west of the junction of New Mexico State Highway No. 128 and the Delaware Basin Pool.

**CASE 10944:** Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the San Andres formation to the base of the Morrow formation underlying the following described acreage in Section 20, Township 18 South, Range 28 East, and in the following manner: the N/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Illinois Camp-Morrow Gas Pool and the NW/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said units are to be dedicated to a single well to be drilled at a standard location thereon. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 14 miles west-southwest of Loco Hills, New Mexico.

**CASE 10945:** Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the San Andres formation to the base of the Morrow formation underlying the following described acreage in Section 21, Township 18 South, Range 28 East, and in the following manner: the W/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Illinois Camp-Morrow Gas Pool on the Undesignated North Turkey Track-Morrow Gas Pool; the NW/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the SW/4 NW/4 forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Illinois Camp-Bone Spring Pool. Said units are to be dedicated to a single well to be drilled in Unit "E" of said Section 21. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 13 miles west-southwest of Loco Hills, New Mexico.

**CASE 10946:** Application of Louis Dreyfus Natural Gas Corp. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N/2 of Section 21, Township 18 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Palmillo Draw-Atoka Gas Pool and the Undesignated North Illinois Camp-Morrow Gas Pool. Said unit is to be dedicated a well to be drilled at a standard gas well location thereon. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 13 miles west-southwest of Loco Hills, New Mexico.

**CASE 10858:** (Continued from February 17, 1994, Examiner Hearing.)

Application of Mitchell Energy Corporation for a waiver of the salt protection string requirements of Order No. R-111-P for certain wells, Lea County, New Mexico. Applicant seeks authority to delete the salt protection string requirements of Order No. R-111-P from ten wells to be located in Section 4, Township 20 South, Range 33 East, and to be drilled to test for production in the West Teas Yates-Seven Rivers Pool. The subject wells are located north of Highway 180 some 4.75 miles northeast of the intersection of Highways 176 and 180 and are approximately 2.75 miles northeast of Laguna Gatuna, New Mexico.

**CASE 10947:** 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 Silurian Devonian production and designated as the Bar U-Devonian Pool. The discovery well is the MW Petroleum Corporation State 10 Well No. 1 located in Unit B of Section 10, Township 9 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM  
Section 10: NE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Brinninstool-Delaware Pool. The discovery well is the Santa Fe Energy Operating Partners L. P. Tristle Unit Well No. 1 located in Unit C of Section 33, Township 23 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM

Section 33: NW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Dios Mano-Delaware Pool. The discovery well is the Harvey E. Yates Company EKay 28 State Well No. 3 located in Unit O of Section 28, Township 18 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM

Section 28: SE/4

- (d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the North Feather-Morrow Gas Pool. The discovery well is the H. L. Brown Jr. North Feather State Unit Well No. 1 located in Unit H of Section 16, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM

Section 16: N/2

- (e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Mesa Verde-Delaware Pool. The discovery well is the Enron Oil & Gas Company Mesa Verde 6 Federal Well No. 2 in Unit J of Section 6, Township 24 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM

Section 6: SE/4

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Saunders-San Andres Pool. The discovery well is the Charles B. Gillespie Jr. State Q Well No. 2 located in Unit K of Section 4, Township 15 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 33 EAST, NMPM

Section 4: SW/4

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the North Teaque-San Andres Pool. The discovery well is the Texaco Exploration & Production Inc. B. F. Harrison B Well No. 18 located in Unit D of Section 9, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 9: NW/4

- (h) EXTEND the Antelope Ridge-Morrow Gas Pool in Lea County, New Mexico to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 2: S/2

- (i) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 17: SE/4

- (j) EXTEND the West Blinebry Pool in Lea County, New Mexico to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 3: N/2