

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 7, 1993
8:15 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

Dockets Nos. 31-93 and 32-93 are tentatively set for October 21, 1993 and November 4, 1993. Applications for hearing must be filed at least 23 days in advance of hearing date.

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

CASE 10812: (Continued from September 23, 1993, Examiner Hearing.)

Application of Giant Exploration & Production Company for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Basin-Fruitland Coal Gas Pool, underlying the N/2 of Section 33, Township 26 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes only the Basin Fruitland Coal Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon in said Section 33. 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 the operator of the well, and a charge for risk involved in drilling said well. Said unit is located near the Huerfano Boarding School.

CASE 10833: (Continued from September 23, 1993, Examiner Hearing.)

Application of Giant Exploration & Production Company for an unorthodox infill coal gas well location, San Juan County, New Mexico. Applicant seeks approval of an unorthodox coal gas well location 1850 feet from the South line and 790 feet from the East line of Section 29, Township 25 North, Range 12 West, Basin-Fruitland Coal (Gas) Pool. Further, the applicant seeks an exception to the requirements of Rule No. 4 of the Special Rules and Regulations for said Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, as amended, to allow the drilling of a second well on a standard 320-acre spacing and proration unit comprising the E/2 of said Section 29. Said unit is located approximately 8 miles south of Chaco Plant.

CASE 10711: (Reopened)

In the matter of Case No. 10711 being reopened upon the application of Yates Petroleum Corporation for a new well location in the waterflood project approved for its Creek "AL" Federal Lease by Division Order No. R-9896, issued in Case 10711 on May 18, 1993. Applicant also seeks the establishment of an administrative procedure for the approval of additional well locations within this project. The Creek "AL" Federal Lease is located in the E/2 SE/4 of Section 23, the NW/4 SW/4 and S/2 S/2 of Section 24, and the NW/4 and E/2 NE/4 of Section 25, Township 18 South, Range 30 East, which is located approximately 6 miles east of Walters Lake.

CASE 10836: Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox oil well location, Lea County, New Mexico. Applicant seeks approval to drill its Kachina "5" Well No. 5 at an unorthodox oil well location 660 feet from the South line and 990 feet from the West line (Unit M) of Section 5, Township 18 South, Range 33 East, to test the Wolfcamp formation, South Corbin-Wolfcamp Pool. The S/2 SW/4 of said Section 5 will be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool. Said well is located approximately 7 miles southeast of Maljamar, New Mexico.

CASE 10837: Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks approval to drill its North Pure Gold "9" Fed. Well No. 2 at an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 9, Township 23 South, Range 31 East, to test the Atoka and Morrow formations, Undesignated Los Medanos-Morrow Gas Pool, West Sand Dunes-Atoka Gas Pool, and Undesignated West Sand Dunes-Morrow Gas Pool. The S/2 of said Section 9 will be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool(s). Said well is located approximately 11 miles southeast of Lindsey Lake.

CASE 10775: (Continued from September 9, 1993, examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox infill gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant seeks approval of an unorthodox well location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 1, Township 24 South, Range 28 East, Malaga-Atoka Gas Pool. Further, the applicant seeks an exception to Division General Rule 104.c(2) to allow the existing 320-acre gas spacing and proration unit comprising the S/2 of said Section 1 to be simultaneously dedicated in the Malaga-Atoka Gas Pool to the proposed well and to the existing Malaga Federal 1 Well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1. Said unit is located approximately 2 miles northeast of Malaga, New Mexico.

CASE 10829: (Continued from September 23, 1993, Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, underlying the following described areas in Section 32, Township 18 South, Range 34 East, and in the following manner: the E/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent; the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the W/2 SE/4 forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, including the EK-Bone Spring Pool. Said unit is to be dedicated to the applicant's Larica 32 State Well No. 1, to be drilled at an orthodox location within said E/2 proration unit. 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 the operator of the well, and a charge for risk involved in drilling said well. Said unit is located approximately 7.5 miles west of Arkansas Junction.

CASE 10838: **Application of Harvey E. Yates Company for an unorthodox oil well location, Lea County, New Mexico.** Applicant seeks authorization to drill its Young Deep Unit Well No. 21 at an unorthodox oil well location 1330 feet from the South and West lines (Unit K) of Section 3, Township 18 South, Range 32 East, to test the Undesignated Young-Wolfcamp Pool. The NE/4 SW/4 of Section 3 is to be dedicated to the above-described well forming a standard 40-acre oil spacing and proration unit for said pool. Said well is located approximately 6 miles south of Maljamar, New Mexico.

CASE 10839: **Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 28, Township 18 South, Range 34 East, forming a standard 320-acre gas spacing and proration unit for any Morrow Pools within said vertical extent which presently includes the Undesignated West La Rica-Morrow Gas Pool. Said unit is to be dedicated to its Ekay 28 State Well No. 1, to be drilled at an orthodox location within Unit J of said E/2 proration unit, 2050 feet from the South line and 1800 feet from the East line of said Section 28. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 12 miles southeast of Maljamar, New Mexico.

CASE 10840: **Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 28, Township 18 South, Range 34 East, forming a standard 320-acre gas spacing and proration unit for any Morrow Pools within said vertical extent which presently includes the Undesignated West La Rica-Morrow Gas Pool. Said unit is to be dedicated to its Ekay 28 State Well No. 4, to be drilled at an orthodox location within Unit K of said W/2 proration unit, 1980 feet from the South and West lines of said Section 28. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 12 miles southeast of Maljamar, New Mexico.

CASE 10841: **Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the SW/4 SW/4 of Section 1, Township 14 South, Range 33 East forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes the Undesignated Saunders Permo-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Childress "AKV" Well No. 1 to be drilled at a standard location 990 feet from the South line and 330 feet from the West line (Unit M) 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. Said area is located approximately 20 miles southeast of Caprock, New Mexico.

CASE 10842: **Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.** Applicant seeks authorization to drill its Hickory "ALV" Federal Well No. 3 at a location 2166 feet from the South line and 2253 feet from the West line (Unit K) of Section 17, Township 22 South, Range 24 East, to test the Upper Pennsylvanian formation, Indian Basin-Upper Pennsylvanian Associated Pool. The W/2 of Section 17 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said unit is located approximately 8 miles southeast of Carlsbad, New Mexico.