

Examiner Hearing - Wednesday - October 18, 1989

CASE 9780: Application of John H. Hendrix Corporation for an unorthodox gas well location and non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 860 feet from the North line and 2100 feet from the East line (Unit B) of Section 11, Township 21 South, Range 36 East, Eumont Gas Pool, the N/2 NE/4 of said Section 11 to be dedicated to said well forming a non-standard 80-acre gas spacing and proration unit for said pool. Said location is approximately 1.6 miles east of Oil Center, New Mexico.

CASE 9726: (Continued from September 20, 1989, Examiner Hearing.)

Application of Haylan Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Ellenberger formation underlying the SW/4 of Section 25, Township 19 South, Range 38 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing and the NE/4 SW/4 of said Section 25 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing (which presently includes but is not necessarily limited to the Undesignated House-Blinebry Pool, the Undesignated North House-Tubb Pool, the Undesignated Nadine Drinkard-Abo Pool and the Undesignated East Nadine-Drinkard Pool). Both aforementioned units are to be dedicated to a single well to be drilled at a standard location in the NE/4 SW/4 (Unit K) of said Section 25. 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 well location is approximately 1.3 miles east-northeast of Nadine, New Mexico.

CASE 9762: (Continued from October 4, 1989, Examiner Hearing.)

Application of TXO Production Corp. for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to directionally drill from a surface location 900 feet from the South line and 1815 feet from the West line (Unit N) of Section 11, Township 20 South, Range 29 East, to a standard bottomhole oil well location in the Strawn formation within 50 feet of a point 825 feet from the North line and 1815 feet from the West line (Unit C) of Section 14, Township 20 South, Range 29 East, the NE/4 NW/4 of said Section 14 to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for the Undesignated South Parkway-Strawn Pool. This well location is approximately 4.25 miles north-northwest of the junction of U.S. Highway 62/180 and New Mexico State Highway 31.

CASE 9763: (Continued from October 4, 1989, Examiner Hearing.)

Application of TXO Production Corp. for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to directionally drill from a surface location 100 feet from the North line and 1500 feet from the East line (Unit B) of Section 15, Township 20 South, Range 29 East, to a standard bottomhole oil well location in the Strawn formation within 50 feet of a point 1815 feet from the North line and 825 feet from the East line (Unit H) of said Section 15, the SE/4 NE/4 of said Section 15 to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for the Undesignated South Parkway-Strawn Pool. This well location is approximately 4 miles northwest of the junction of U.S. Highway 62/180 and New Mexico State Highway 31.

CASE 9781: Application of Oryx Energy Company 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 to the base of the Morrow formation underlying the E/2 of Section 16, Township 18 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent being developed on 320-acre spacing (which includes but is not necessarily limited to the Undesignated Red Lake-Pennsylvanian Gas Pool, Undesignated Red Lake Atoka-Morrow Gas Pool, Undesignated Scoggin Draw-Strawn Gas Pool, Undesignated Scoggin Draw-Atoka Gas Pool, and Undesignated Scoggin Draw-Morrow Gas Pool), said unit to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles south by east of Riverside, New Mexico.

CASE 9782: Application of Oryx Energy Company for an unorthodox location and compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 22, Township 22 South, Range 34 East, and in the following manner: the S/2 to form a standard 320-acre gas spacing and proration unit for any

Dockets Nos. 32-89 and 33-89 are tentatively set for November 1 and November 15, 1989. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 18, 1989
8:15 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 David R. Catanach, or Victor T. Lyon, Alternate Examiners:

CASE 9712: (Continued from October 4, 1989, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Tom L. Ingram, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Chappell "5" Well No. 1 located 2310 feet from the North line and 990 feet from the West line (Unit E) of Section 5, Township 12 North, Range 30 East, as projected into the unsurveyed Baca Location No. 2 Grant, San Miguel County, New Mexico (which is located approximately 9.25 miles north-northwest of Tucumcari, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 9713: (Continued from October 4, 1989, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Tom L. Ingram, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Gihon "31" Well No. 1 located 2970 feet from the South line and 1814 feet from the East line (Unit G) of Section 31, Township 13 North, Range 30 East, as projected into the unsurveyed Baca Location No. 2 Grant/Pablo Montoya Land Grant, San Miguel County, New Mexico (which is located approximately 10.5 miles north-northwest of Tucumcari, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 9778: Application of Heafitz Energy Management, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Tres Amigos Unit Area comprising 3320 acres, more or less, of State and Federal lands underlying all or portions of Sections 9, 10, 15, 16, 20, 21, and 22, Township 26 South, Range 35 East. Said unit is located approximately 11 miles south-southwest of Jal, New Mexico.

CASE 9779: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Woodstock State Unit Area comprising 1,758.82 acres, more or less, of State lands underlying all or portions of Sections 3, 4, 5, and 6, Township 9 South, Range 33 East. Said unit is located approximately 4.5 miles west by south of the point common to Lea, Chaves and Roosevelt Counties, New Mexico.

CASE 9738: (Reopened and Readvertised)

Application of Kelt Oil and Gas, Inc. for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a secondary recovery project, all mineral interests in the designated and Undesignated Cato-San Andres Pool underlying 15,321.83 acres, more or less, of State, Federal, and Fee lands in Townships 8 and 9 South, Range 30 East. Said unit is to be designated the Cato Unit. Among the matters to be considered at the hearing will be the necessity of unit operation; 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 the 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 wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including but not limited to, unit voting procedures, selection, removal or substitution of unit operator, and time of commencement and termination of unit operations. Applicant also requests that any such order issued in this case include a provision for carrying any nonconsenting working interest owner within the unit area upon such terms and conditions to be determined by the Division as just and reasonable. Said unit area is located approximately 11 miles south-southeast of Boaz, New Mexico.

and all formations and/or pools developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Antelope Ridge-Morrow Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and Undesignated Ojo Chiso-Morrow Gas Pool); the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and the SW/4 SW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a well to be drilled at an unorthodox location 1090 feet from the South line and 990 feet from the West line (Unit M) of said Section 22. 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 well location is approximately 5.5 miles north-northwest of the San Simon Sink.

CASE 9783: Application of Oryx Energy Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 26, Township 22 South, Range 34 East, and in the following manner: the S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Antelope Ridge-Morrow Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and Undesignated Ojo Chiso-Morrow Gas Pool); the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a well to be drilled at a standard location in the SW/4 SE/4 (Unit O) of said Section 26. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 4 miles north-northwest of the San Simon Sink.

CASE 9784: Application of Oryx Energy Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 27, Township 22 South, Range 34 East, and in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Antelope Ridge-Morrow Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and Undesignated Ojo Chiso-Morrow Gas Pool); the NW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and the NE/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a well to be drilled at a standard location in the NE/4 NW/4 (Unit C) of said Section 27. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles north-northwest of the San Simon Sink.

CASE 9729: (Continued from August 23, 1989, Examiner Hearing.)

Application of Meridian Oil Inc. for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas spacing and proration unit comprising the NE/4 NW/4, S/2 NW/4, and the SW/4 of Section 24 and the SE/4 SE/4 of Section 23, both in Township 31 North, Range 12 West, Basin-Fruitland Coal Gas Pool. Said unit is to be dedicated to the East Well No. 102 to be located at a standard coal gas well location 1310 feet from the South line and 1490 feet from the West line (Unit N) of said Section 24, which is approximately 4.5 miles northwest of Aztec, New Mexico.

CASE 9771: (Continued from October 4, 1989, Examiner Hearing.)

Application of OGS Operating 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 Strawn formation underlying the following described acreage in Section 5, Township 24 South, Range 25 East, and in the following described manner: the S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools (Undesignated Dark Canyon-Pennsylvanian Gas Pool and Undesignated Mosley Canyon-Strawn Gas Pool) developed on 320-acre spacing; the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and, the SE/4 SW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a single well to be drilled at a standard location in the SE/4 SW/4 (Unit N) of said Section 5. 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 5.25 miles northwest by north of White City, New Mexico.

CASE 9785: Application of Arco Oil and Gas Company, a Division of Atlantic Richfield Company, for compulsory pooling and a non-standard gas proration unit, 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 Ellenberger formation underlying Lots 1 through 8 of Section 4, Township 21 South, Range 36 East, forming a non-standard 317.6-acre gas spacing and proration unit for any and all formations and/or pools developed within said vertical extent being developed on 320-acre spacing. Said unit is to be dedicated to a well to be drilled at a standard gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 4. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 1.25 miles north by west of Oil Center, New Mexico.

CASE 9786: Application of Harvey E. Yates Company for an exception to Division Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Division Order No. R-3221, as amended, to permit the disposal of water produced in conjunction with the production of oil and gas from its Lusk "16" State Lease into an unlined pit to be located in the SW/4 of Section 16, Township 19 South, Range 32 East. Said area is located approximately 7 miles north of Laguna Toston.

CASE 9787: Application of Harvey E. Yates Company for compulsory pooling and directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated East Burton Flat-Strawn Gas Pool underlying the W/2 of Section 14, Township 20 South, Range 29 East, forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a well to be directionally drilled from a surface location 760 feet from the South line and 1980 feet from the West line (Unit M) of Section 11, Township 20 South, Range 29 East, to a standard bottomhole gas well location within 100 feet of a point 2180 feet from the North line and 1880 feet from the West line (Unit F) of Section 14, Township 20 South, Range 29 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. Said location is approximately 4 miles north-northwest of the junction of U.S. Highway 62/180 and New Mexico State Highway 31.

CASE 9773: (Continued from October 4, 1989, Examiner Hearing.)

Application of Bran Oil Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW/4 of Section 33, Township 6 South, Range 26 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing, which presently includes but is not necessarily limited to the Pecos Slope-Abo Gas Pool, said unit to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 15 miles west by north of Elkins, New Mexico.

CASE 9788: Application of Yates Petroleum Corporation for directional drilling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to directionally drill a well from a surface location of 563 feet from the South line and 2125 feet from the East line (Unit O) of Section 11, Township 20 South, Range 29 East, to an unorthodox bottomhole gas well location in the Morrow formation within 50 feet of a point 2480 feet from the North line and 1980 feet from the East line (Unit G) of Section 14, Township 20 South, Range 29 East, the E/2 of said Section 14 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for the Undesignated East Burton Flat-Morrow Gas Pool. This well location is approximately 4 miles north-northwest of the junction of U.S. Highway 62/180 and New Mexico State Highway 31.

CASE 9700: (Readadvertised)

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 surface to the base of the Morrow formation underlying Lots 1 through 4, and the S/2 N/2 (N/2 equivalent) of Section 2, Township 20 South, Range 24 East, forming a standard 319.04-acre gas spacing and proration unit for any and all formations and/or pools developed within said vertical extent being developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated Dagger Draw-Strawn Gas Pool, Undesignated Dagger Draw-Atoka Gas Pool, Undesignated North Cemetery-Atoka Gas Pool, Undesignated Cemetery-Morrow Gas Pool, and the Undesignated Hoag Tank-Morrow Gas Pool) and Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) of said Section 2 to form a standard 160-acre spacing and proration unit for all formations and/or pools developed on 160-acre spacing (which presently includes but is not necessarily limited to the Undesignated Dagger Draw-Wolfcamp Gas Pool and the

Undesignated North Dagger Draw-Upper Pennsylvanian Pool). Both aforementioned units are to be dedicated to a well to be drilled at a standard location 1980 feet from the North and West lines (Unit F) of said Section 2. 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 well location is approximately 8 miles west by north of Seven Rivers, New Mexico.

CASE 9725: (Continued from October 4, 1989, Examiner Hearing.)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for its Red Rock "NB" Federal Well No. 2 to be drilled 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 28, Township 6 South, Range 25 East, Pecos Slope-Abo Gas Pool, the SW/4 of said Section 25 to be dedicated to said well forming a standard 160-acre gas spacing and proration unit for said pool. Said well location is approximately 13.25 miles north by west of the Pecos River Bridge on U.S. Highway 70.

CASE 9789: Application of Mobil Producing Texas and New Mexico Inc. for pool creation and special pool rules, or in the alternative for pool extension, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Mancos formation comprising all of Section 15, Township 23 North, Range 1 West, and for the promulgation of special rules and regulations therefor including provisions for 640-acre spacing and proration units, designated well location requirements, and the assignment of a special depth bracket allowable. IN THE ALTERNATIVE, the applicant seeks to extend the West Puerto Chiquito-Mancos Oil Pool to include all of Sections 3, 10 and 15, Township 23 North, Range 1 West. Applicant further requests that the effective date of any order issued in this case be the date of this hearing. Said area is located approximately 3 miles north-northeast of Regina, New Mexico.

CASE 9790: Application of Mallon Oil Company for pool creation and special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of gas from the Mesaverde formation comprising all of Sections 1 through 3, 10 through 15 and 22 through 24, Township 25 North, Range 2 West, and for the promulgation of special rules and regulations therefor including provisions for 320-acre spacing and proration units and designated well location requirements. Said area is bounded to the east by the Santa Fe National Forest and to the west by State Highway No. 95, extending three miles north and one mile south of Lindrith, New Mexico.

CASE 9791: Application of Bannon Energy Incorporated for extension and contraction of certain pools in Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks to contract the Lybrook-Gallup Oil Pool by the deletion of the NE/4 SW/4, S/2 SW/4, and SW/4 SE/4 of Section 31, Township 24 North, Range 6 West, to contract the Counselors Gallup-Dakota Oil Pool by the deletion of the NE/4 of Section 6 and N/2 of Section 5, both in Township 23 North, Range 6 West, and to extend the Escrito-Gallup Associated Pool to include therein the E/2 NE/4, NW/4, and S/2 of Section 31, Township 24 North, Range 6 West, and the NE/4 of Section 6 and N/2 of Section 5, both in Township 23 North, Range 6 West. This area is located approximately 3 miles northeast of the Southern Union Gas Company Lybrook Plant.

CASE 9792: Application of R. E. Hibbert for directional drilling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to sidetrack from its existing Ridge State Well No. 1 located at a previously approved unorthodox gas well location (NSL-2551) 360 feet from the North line and 1980 feet from the West line (Unit C) of Section 17, Township 24 South, Range 25 East, and directionally drill to an unorthodox gas well location in the Mosley Canyon-Strawn Gas Pool within 50 feet of a point 360 feet from the North line and 980 feet from the West line (Unit D) of said Section 17, the S/2 of said Section 17 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. This well is located approximately 4.5 miles northwest of Whites City, New Mexico.

CASE 9793: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting, reclassifying, and extending certain pools in Lea County, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the West Tonto-Delaware Pool. The discovery well is the Mitchell Energy Corporation Federal SB Well No. 1 located in Unit J of Section 12, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 12: SE/4

- (b) RECLASSIFY the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, to the Oil Center-Glorieta Oil Pool, because four of the five wells producing in this pool are classified as oil wells and because of low GOR's.

- (c) CONTRACT the Arrowhead-Grayburg Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 18: SE/4

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 27: S/2

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 14: E/2

- (e) EXTEND the East Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 23: S/2
Section 26: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 16: S/2

- (g) EXTEND the Langlie Mattix-Seven Rivers-Queen-Grayburg Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 18: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 19: E/2

- (i) EXTEND the East Lusk-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 25: W/2
Section 26: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 17: SE/4

- (k) EXTEND the Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 15: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 22: SE/4

- (m) EXTEND the Tonto-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 14: NW/4

DOCKET: COMMISSION HEARING - THURSDAY - OCTOBER 19, 1989

9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

CASE 9611: (De Novo) (Continued from August 17, 1989, Commission Hearing.)

Application of The Petroleum Corporation of Delaware for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 1, Township 20 South, Range 29 East, Undesignated East Burton Flat-Morrow Gas Pool, the S/2 of Section 1 to be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool. Said location is approximately 3.5 miles west of the Eddy Potash Inc. Mine and Refinery. Upon application of The Petroleum Corporation of Delaware, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9617: (De Novo) (Continued from September 21, 1989, Commission Hearing.)

Application of Curry and Thornton for an unorthodox oil well location and a non-standard proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 1980 feet from the South line and 2475 feet from the West line (Unit K) of Section 9, Township 14 South, Range 29 East, Undesignated North King Camp-Devonian Pool, the E/2 W/2 of said Section 9 to be dedicated to a well forming a non-standard 160-acre oil spacing and proration unit for said pool. Said location is approximately 17 miles east of Hagerman, New Mexico. Upon application of Santa Fe Exploration Company and Curry and Thornton, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9670: (De Novo) (Continued from September 21, 1989, Commission Hearing.)

Application of Stevens Operating Corporation to amend Division Order No. R-8917, directional drilling and an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8917 to allow for re-entry of the currently plugged and abandoned Philtex Honolulu Federal Well No. 1 located 1980 feet from the South and West lines (Unit K) of Section 9, Township 14 South, Range 29 East, NMPM, North King Camp-Devonian Pool, in lieu of drilling a new well at the unorthodox location approved by said Order. Applicant further seeks approval to directionally drill said Philtex Honolulu Federal Well No. 1 to a depth of approximately 9894 feet, and to bottom said well at an unorthodox bottomhole location at a point 1947 feet from the South line and 2562 feet from the West line of said Section 9. A 160-acre non-standard proration unit consisting of the E/2 W/2 of said Section 9. (Approved by Order No. R-8917) is to be dedicated to the above described well. Said location is approximately 17 miles east of Hagerman, New Mexico. Upon application of Santa Fe Exploration Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9697: (Continued from September 21, 1989, Commission Hearing.)

Application of Santa Fe Exploration Company for amendment of the special rules and regulations for the North King Camp-Devonian Pool, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to amend Rule 6 of the Special Rules and Regulations for the North King Camp-Devonian Pool as promulgated by Division Order No. R-8806 by establishing a special depth bracket allowable of 350 barrels of oil per day for the pool (pursuant to General Rules 505[d]). Said pool presently comprises the SE/4 of Section 9, Township 14 South, Range 29 East and is located approximately 17 miles east of Hagerman, New Mexico.