

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 17, 1984

8:00 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1984, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for November, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8354: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval for the La Mesa Unit comprising 80,000 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, and 18 North, Ranges 8 and 9 East.

CASE 8355: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Chaves and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the One Three Unit comprising 176,800 acres, more or less, of State, Federal, and Fee lands in Townships 16, 17, 18 and 19 South, Ranges 13,14, 15, 16, and 17 East.

CASE 8356: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Santa Fe and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Caja Del Rio Grande Unit comprising 122,600 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, 18 and 19 North, Ranges 6, 7, and 8 East.

CASE 8371: Application of Petroleum Corporation of Delaware for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Strawn production comprising the SE/4 of Section 5, Township 20 South, Range 29 East, and the promulgation of temporary special pool rules therefor including a provision for 160-acre well spacing and proration units and a 3,000 to 1 gas-oil ratio limitation retroactive to February 1, 1984.

CASE 8372: Application of Harvey E. Yates 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 bottom of the Mississippian formation underlying the N/2 of Section 24, Township 14 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8373: 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 the surface to the base of the Morrow formation underlying the N/2 of Section 11, Township 18 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8374: Application of J. Cleo Thompson and James Cleo Thompson, Jr., a Partnership, for an exception to Rule 104 C.I., Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C.I. of the Division's General Rules and Regulations to allow for more efficient development of its West Square Lake Waterflood Project in its West Square Lake Unit Area, Townships 16 and 17 South, Range 30 East.

CASE 8324: (Continued and Readvertised)

Application of Yates Petroleum Corporation for a Carbon Dioxide Injection Pilot Project and unorthodox locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a carbon dioxide injection pilot project by the injection of carbon dioxide and water into the Grayburg formation in two wells proposed to be drilled in the West Loco Hills Unit at unorthodox locations:

- (a) West Loco Hills Unit G4S Tract 13-12, located 1980 feet from the North line and 10 feet from the East line; and
- (b) West Loco Hills Unit G4S Tract 6-5, located 2475 feet from the South line and 10 feet from the East line

both in Section 12, Township 18 South, Range 29 East.

CASE 8375: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North and East lines of Section 32, Township 19 South, Range 24 East, to test the Wolfcamp through Morrow formations, the N/2 of said Section 32 to be dedicated to the well.

CASE 8376: Application of Yates Petroleum Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 330 feet from the North line and 2,600 feet from the East line of Section 32, Township 16 South, Range 31 East, to test the San Andres formation, the NW/4 NE/4 of said Section 32 to be dedicated to the well.

CASE 8348: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 950 feet from the North line and 1500 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8377: Application of Ray Westall for amendment of Division Order No. R-7567, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7567 to change the operator to Ray Westall of Loco Hills, New Mexico, and to extend the time for commencement of the subject well to October 15, 1984.

CASE 8226: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8359: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.

CASE 8360: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Marale State Well No. 1 located in the SE/4 SW/4 of said Section 36.

CASE 8361: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.

CASE 8343: (Continued and Readvertised)

Application of Chama Petroleum Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1640 feet from the South line and 1170 feet from the East line of Section 10, Township 22 South, Range 24 East, to test the Pennsylvanian formation, the E/2 of said Section 10 to be dedicated to the well. In the absence of objection, this application will be approved based upon the record of hearing held on September 19, 1984.

CASE 8378: Application of Santa Fe Energy Company 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 North line and 330 feet from the East line of Section 6, Township 17 South, Range 30 East, Atoka, Morrow, Strawn and Wolfcamp formations, the N/2 of said Section 6 to be dedicated to the well.

CASE 8367: (Continued from October 3, 1984, Examiner Hearing)

Application of Hondo Oil & Gas Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8368: (Continued from October 3, 1984, Examiner Hearing)

Application of Hamon Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to 12,000 feet underlying the N/2 of Section 25, Township 23 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8379: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Square Lake Federal "Q" Waterflood Project by converting the Federal "R" Well No. 3 located 330 feet from the North and West lines and its Federal "R" Well No. 8 located 1980 feet from the North line and 660 feet from the East line, both in Section 10, Township 17 South, Range 30 East, Square Lake Grayburg San Andres Pool, from producing oil wells to water injection wells.

CASE 8380: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Burnham GSA Unit Waterflood Project by converting the Burnham GSA, Tract 6, Well No. 1 located 1980 feet from the South and West lines of Section 2, Township 17 South, Range 30 East, Square Lake Grayburg-San Andres Pool, from a producing oil well to a water injection well.

- CASE 8381: Application of Anadarko Production Company for waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Ballard Grayburg-San Andres Waterflood Unit, Loco Hills Pool, by converting 8 wells located in Sections 5, 6, and 8, and drilling two new injection wells to be drilled at unorthodox locations in the SW/4 NW/4 and the SW/4 SW/4 of Section 4, all in Township 18 South, Range 29 East.
- CASE 8382: Application of TXO Production Company for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Pioneer Federal Com Well No. 1 located 1980 feet from the North line and 1740 feet from the East line (Unit G) of Section 19, Township 21 South, Range 27 East, to produce oil and gas from the Lanuerta-Wolfcamp Pool through a string of tubing and gas from the Burton Flat-Morrow Gas Pool through the casing-tubing annulus.
- CASE 8383: Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8384: Application of J. M. Huber Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the South and West lines of Section 32, Township 12 South, Range 36 East, Tatum-Wolfcamp Pool, the S/2 SW/4 of said Section 32 to be dedicated to the well.
- CASE 8217: (Continued from October 3, 1984, Examiner Hearing)
- Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8337: (Continued from October 3, 1984, Examiner Hearing)
- Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8385: 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 Eddy and Chaves Counties, New Mexico:
- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Avalon-Lower Bone Spring Pool. The discovery well is the Exxon Yates C Federal Well No. 22 located in Unit E of Section 4, Township 21 South, Range 27 East, NMPM. Said pool would comprise:
- TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 4: Lots 3, 4, 5, 6, 11 & 12
- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Forty Niner Ridge-Delaware Pool. The discovery well is the Getty Oil Company Forty Niner Ridge Unit Well No. 1 located in Unit J of Section 16, Township 23 South, Range 30 East, NMPM. Said pool would comprise:
- TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 16: SE/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Malaga-Bone Spring Pool. The discovery well is the HCW Exploration, Inc. Ann Com Well No. 1 located in Unit G of Section 15, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 15: NE/4

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sand Tank-Morrow Gas Pool. The discovery well is the Southland Royalty Company Holly 3 Fed. Com Well No. 1 located in Unit G of Section 8, Township 18 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 8: E/2

- (e) EXTEND the vertical limits of the South Leo Queen-Grayburg Pool in Eddy County, New Mexico, to include the Seven Rivers and San Andres formations and redesignate said pool as the South Leo Seven Rivers-Queen-Grayburg-San Andres Pool.

- (f) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 35: S/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 21: A11

Section 22: N/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 7: S/2

Section 8: SW/4

- (i) EXTEND the Four Ranch-PrePermian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Section 14: W/2

Section 15: A11

Section 16: E/2

- (j) EXTEND the Henshaw-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM

Section 14: SE/4

- (k) EXTEND the Leslie Spring-Wolfcamp Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM

Section 16: S/2

- (l) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 6: S/2
Section 7: N/2

- (m) EXTEND the West Palmillo-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 1: S/2 SE/4
Section 12: NE/4

- (n) EXTEND the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM

Section 33: A11
Section 34: S/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM

Section 31: E/2

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM

Section 17: NW/4
Section 18: A11
Sections 31 thru 34: A11

- (o) EXTEND the South Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 24 EAST, NMPM

Sections 13 and 14: A11
Sections 24 and 25: A11

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Sections 1 and 2: A11
Section 3: E/2
Section 10: E/2
Sections 11 thru 14: A11

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM

Section 23: NE/4

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

TOWNSHIP 5 SOUTH, RANGE 21 EAST, NMPM

Sections 30 thru 34: A11

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM

Section 28: W/2
Section 29: A11

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM

Section 9: S/2

- (q) EXTEND the North Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 4: N/2 SE/4 and SW/4 SE/4

- (r) EXTEND the Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 23: N/2

Docket Nos. 43-84 and 44-84 are tentatively set for November 14 and 28, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 31, 1984

8 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 Gilbert P. Quintana, Alternate Examiner:

- CASE 8386: Application of Pelto Oil Company for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pinon Unit Area comprising 50,000 acres, more or less, of State, Federal and Fee lands in Townships 13 and 14 North, Ranges 8 and 9 East.
- CASE 8387: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Arroyo Del Macho Unit Area comprising 25,214.78 acres, more or less, of State, Federal and Fee lands in Townships 4, 5, and 6 South, Ranges 21 and 22 East.
- CASE 8388: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Five Mile Draw Unit Area comprising 6,457.74 acres, more or less, of State, Federal and Fee lands in Townships 4, 6, and 7 South, Ranges 23 and 24 East.
- CASE 8389: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Huggins Draw Unit Area comprising 29,351.91 acres, more or less, of State, Federal and Fee lands in Townships 4 and 5 South, Ranges 22, 23, and 24 East.
- CASE 8390: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation through the base of the Morrow formation underlying the E/2 of Section 11, Township 19 South, Range 23 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8226: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8359: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.
- CASE 8360: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.
- CASE 8361: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.
- CASE 8391: Application of Stevens Operating Corporation for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 2310 feet from the South line and 1760 feet from the East line of Section 19, Township 8 South, Range 29 East, to test the Fusselman formation, the S/2 of said Section 19 to be dedicated to the well.

CASE 8392: Application of Morcoilco Incorporated for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 2,888 feet to 3,000 feet in its Guajalote "A" State Well No. 1 located in Section 5, Township 19 South, Range 29 East.

CASE 8393: Application of Fluid Waste, 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 Bone Spring formation in its Dorstate Well No. 1 located in Section 27, Township 25 South, Range 28 East.

CASE 8383: (Continued from October 17, 1984, Examiner Hearing)

Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8394: Application of Pennzoil Company for compulsory pooling and an unorthodox location, 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 W/2 of Section 1, Township 17 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 1320 feet from the North line and 1980 feet from the West line of said Section 1. 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 8395: Application of Merrion Oil & Gas Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gallup and Dakota formations underlying the S/2 of Section 24, Township 24 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 8217: (Continued from October 17, 1984, Examiner Hearing)

Application of Curtis J. Little for HARSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hard-ship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8396: 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 and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Cisco and Canyon production and designated as the North Anderson Ranch-Cisco Canyon Pool. The discovery well is the H. L. Brown, Jr. State 32 Well No. 1 located in Unit P of Section 32, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 32: SE/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 1, 2, 7, and 8

- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Pitchfork Ranch-Atoka Gas Pool. The discovery well is the HNG Oil Company Madera Ridge 25 Federal Com Well No. 1 located in Unit L of Section 25, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 25: W/2

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Shoe Bar-Atoka Gas Pool. The discovery well is the HNG Oil Company Shoe Bar 14 State Com Well No. 1 located in Unit L of Section 14, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 14: W/2

- (d) EXTEND the Airstrip-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 26: SW/4

- (e) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

- (f) EXTEND the Bluit-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 21: Lots 1 and 2 and NW/4

- (g) EXTEND the Northeast Caudill-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM
Section 2: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 24: NE/4

- (i) EXTEND the East Hightower-Lower Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 29: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 23: NE/4
Section 24: N/2

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 30: SE/4

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

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: N/2 SE/4

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 7: NW/4

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 33: E/2

- (o) EXTEND the East Saunders-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 9: SW/4

(p) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 15: NW/4

(q) EXTEND the Southeast Scharb-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 15: SW/4

(r) EXTEND the North Shoe Bar-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 15: N/2 NE/4 and NW/4

(s) EXTEND the Townsend-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 35: SE/4

(t) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 23: NE/4

(u) EXTEND the Weir-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 15: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 2: NW/4

DOCKET: COMMISSION HEARING - WEDNESDAY - NOVEMBER 7, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8397: Application of Gulf Oil Corporation for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purposes of a secondary recovery project, all mineral interests from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation underlying the Eunice Monument South Unit Area encompassing 14,189.84 acres, more or less, of State, Federal and Fee lands underlying portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21 and 22 of Township 21 South, Range 36 East. The unitized interval would be from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation between the depths of 3,666 feet to 5,283 feet, respectively, in Continental Oil Company's Meyer B-4 Well No. 23 located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East. 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 8398: Application of Gulf Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the producing interval which shall include the formations which extend from an upper limit of 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit to the base of the San Andres formation in the proposed Eunice Monument South Unit Area, in portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21, and 22 of Township 21 South, Range 36 East, Lea County, New Mexico.
- CASE 8399: Application of Gulf Oil Corporation for pool extension and contraction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the upward extension of the vertical limits of the Eunice-Monument Pool to include either the top of the Grayburg formation or to a subsea datum of minus 100 feet, whichever is higher, underlying their proposed Eunice Monument South Unit Area in portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21, and 22 of Township 21 South, Range 36 East, Lea County, New Mexico. Applicant also proposes the contraction of the vertical limits of the Eumont Gas Pool by contracting its lower limits to either the top of the Grayburg formation or to a subsea datum of minus 100 feet, whichever is higher, underlying the same area as described above.
- CASE 8182: (De Novo)
- Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AJ Well No. 34 located in the NW/4 NW/4 of Section 31, Township 32 North, Range 12 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).
- Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.
- CASE 8183: (De Novo)
- Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AI Well No. 33 located in the NW/4 NW/4 of Section 32, Township 27 North, Range 9 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).
- Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.
- CASE 8106: (Reopened)
- Application of Caulkins Oil Co. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe Office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.
- CASE 8400: Application of Jack J. Grynberg for amendment of Division Order R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6873 to 1) declare the applicant to be the operator of said Order's subject well and unit, 2) allow for the drilling of a second PrePermian well on the established 320-acre proration unit and 3) the establishment of a risk factor and overhead charges for the new well.
- CASE 8087: (De Novo)
- Application of Union Oil Company of California for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow well location 2050 feet from the South line and 825 feet from the West line of Section 27, Township 24 South, Range 26 East, White City-Pennsylvanian Gas Pool, all of said Section 27 to be dedicated to the well.
- Upon application of Gulf Oil Exploration and Production, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Commission Hearing - Wednesday - November 7, 1984

CASE 8228: (De Novo)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Langlie "A" State Well No. 3 located in Unit I of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Upon application of Doyle Hartman, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Dockets Nos. 1-85 and 2-85 are tentatively set for January 3 and January 17, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - DECEMBER 12, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205 - STATE LAND
OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7438: (Continued and Readvertised)

The Commission will consider the amendment of Division Rule No. 1204 to require applicants for hearings to make a reasonable effort to provide notice of hearings to adversely affected persons or, in the alternative, to adversely affected operators. This case will be dismissed.

CASE 8226: (Continued and Readvertised) (This case will be dismissed)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8400: (Continued from November 7, 1984, Commission Hearing)

Application of Jack J. Grynberg for amendment of Division Order R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order R-6873 to 1) declare the applicant to be the operator of said Order's subject well and unit, 2) allow for the drilling of a second PrePermian well on the established 320-acre proration unit and 3) the establishment of a risk factor and overhead charges for the new well.

CASE 8373: (De Novo)

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 the surface to the base of the Morrow formation underlying the N/2 of Section 11, Township 18 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Upon application of Harvey E. Yates Company, this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8139: (De Novo)

Application of BBC, 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 Delaware formation in the open-hole interval from 2,800 feet to 3,750 feet in its SWD Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 18, Township 20 South, Range 28 East. Upon request of Robert N. Enfield and Penroc Oil Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8359: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.

CASE 8360: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.

CASE 8361: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.

CASE 8425: Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 160-acre non-standard gas proration unit comprised of the SE/4 of Section 13, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Shell State Wells Nos. 2 and 5 located in Units P and J, respectively, of said Section 13.

CASE 8182: (Continued from November 7, 1984, Commission Hearing)

(De Novo)

Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AJ Well No. 34 located in the NW/4 NW/4 of Section 31, Township 32 North, Range 12 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8183: (Continued from November 7, 1984, Commission Hearing)

(De Novo)

Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AI Well No. 33 located in the NW/4 NW/4 of Section 32, Township 27 North, Range 9 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8331: (De Novo)

Application of Amoco Production Company for an extension of the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Gavilan-Mancos Oil Pool to include Sections 10, 11, 12, 13, 14, 23 and 24 in Township 24 North, Range 2 West. Upon application of Amoco Production Company, this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

Dockets Nos. 40-84 and 41-84 are tentatively set for October 17 and October 31, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 3, 1984

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

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner or Gilbert P. Quintana, Alternate Examiners:

CASE 8353: Application of Pogo Producing Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South and East lines of Section 14, Township 24 South, Range 28 East, Malaga Atoka and Malaga Morrow Fields, the S/2 of said Section 14 to be dedicated to the well.

CASE 8336: (Continued from September 5, 1984, Examiner Hearing)

Application of Kaiser-Francis Oil Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Pure Gold "A" Federal Well No. 1 located in Unit A of Section 21, Township 23 South, Range 31 East, West Sand Dunes-Morrow Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8348: (Continued and Readvertised)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the North line and 1100 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8354: Application of Yates Petroleum Corporation for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval for the La Mesa Unit comprising 80,000 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17 and 18 North, Ranges 8 and 9 East.

CASE 8355: Application of Yates Petroleum Corporation for a unit agreement, Chaves and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the One Three Unit comprising 176,800 acres, more or less, of State, Federal and Fee lands in Townships 16, 17, 18 and 19 South, Ranges 13, 14, 15, 16, and 17 East.

CASE 8356: Application of Yates Petroleum Corporation for a unit agreement, Santa Fe and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Caja Del Rio Grande Unit comprising 122,600 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, 18 and 19 North, Ranges 6, 7, and 8 East.

CASE 8357: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp through the base of the Morrow formation underlying the S/2 of Section 2, Township 20 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8303: (Continued from September 19, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for an exception to Rules 2(B) and 5(A) of Division Order R-1670-I, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 2(B) of Division Order R-1670-I to permit applicant to complete its well at an unorthodox oil well location 1650 feet from the North line and 2310 feet from the East line of Section 20, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool. Applicant also seeks an exception to Rule 5(A) of Division Order R-1670-I for approval of a non-standard 80-acre oil proration unit comprising the SW/4 NE/4 and NW/4 SE/4 of said Section 20 to be dedicated to the well.

CASE 8348: (Continued from September 19, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 950 feet from the North line and 1500 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8358: (This Case will be dismissed)

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 the surface to the base of the Morrow formation underlying the S/2 of Section 24, Township 16 South, Range 27 East, to be dedicated to a gas 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 8226: (Continued from September 19, 1984, Examiner Hearing)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8359: Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.CASE 8360: Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.CASE 8361: Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.CASE 8362: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 16, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.CASE 8363: Application of Southland Royalty Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 24, Township 24 South, Range 33 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8345: (Continued from September 19, 1984, Examiner Hearing)

Application of Texaco, Inc. for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit comprising the S/2 S/2 of Section 12, Township 20 South, Range 37 East, Skaggs Abo Gas Pool.

CASE 8364: Application of Santa Fe Energy Co. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North line and 990 feet from the West line of Section 26, Township 22 South, Range 27 East, the N/2 of said Section 26 to be dedicated to the well.CASE 8365: Application of Sohio Petroleum Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the N.E. Salado Draw (Deep) Unit comprising 2,560.36 acres, more or less, of State, Federal and Fee lands in Townships 25 and 26 South, Ranges 33 and 34 East.CASE 8366: Application of Phillips Petroleum Company for compulsory pooling and an unorthodox well location, Roosevelt 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 12, Township 6 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the West line of Section 12, Township 6 South, Range 33 East. 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 8367: Application of Hondo Oil & Gas Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.CASE 8368: Application of Hamon Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to 12,000 feet underlying the N/2 of Section 25, Township 23 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.CASE 8369: Application of Mewbourne Oil Company to vacate and void Division Order No. R-7591, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to vacate and void Division Order No. R-7591, dated July 20, 1984, pooling all mineral interests in the Upper Pennsylvanian formation underlying the SW/4 NE/4 of Section 5, Township 20 South, Range 25 East.CASE 8370: Application of Southern Union Exploration Company for temporary special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of temporary special pool rules for the Northeast Vacuum-Wolfcamp Pool located in the NE/4 of Section 32, Township 16 South, Range 35 East, including a provision for 80-acre oil well spacing.CASE 8217: (Continued from September 5, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8337: (Continued from September 19, 1984, Examiner Hearing)

Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Dockets Nos. 41-84 and 42-84 are tentatively set for October 31 and November 14, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 17, 1984

8:00 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1984, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for November, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8354: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval for the La Mesa Unit comprising 80,000 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, and 18 North, Ranges 8 and 9 East.

CASE 8355: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Chaves and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the One Three Unit comprising 176,800 acres, more or less, of State, Federal, and Fee lands in Townships 16, 17, 18 and 19 South, Ranges 13, 14, 15, 16, and 17 East.

CASE 8356: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Santa Fe and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Caja Del Rio Grande Unit comprising 122,600 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, 18 and 19 North, Ranges 6, 7, and 8 East.

CASE 8371: Application of Petroleum Corporation of Delaware for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Strawn production comprising the SE/4 of Section 5, Township 20 South, Range 29 East, and the promulgation of temporary special pool rules therefor including a provision for 160-acre well spacing and proration units and a 3,000 to 1 gas-oil ratio limitation retroactive to February 1, 1984.

CASE 8372: Application of Harvey E. Yates 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 bottom of the Mississippian formation underlying the N/2 of Section 24, Township 14 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8373: 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 the surface to the base of the Morrow formation underlying the N/2 of Section 11, Township 18 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8374: Application of J. Cleo Thompson and James Cleo Thompson, Jr., a Partnership, for an exception to Rule 104 C.I., Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C.I. of the Division's General Rules and Regulations to allow for more efficient development of its West Square Lake Waterflood Project in its West Square Lake Unit Area, Townships 16 and 17 South, Range 30 East.

CASE 8324: (Continued and Readvertised)

Application of Yates Petroleum Corporation for a Carbon Dioxide Injection Pilot Project and unorthodox locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a carbon dioxide injection pilot project by the injection of carbon dioxide and water into the Grayburg formation in two wells proposed to be drilled in the West Loco Hills Unit at unorthodox locations:

- (a) West Loco Hills Unit G4S Tract 13-12, located 1980 feet from the North line and 10 feet from the East line; and
- (b) West Loco Hills Unit G4S Tract 6-5, located 2475 feet from the South line and 10 feet from the East line

both in Section 12, Township 18 South, Range 29 East.

CASE 8375: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North and East lines of Section 32, Township 19 South, Range 24 East, to test the Wolfcamp through Morrow formations, the N/2 of said Section 32 to be dedicated to the well.

CASE 8376: Application of Yates Petroleum Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 330 feet from the North line and 2,600 feet from the East line of Section 32, Township 16 South, Range 31 East, to test the San Andres formation, the NW/4 NE/4 of said Section 32 to be dedicated to the well.

CASE 8348: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 950 feet from the North line and 1500 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8377: Application of Ray Westall for amendment of Division Order No. R-7567, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7567 to change the operator to Ray Westall of Loco Hills, New Mexico, and to extend the time for commencement of the subject well to October 15, 1984.

CASE 8226: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for HARSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8359: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.

CASE 8360: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Marale State Well No. 1 located in the SE/4 SW/4 of said Section 36.

CASE 8361: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.

CASE 8343: (Continued and Readvertised)

Application of Chama Petroleum Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1640 feet from the South line and 1170 feet from the East line of Section 10, Township 22 South, Range 24 East, to test the Pennsylvanian formation, the E/2 of said Section 10 to be dedicated to the well. In the absence of objection, this application will be approved based upon the record of hearing held on September 19, 1984.

CASE 8378: Application of Santa Fe Energy Company 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 North line and 330 feet from the East line of Section 6, Township 17 South, Range 30 East, Atoka, Morrow, Strawn and Wolfcamp formations, the N/2 of said Section 6 to be dedicated to the well.

CASE 8367: (Continued from October 3, 1984, Examiner Hearing)

Application of Hondo Oil & Gas Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8368: (Continued from October 3, 1984, Examiner Hearing)

Application of Hamon Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to 12,000 feet underlying the N/2 of Section 25, Township 23 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8379: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Square Lake Federal "Q" Waterflood Project by converting the Federal "R" Well No. 3 located 330 feet from the North and West lines and its Federal "R" Well No. 8 located 1980 feet from the North line and 660 feet from the East line, both in Section 10, Township 17 South, Range 30 East, Square Lake Grayburg San Andres Pool, from producing oil wells to water injection wells.

CASE 8380: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Burnham GSA Unit Waterflood Project by converting the Burnham GSA, Tract 6, Well No. 1 located 1980 feet from the South and West lines of Section 2, Township 17 South, Range 30 East, Square Lake Grayburg-San Andres Pool, from a producing oil well to a water injection well.

- CASE 8381: Application of Anadarko Production Company for waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Ballard Grayburg-San Andres Waterflood Unit, Loco Hills Pool, by converting 8 wells located in Sections 5, 6, and 8, and drilling two new injection wells to be drilled at unorthodox locations in the SW/4 NW/4 and the SW/4 SW/4 of Section 4, all in Township 18 South, Range 29 East.
- CASE 8382: Application of TXO Production Company for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Pioneer Federal Com Well No. 1 located 1980 feet from the North line and 1740 feet from the East line (Unit G) of Section 19, Township 21 South, Range 27 East, to produce oil and gas from the Lahuerta-Wolfcamp Pool through a string of tubing and gas from the Burton Flat-Morrow Gas Pool through the casing-tubing annulus.
- CASE 8383: Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8384: Application of J. M. Huber Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the South and West lines of Section 32, Township 12 South, Range 36 East, Tatum-Wolfcamp Pool, the S/2 SW/4 of said Section 32 to be dedicated to the well.
- CASE 8217: (Continued from October 3, 1984, Examiner Hearing)
- Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8337: (Continued from October 3, 1984, Examiner Hearing)
- Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8385: 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 Eddy and Chaves Counties, New Mexico:
- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Avalon-Lower Bone Spring Pool. The discovery well is the Exxon Yates C Federal Well No. 22 located in Unit E of Section 4, Township 21 South, Range 27 East, NMPM. Said pool would comprise:
- TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
- Section 4: Lots 3, 4, 5, 6, 11 & 12
- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Forty Niner Ridge-Delaware Pool. The discovery well is the Getty Oil Company Forty Niner Ridge Unit Well No. 1 located in Unit J of Section 16, Township 23 South, Range 30 East, NMPM. Said pool would comprise:
- TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
- Section 16: SE/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Malaga-Bone Spring Pool. The discovery well is the HCW Exploration, Inc. Ann Com Well No. 1 located in Unit G of Section 15, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 15: NE/4

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sand Tank-Morrow Gas Pool. The discovery well is the Southland Royalty Company Holly 8 Fed. Com well No. 1 located in Unit G of Section 8, Township 18 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 8: E/2

- (e) EXTEND the vertical limits of the South Leo Queen-Grayburg Pool in Eddy County, New Mexico, to include the Seven Rivers and San Andres formations and redesignate said pool as the South Leo Seven Rivers-Queen-Grayburg-San Andres Pool.

- (f) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 35: S/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 21: A11

Section 22: N/2

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 7: S/2

Section 8: SW/4

- (i) EXTEND the Four Ranch-PrePermian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Section 14: W/2

Section 15: A11

Section 16: E/2

- (j) EXTEND the Henshaw-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM

Section 14: SE/4

- (k) EXTEND the Leslie Spring-Wolfcamp Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM

Section 16: S/2

- (l) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 6: S/2
Section 7: N/2

- (m) EXTEND the West Palmillo-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 1: S/2 SE/4
Section 12: NE/4

- (n) EXTEND the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM

Section 33: A11
Section 34: S/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM

Section 31: E/2

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM

Section 17: NW/4
Section 18: A11
Sections 31 thru 34: A11

- (o) EXTEND the South Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 24 EAST, NMPM

Sections 13 and 14: A11
Sections 24 and 25: A11

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Sections 1 and 2: A11
Section 3: E/2
Section 10: E/2
Sections 11 thru 14: A11

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM

Section 23: NE/4

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

TOWNSHIP 5 SOUTH, RANGE 21 EAST, NMPM

Sections 30 thru 34: A11

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM

Section 28: W/2
Section 29: A11

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM

Section 9: S/2

- (q) EXTEND the North Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 4: N/2 SE/4 and SW/4 SE/4

- (r) EXTEND the Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 23: N/2

Docket Nos. 43-84 and 44-84 are tentatively set for November 14 and 28, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 31, 1984

8 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 Gilbert P. Quintana, Alternate Examiner:

- CASE 8386: Application of Pelto Oil Company for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pinon Unit Area comprising 50,000 acres, more or less, of State, Federal and Fee lands in Townships 13 and 14 North, Ranges 8 and 9 East.
- CASE 8387: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Arroyo Del Macho Unit Area comprising 25,214.78 acres, more or less, of State, Federal and Fee lands in Townships 4, 5, and 6 South, Ranges 21 and 22 East.
- CASE 8388: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Five Mile Draw Unit Area comprising 6,457.74 acres, more or less, of State, Federal and Fee lands in Townships 4, 6, and 7 South, Ranges 23 and 24 East.
- CASE 8389: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Huggins Draw Unit Area comprising 29,351.91 acres, more or less, of State, Federal and Fee lands in Townships 4 and 5 South, Ranges 22, 23, and 24 East.
- CASE 8390: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation through the base of the Morrow formation underlying the E/2 of Section 11, Township 19 South, Range 23 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8226: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8359: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.
- CASE 8360: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.
- CASE 8361: (Continued from October 17, 1984, Examiner Hearing)
- Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.
- CASE 8391: Application of Stevens Operating Corporation for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 2310 feet from the South line and 1760 feet from the East line of Section 19, Township 8 South, Range 29 East, to test the Fusselman formation, the S/2 of said Section 19 to be dedicated to the well.

CASE 8392: Application of Moroilco Incorporated for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 2,888 feet to 3,000 feet in its Guajalote "A" State Well No. 1 located in Section 5, Township 19 South, Range 29 East.

CASE 8393: Application of Fluid Waste, 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 Bone Spring formation in its Dorstate Well No. 1 located in Section 27, Township 25 South, Range 28 East.

CASE 8383: (Continued from October 17, 1984, Examiner Hearing)

Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8394: Application of Pennzoil Company for compulsory pooling and an unorthodox location, 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 W/2 of Section 1, Township 17 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 1320 feet from the North line and 1980 feet from the West line of said Section 1. 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 8395: Application of Merrion Oil & Gas Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gallup and Dakota formations underlying the S/2 of Section 24, Township 24 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 8217: (Continued from October 17, 1984, Examiner Hearing)

Application of Curtis J. Little for HARSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hard-ship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8396: 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 and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Cisco and Canyon production and designated as the North Anderson Ranch-Cisco Canyon Pool. The discovery well is the H. L. Brown, Jr. State 32 Well No. 1 located in Unit P of Section 32, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 32: SE/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 1, 2, 7, and 8

- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Pitchfork Ranch-Atoka Gas Pool. The discovery well is the HNG Oil Company Madera Ridge 25 Federal Com Well No. 1 located in Unit L of Section 25, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 25: W/2

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Shoe Bar-Atoka Gas Pool. The discovery well is the HNG Oil Company Shoe Bar 14 State Com Well No. 1 located in Unit L of Section 14, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 14: W/2

- (d) EXTEND the Airstrip-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 26: SW/4

- (e) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

- (f) EXTEND the Bluit-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 21: Lots 1 and 2 and NW/4

- (g) EXTEND the Northeast Caudill-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM
Section 2: SE/4

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

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 24: NE/4

- (i) EXTEND the East Hightower-Lower Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 29: NW/4

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

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 23: NE/4
Section 24: N/2

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 30: SE/4

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

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: N/2 SE/4

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

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 7: NW/4

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 33: E/2

- (o) EXTEND the East Saunders-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 9: SW/4

(p) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 15: NW/4

(q) EXTEND the Southeast Scharb-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 15: SW/4

(r) EXTEND the North Shoe Bar-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 15: N/2 NE/4 and NW/4

(s) EXTEND the Townsend-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 35: SE/4

(t) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 23: NE/4

(u) EXTEND the Weir-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 15: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 2: NW/4

DOCKET: COMMISSION HEARING - WEDNESDAY - NOVEMBER 7, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8397: Application of Gulf Oil Corporation for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purposes of a secondary recovery project, all mineral interests from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation underlying the Eunice Monument South Unit Area encompassing 14,189.84 acres, more or less, of State, Federal and Fee lands underlying portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21 and 22 of Township 21 South, Range 36 East. The unitized interval would be from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation between the depths of 3,666 feet to 5,283 feet, respectively, in Continental Oil Company's Meyer B-4 Well No. 23 located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East. 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 8398: Application of Gulf Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the producing interval which shall include the formations which extend from an upper limit of 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit to the base of the San Andres formation in the proposed Eunice Monument South Unit Area, in portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21, and 22 of Township 21 South, Range 36 East, Lea County, New Mexico.
- CASE 8399: Application of Gulf Oil Corporation for pool extension and contraction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the upward extension of the vertical limits of the Eunice-Monument Pool to include either the top of the Grayburg formation or to a subsea datum of minus 100 feet, whichever is higher, underlying their proposed Eunice Monument South Unit Area in portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21, and 22 of Township 21 South, Range 36 East, Lea County, New Mexico. Applicant also proposes the contraction of the vertical limits of the Eumont Gas Pool by contracting its lower limits to either the top of the Grayburg formation or to a subsea datum of minus 100 feet, whichever is higher, underlying the same area as described above.
- CASE 8182: (De Novo)
- Application of Mesa Petroleum Co. for NPGA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AJ Well No. 34 located in the NW/4 NW/4 of Section 31, Township 32 North, Range 12 West, is above normal NPGA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).
- Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.
- CASE 8183: (De Novo)
- Application of Mesa Petroleum Co. for NPGA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AI Well No. 33 located in the NW/4 NW/4 of Section 32, Township 27 North, Range 9 West, is above normal NPGA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).
- Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.
- CASE 8106: (Reopened)
- Application of Caulkins Oil Co. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe Office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.
- CASE 8400: Application of Jack J. Grynberg for amendment of Division Order R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6873 to 1) declare the applicant to be the operator of said Order's subject well and unit, 2) allow for the drilling of a second PrePermian well on the established 320-acre proration unit and 3) the establishment of a risk factor and overhead charges for the new well.
- CASE 8087: (De Novo)
- Application of Union Oil Company of California for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow well location 2050 feet from the South line and 825 feet from the West line of Section 27, Township 24 South, Range 26 East, White City-Pennsylvanian Gas Pool, all of said Section 27 to be dedicated to the well.
- Upon application of Gulf Oil Exploration and Production, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8228: (De Novo)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Langlie "A" State Well No. 3 located in Unit I of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Upon application of Doyle Hartman, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8361: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.

CASE 8425: Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 160-acre non-standard gas proration unit comprised of the SE/4 of Section 13, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Shell State Wells Nos. 2 and 5 located in Units P and J, respectively, of said Section 13.

CASE 8182: (Continued from November 7, 1984, Commission Hearing)

(De Novo)

Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AJ Well No. 34 located in the NW/4 NW/4 of Section 31, Township 32 North, Range 12 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8183: (Continued from November 7, 1984, Commission Hearing)

(De Novo)

Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AI Well No. 33 located in the NW/4 NW/4 of Section 32, Township 27 North, Range 9 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8331: (De Novo)

Application of Amoco Production Company for an extension of the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Gavilan-Mancos Oil Pool to include Sections 10, 11, 12, 13, 14, 23 and 24 in Township 24 North, Range 2 West. Upon application of Amoco Production Company, this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

Dockets Nos. 1-85 and 2-85 are tentatively set for January 3 and January 17, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - DECEMBER 12, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205 - STATE LAND
OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7438: (Continued and Readvertised)

The Commission will consider the amendment of Division Rule No. 1204 to require applicants for hearings to make a reasonable effort to provide notice of hearings to adversely affected persons or, in the alternative, to adversely affected operators. This case will be dismissed.

CASE 8226: (Continued and Readvertised) (This case will be dismissed)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8400: (Continued from November 7, 1984, Commission Hearing)

Application of Jack J. Grynberg for amendment of Division Order R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order R-6873 to 1) declare the applicant to be the operator of said Order's subject well and unit, 2) allow for the drilling of a second PrePermian well on the established 320-acre proration unit and 3) the establishment of a risk factor and overhead charges for the new well.

CASE 8373: (De Novo)

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 the surface to the base of the Morrow formation underlying the N/2 of Section 11, Township 18 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Upon application of Harvey E. Yates Company, this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8139: (De Novo)

Application of BBC, 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 Delaware formation in the open-hole interval from 2,800 feet to 3,750 feet in its SWD Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 18, Township 20 South, Range 28 East. Upon request of Robert N. Enfield and Penroc Oil Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8359: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.

CASE 8360: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.