

Dockets Nos. 21-74 and 22-74 are tentatively set for hearing on July 24 and August 7. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 10, 1974

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas from seventeen prorated pools in Lea, Eddy, Roosevelt, and Chaves Counties, New Mexico, for August, 1974;
- (2) Consideration of the allowable production of gas from five prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico, for August, 1974.

CASE 3608: (Reopened) (Continued from the June 19th Examiner Hearing)

In the matter of Case No. 3608 being reopened pursuant to the provisions of Order No. R-3282, which order established temporary rules for the Carlsbad Permo-Penn Gas Pool, Eddy County, New Mexico, including a provision for 640-acre spacing. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing units.

CASE 5265: Application of David Fasken for an unorthodox location and a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox gas well location of a well to be drilled to the Morrow formation at a point 1664 feet from the North line and 660 feet from the East line of Section 1, Township 21 South, Range 26 East, Eddy County, New Mexico. Applicant further seeks approval for a 281.3-acre non-standard proration unit for said well comprising all of Lots 1 through 8 of said Section 1.

CASE 5266: Application of David Fasken for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for a well to be drilled to the Morrow formation at a point 1300 feet from the South and West lines of Section 29, Township 20 South, Range 25 East, Cemetery-Morrow Gas Pool, Eddy County, New Mexico, the S/2 of said Section 29 to be dedicated to the well.

CASE 5267: Application of Mark Production 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 E/2 of Section 1, Township 18 South, Range 26 East, Atoka-Pennsylvanian Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an orthodox location 990 feet from the South and East lines of said Section 1. Also to be considered will

(Case 5267 continued from Page 1)

be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 5268: Application of Anadarko Production Company, General American Oil Company of Texas and Shenandoah Oil Corporation for four waterflood projects, Eddy County, New Mexico. Applicants, in the above-styled cause, seek authority to institute four cooperative waterflood projects by the injection of water into the Grayburg-San Andres formation in Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico as follows:

Project No. 1: Anadarko's Loco Hills "A" Federal lease by the conversion of four wells in Sections 10 and 15 to water injection;

Project No. 2: Anadarko's Loco Hills "B" Federal lease by the conversion of three wells in Section 9;

Project No. 3: General American Parke "F" lease by the conversion of one well in Section 10;

Project No. 4: Shenandoah's Parke "B" lease by the conversion of two wells in Section 15.

CASE 5269: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Estacado Unit Area comprising 1280 acres, more or less, of State and fee lands in Township 14 South, Range 35 East, Lea County, New Mexico.

CASE 5270: Application of Texaco Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying all of Section 33, Township 24 South, Range 26 East, White City-Pennsylvanian Gas Pool, Eddy County, New Mexico, to be dedicated to applicant's White City Com. Well No. 1 in Unit F of said Section 33.

CASE 5271: Application of Merrion & Bayless for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 13, Township 24 North, Range 6 West, Rio Arriba County, New Mexico, to be dedicated to a well to be drilled at a standard location for said unit in Unit F of said Section 13. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

(Case 5110 continued from Page 3)

the Washington Ranch-Morrow Gas Pool, Eddy County, New Mexico, to provide for fixing the total allowable natural gas production from said pool to an amount equal to reasonable market demand and to the capacity of the gas transportation facilities. Also to be considered will be the adoption of special rules and regulations for said pool including a provision for allocating the allowable production among the wells in the pool. NOTE: This case will be continued to the first Examiner Hearing in January, 1975.

CASE 5274: Southeastern nomenclature case calling for the creation, abolishment, and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico.

(a) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Black River-Wolfcamp Gas Pool. The discovery well is Amoco Production Company Herren Federal Gas Com Well No. 1 located in Unit K of Section 7, Township 24 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM
Section 7: SW/4

(b) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Cooper-Morrow Gas Pool. The discovery well is the El Paso Natural Gas Company Cooper Federal Well No. 1 located in Unit F of Section 21, Township 24 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM
Section 21: N/2

(c) Create a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Malaga-Morrow Gas Pool. The discovery well is Phillips Petroleum Company Malaga A Well No. 1 located in Unit L of Section 2, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 2: W/2

(d) Abolish the Bell Lake-Pennsylvanian Gas Pool in Lea County, New Mexico, described as:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 36: SE/4

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 30: All
Section 31: All

CASE 5272: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Consolidated Oil and Gas, Inc., United States Fidelity & Guaranty Company and all other interested parties to appear and show cause why the Consolidated Oil and Gas, Inc., Price Well No. 1 located in Unit N, Section 15, Township 31 North, Range 13 West, San Juan County, New Mexico, should not be recompleted as a single-zone well or be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5273: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Eastern Petroleum Corporation, United States Fidelity and Guaranty Company and all other interested parties to appear and show cause why the following wells should not be abandoned in accordance with a Commission-approved plugging program:

Castillo #1 located in Unit P, Section 35, Township 20 North, Range 7 West, McKinley County, New Mexico;

Chopup #1 located in Unit N, Section 30, Township 19 North, Range 6 West, McKinley County, New Mexico;

Chacra Mesa #1 located in Unit B, Section 14, Township 19 North, Range 7 West, McKinley County, New Mexico;

Blackjack #1 located in Unit P, Section 12, Township 21 North, Range 9 West, San Juan County, New Mexico;

Pornada #1 located in Unit H, Section 27, Township 18 North, Range 7 West, McKinley County, New Mexico.

CASE 4749: (Reopened)

In the matter of Case No. 4749 being reopened pursuant to the provisions of Order No. R-4338-A, which order continued special rules for the Humble City-Strawn Pool, Lea County, New Mexico. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing.

CASE 4946: (Reopened)

In the matter of Case No. 4946 being reopened pursuant to the provisions of Order No. R-4581, which order established temporary rules for the Crosby-Fusselman Associated Pool, Lea County, New Mexico. All interested parties may appear and show cause why said rules should not be rescinded.

CASE 5110: (Continued from January 16, 1974)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to consider the institution of gas prorationing in

(i) Extend the Black River-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM

Section 12: SW/4

(j) Extend the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 27: N/2

(k) Extend the Cabin Lake-Strawn Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM

Section 11: W/2 NE/4

(l) Extend the Cemetary-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM

Section 8: All

(m) Extend the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 17: N/2

(n) Extend the Eagle Creek-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

Section 13: W/2 SW/4

Section 28: SW/4

Section 29: S/2

(o) Extend the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM

Section 10: E/2

Section 11: W/2

(p) Extend the Loco Hills Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 23: NE/4 NE/4

(Case 5274 continued from Page 4)

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 1: NE/4

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 6: NW/4

(e) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production with a provision for 160-acre spacing units and designated as the Bell Lake-Atoka Gas Pool. The discovery well is the Continental Oil Company Bell Lake Unit Well No. 2 located in Unit N of Section 30, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 30: SW/4

(f) Create a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Bell Lake-Atoka Gas Pool. The discovery well is the Continental Oil Company Bell Lake Unit 1 Well No. 4 located in Unit F of Section 6, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 6: W/2

(g) Create a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production with a provision for 160-acre spacing units and designated as the South Bell Lake-Morrow Gas Pool. The discovery well is the Continental Oil Company Bell Lake State 3 Well No. 5 located in Unit G of Section 1, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM
Section 36: SE/4

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 31: SW/4

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 1: NE/4

(h) Extend the North Bagley-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 6: NE/4

(q) Extend the Red Lake-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 18: N/2

(r) Extend the Rocky Arroyo-Canyon Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 4: S/2
Section 5: S/2

(s) Extend the Townsend-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 9: N/2 and SE/4

(t) Extend the Twin Lakes-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 36: SW/4 SE/4

(u) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 16: SE/4

(v) Extend the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 11: NW/4