

CASE 10068: Application of Pacific Enterprises Oil Company (USA) to limit the rules governing the Anderson-Pennsylvanian Gas Pool to its present horizontal boundary, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to limit the Rules and Regulations governing the Anderson-Pennsylvanian Gas Pool to its present horizontal boundary comprising the S/2 of Section 7, the W/2 of Section 18, and the NW/4 of Section 19, all in Township 17 South, Range 30 East. Said pool was established in 1956 at which time statewide spacing for wells to this depth was 160 acres; these provisions are still applicable for the pool at this time. Further, the applicant requests that all wells drilled to the Pennsylvanian formation within one mile of the above-described area be exempt from the provisions of General Rule 104.A and be governed by the current Statewide Rules. Said pool is located approximately 2 miles west-northwest of Loco Hills, New Mexico.

CASE 10069: Application of Pacific Enterprises Oil Company (USA) to limit the rules governing the Fren-Pennsylvanian Gas Pool to its present horizontal boundary, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to limit the Rules and Regulations governing the Fren-Pennsylvanian Gas Pool to its present horizontal boundary comprising the SW/4 of Section 15, the E/2 of Section 21, and the NW/4 of Section 22, all in Township 17 South, Range 31 East. Said pool was established in 1956 at which time statewide spacing for wells to this depth was 160 acres; these provisions are still applicable for the pool at this time. Further, the applicant requests that all wells drilled to the Pennsylvanian formation within one mile of the above-described area be exempt from the provisions of General Rule 104.A and be governed by the current Statewide Rules. Said pool is located approximately 7 miles east of Loco Hills, New Mexico.

CASE 10036: (Continued from August 8, 1990, Examiner Hearing.) (This case will be continued to September 19, 1990, Examiner Hearing.)

Application of Texaco, Inc. for amendment of Division Order No. R-8170, as amended, to establish a minimum gas allowable for the Eumont Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend the "General Rules For The Prorated Gas Pools of New Mexico/Special Rules and Regulations for the Eumont Gas Pool" as promulgated by Division Order No. R-8170, as amended, to provide for a minimum natural gas allowable for the Eumont Gas Pool for a three-year period of time equal to 600 m.c.f. of gas per day for an Acreage Factor of 1.00 or 2400 m.c.f. of gas per day for a standard Eumont 640-acre gas spacing and proration unit.

CASE 10033: (Reopened and Readvertised)

Application of Nearburg Producing Company for amendment of Division Order No. R-9168, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9168, which order authorized the compulsory pooling of all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the E/2 NW/4 of Section 17, Township 16 South, Range 37 East, thereby forming a standard 80-acre oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location in the NE/4 NW/4 (Unit C) of said Section 17, by pooling all mineral interests in the N/2 NW/4 of said Section 17 instead of the E/2 NW/4 as originally proposed. Applicant further seeks to extend the date in which the operator must commence drilling said well from July 1, 1990 to July 18, 1990. Applicant also requests that all other provisions of said Order No. R-9168 remain in full force and effect. Said unit is located approximately 1.25 miles south of Mile Marker No. 4.5 on old State Highway No. 83. IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 10031: (Readvertised)

Application of Nearburg Producing Company for a non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil spacing and proration unit comprising the W/2 NE/4 of Section 31, Township 19 South, Range 25 East, Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Said unit is located approximately 9 miles west by south of Lakewood, New Mexico.

CASE 10032: (Readvertised)

Application of Nearburg Producing Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 4 of the Special Rules and Regulations for the North Osudo-Morrow Gas Pool authorizing an unorthodox gas well location 990 feet from the North line and 980 feet from the East line (Unit B) of Section 6, Township 20 South, Range 36 East, all of said Section 6 to be dedicated to said well forming a standard 637.18-acre gas spacing and proration unit for said pool. This area is located approximately 7.5 miles west by south of Monument, New Mexico.

CASE 10050: (Continued from August 22, 1990, Examiner Hearing.)

Application of Blackwood & Nichols Co., Ltd. for directional drilling and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization to directionally drill from a surface location 1830 feet from the South line and 830 feet from the East line (Unit I) of Section 12, Township 30 North, Range 8 West, to a proposed bottomhole location in the Basin-Fruitland Coal Gas Pool within 100 feet of a target point 1376 feet from the South line and 840 feet from the West line (Unit K) of Section 7, Township 30 North, Range 7 West. Said well is to be dedicated to a non-standard gas spacing and proration unit comprising 298.90 acres, more or less, described as follows: Lots 6, 7, 8, 9, 12, 13, 14, and 15 and that portion of Tract No. 40 lying west of the projected north/south line which is common to both Lots 15 and 16 of said Section 7, (W/2 equivalent) as shown on the official U.S. Public Land Survey dated July 19, 1915, and Lots 7 and 8 and the E/2 NW/4 of Section 18 (NW/4 equivalent), Township 30 North, Range 7 West. Said unit is located approximately 1.5 miles north of the Navajo Reservoir Dam.

CASE 10070: Application of Amoco Production Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 342.54-acre non-standard gas spacing and proration unit comprising Lots 1, 2, 8 and 9 and the E/2 W/2 of Section 19 and Lots 2 and 6 and the E/2 NW/4 of Section 30, Township 30 North, Range 8 West, Basin-Fruitland Coal Gas Pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 19. Said unit is located approximately 7.5 miles southwest by west of Blanco, New Mexico.

- CASE 10071: Application of Amoco Production Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 347.60-acre non-standard gas spacing and proration unit comprising Lots 1 through 4 and the E/2 W/2 of Section 19 and Lots 1 and 2 and the E/2 NW/4 of Section 30, Township 29 North, Range 8 West, Basin-Fruitland Coal Gas Pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 19. Said unit is located approximately 6.25 miles east by south of Blanco, New Mexico.
- CASE 10072: Application of Amoco Production Company for a non-standard gas proration unit and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox coal gas well location for its proposed Barrett Gas Com "A" Well No. 1 to be drilled 1810 feet from the South line and 925 feet from the West line (Unit K) of Section 19, Township 31 North, Range 9 West, Basin-Fruitland Coal Gas Pool, to be dedicated to a 309.09-acre non-standard gas spacing and proration unit comprising Lots 7, 8, 9, 10, 15, 16, 17, and 18 (W/2 equivalent) of Section 19 and Lots 6 through 9 (NW/4 equivalent) of Section 30, of Township 31 North, Range 9 West. Said unit is located approximately 6 miles southeast by south of Cedar Hill, New Mexico.
- CASE 10073: Application of Amoco Production Company for a non-standard gas proration unit, an unorthodox coal gas well location, and directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 326.00-acre non-standard gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool comprising Lots 3 and 4 and the E/2 SW/4 of Section 30 and Lots 1 through 4 and the E/2 W/2 of Section 31, Township 31 North, Range 8 West, to be dedicated to its Dawson Gas Com Well No. 1 to be drilled at an unorthodox coal gas well location 1210 feet from the South line and 660 feet from the West line (Unit N) of said Section 31. ALTERNATELY, the applicant seeks to directionally drill said well from the above-described surface location to a standard bottomhole coal gas well location within the SW/4 equivalent of said Section 31. Said unit is located approximately seven miles northwest by west of the Navajo Reservoir Dam.
- CASE 10074: Application of Amoco Production Company for a non-standard gas proration unit, unorthodox coal gas well location, and directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 299.10-acre non-standard gas spacing and proration unit in the Basin-Fruitland Coal Gas Pool comprising Lots 14 through 17 (SW/4 equivalent) of Section 30 and Lots 7 through 10 and Lots 15 through 18 (W/2 equivalent) of Section 31, Township 31 North, Range 9 West, to be dedicated to its Riddle Gas Com "C" Well No. 1 to be drilled at an unorthodox coal gas well location 2120 feet from the South line and 890 feet from the West line (Unit K) of said Section 30. ALTERNATELY, the applicant seeks to directionally drill said well from the above-described surface location to a standard bottomhole coal gas well location within the SW/4 equivalent of said Section 30. Said unit is located approximately 6 miles southeast by south of Cedar Hill, New Mexico.
- CASE 10048: (Continued from August 22, 1990, Examiner Hearing.)
- Application of Great Western Drilling Company for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 327.80-acre gas spacing and proration unit for the Basin Fruitland Coal (Gas) Pool comprising Lots 3 and 4, and the S/2 SW/4 (SW/4 equivalent) of Irregular Section 8 and the W/2 W/2 of Section 17, Township 32 North, Range 11 West (which is bounded to the north by the New Mexico/Colorado stateline at Mile Corner No. 274), to be dedicated to its J. E. Decker Well No. 11 located at a standard coal gas well location 910 feet from the South line and 955 feet from the West line (Unit M) of said Section 8.
- CASE 10075: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1 and 2, the S/2 NW/4 and the SW/4 (W/2 equivalent) of Section 2, Township 27 North, Range 8 West, forming a standard 321.36-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 34 to be drilled at a standard coal gas well location in the SW/4 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 unit is approximately 4 miles east of Huerfano Park.
- CASE 10076: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 16, Township 29 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 27 to be drilled at a standard coal gas well location in the SW/4 of said Section 16. 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 approximately 6.5 miles southwest by south of the Navajo Reservoir Dam.
- CASE 10077: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the S/2 of Section 32, Township 29 North, Range 9 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 32 to be drilled at a standard coal gas well location in the SW/4 of said Section 32. 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 approximately 2.75 miles south-southeast of Blanco, New Mexico.

- CASE 10078: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 of Section 36, Township 29 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 22 to be drilled at a standard coal gas well location in the NE/4 of said Section 36. 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 approximately 2.5 miles south of Blanco, New Mexico.
- CASE 10079: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the S/2 of Section 36, Township 30 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 26 to be drilled at a standard coal gas well location in the SW/4 of said Section 36. 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 approximately 2.75 miles south-southwest of the Navajo Reservoir Dam.
- CASE 10080: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 7 through 13 and the NE/4 SE/4 (S/2 equivalent) of Section 14, Township 30 North, Range 11 West, forming a standard 313.81-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." Federal Com Well No. 39 to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 14. 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 approximately 2 miles southeast by east of Aztec, New Mexico.
- CASE 10081: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 5, 6, and 7, the NW/4, and the NE/4 SW/4 (W/2 equivalent) of Section 15, Township 30 North, Range 11 West, forming a standard 323.42-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." Federal Com Well No. 16 to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 15. 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 approximately 1 mile southeast of Aztec, New Mexico.
- CASE 10082: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 16, Township 30 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 30 to be drilled at a standard coal gas well location in the SW/4 of said Section 16. 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 approximately 1 mile south by west of Aztec, New Mexico.
- CASE 10083: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1, 2, 3, 4, and 5, the S/2 SW/4 and the NE/4 SE/4 (S/2 equivalent) of Section 32, Township 31 North, Range 9 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 25 to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 32. 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 approximately 10.5 miles east by north of Aztec, New Mexico.
- CASE 10084: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cedar Hill-Basal Fruitland Coal Gas Pool underlying Lots 1, 2, 3, and 5 and the S/2 N/2 (N/2 equivalent) of Section 5, Township 31 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." Fee Com Well No. 1 to be drilled at a standard coal 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 approximately 1 mile southwest of Cedar Hill, New Mexico.
- CASE 10085: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1 and 2, the S/2 NE/4, and the NW/4 (N/2 equivalent) of Section 33, Township 31 North, Range 11 West, forming a standard 315.61-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." Federal Com Well No. 38 to be drilled at a standard coal gas well location in the NE/4 equivalent of 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 operator of the well and a charge for risk involved in drilling said well. Said unit is approximately 2.25 miles north of Aztec, New Mexico.

EXAMINER HEARING - WEDNESDAY - SEPTEMBER 5, 1990
FRPO H9, 0; EXIT;

CASE 10086: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the N/2 of Section 36, Township 31 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." State Com Well No. 28 to be drilled at a standard coal gas well location in the NE/4 of said Section 36. 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 approximately 4 miles northeast by east of Aztec, New Mexico.

CASE 10087: Application of Mesa Operating Limited Partnership for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of Section 30, Township 32 North, Range 11 West, forming a standard 309.03-acre gas spacing and proration unit for said pool, said unit to be dedicated to its proposed "F.C." Fee Com Well No. 2 to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 32. 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 approximately 8 miles north of the Aztec Municipal Airport.

CASE 10043: (Continued from August 22, 1990, Examiner Hearing.)

Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying all of Section 7, Township 28 North, Range 10 West, forming a standard 257.95-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 (equivalent) of said Section 7. 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 southeast of Bloomfield, New Mexico.

CASE 10044: (Continued from August 22, 1990, Examiner Hearing.)

Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 20, Township 28 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 of said Section 20. 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 5.5 miles southeast of Bloomfield, New Mexico.

CASE 10045: (Continued from August 22, 1990, Examiner Hearing.)

Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the W/2 of Section 22, Township 28 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 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 unit is located approximately 6 miles southwest by south of Blanco, New Mexico.

CASE 10046: (Continued from August 22, 1990, Examiner Hearing.)

Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 27, Township 28 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 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 6.5 miles south-southwest of Blanco, New Mexico.

CASE 10047: (Continued from August 22, 1990, Examiner Hearing.)

Application of D. J. Simmons Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying Lots 1 through 4 and the E/2 W/2 (W/2 equivalent) of Section 30, Township 28 North, Range 10 West, forming a standard 329.40-acre gas spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 (equivalent) of said Section 30. 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-southeast of Bloomfield, New Mexico.

EXAMINER HEARING - WEDNESDAY - SEPTEMBER 5, 1990

CASE 10088: Application of Circle Ridge Production Inc. for a waterflood expansion, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Rock Queen Waterflood Project, authorized by Division Order No. R-1541, by converting its Rock Queen Unit, Section 26, Well No. 3 located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 26 and its Rock Queen Unit, Section 27, Well No. 9 located 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 27, both in Township 13 South, Range 31 East, Caprock Queen Pool, Rock Queen Unit Area, from producing oil wells to water injection wells. Said Unit Area is located approximately 17 miles south-southwest of Caprock, New Mexico.

CASE 10008: (Continued from August 8, 1990, Examiner Hearing.)

Application of Doyle Hartman for a non-standard gas proration unit, compulsory pooling, and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying Lots 3 and 4, the SE/4 NW/4, and the E/2 SW/4 of Section 6, Township 24 South, Range 37 East, forming a 197.75-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool to be dedicated to a well to be drilled at an unorthodox gas well location 660 feet from the North line and 924 feet from the West line (Unit D) of said Section 6. 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 10 miles north-northeast of Jal, New Mexico.

Dockets Nos. 26-90 and 27-90 are tentatively set for September 19, 1990 and October 3, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 5, 1990

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, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1990, from fourteen prorated gas pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1990, from four prorated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 10066: Application of Matador Petroleum 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 Morrow formation or to a depth of 13,600 feet, whichever is deeper, underlying the following described acreage in Section 5, Township 20 South, Range 34 East, and in the following manner: Lots 3 and 4, the S/2 NW/4, and SW/4 (W/2 equivalent) to form a standard 320-acre, more or less, gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated Quail Ridge-Morrow Gas Pool); Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) to form a standard 160-acre, more or less, gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the SW/4 NW/4 to form 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 but is not necessarily limited to the Undesignated South Quail Ridge-Bone Spring Pool). Said units are to be dedicated to a single well to be drilled at a standard location thereon. Also to be considered will be the 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 underlies the area underneath Mile Marker No. 77 on U.S. Highway 62/180.

CASE 10038: (Continued from August 22, 1990, Examiner Hearing.)

Application of Massau Resources, Inc. for infill drilling in the Basin-Fruitland Coal Gas Pool on its Carracas Canyon Unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Division General Rule 104.C.II., pursuant to Division Memorandum dated July 27, 1988, by instituting an infill drilling program within its Carracas Canyon Unit Area located in portions of Townships 31 and 32 North, Ranges 4 and 5 West, to drill, complete and produce a second coal gas well within an existing 320-acre gas spacing and proration unit in the Basin-Fruitland Coal (Gas) Pool. Said unitized area is located approximately 17 miles west by north of Dulce, New Mexico.

CASE 10058: (Continued from August 22, 1990, Examiner Hearing.)

Application of Phillips Petroleum Company for eight non-standard gas proration units and seven unorthodox coal gas well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of eight non-standard gas spacing and proration units and seven unorthodox coal gas well locations within its San Juan 32-7 Unit located in Irregular Sections 3, 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said area is located along the Pinos Arm of the Navajo Lake approximately 8 miles north of its Dam.

CASE 10042: (Readvertised)

Application of Meridian Oil, Inc. for six non-standard gas proration units, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 6 of Division Order No. R-8789 to establish six non-standard gas spacing and proration units for Basin-Fruitland Coal (Gas) Pool production in Irregular Sections 30 and 31, Township 30 North, Range 7 West and Irregular Sections 6, 7, 18, and 19, Township 29 North, Range 7 West. Said row of Sections are located approximately 18 miles east of Blanco, New Mexico.

CASE 10041: (Readvertised)

Application of Meridian Oil, Inc. for five non-standard gas proration units, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 6 of Division Order No. R-8768 to establish five non-standard gas spacing and proration units for Basin-Fruitland Coal (Gas) Pool production in Irregular Sections 12, 13, 24, 25, and 36, Township 30 North, Range 6 West. Said row of Sections are located approximately 5 to 9 miles north by west of Gobernador, New Mexico.

CASE 10039: (Continued from August 8, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Rosa Unit Well No. 222 drilled at an unorthodox coal gas well location 1910 feet from the North line and 635 feet from the East line (Unit H) of Section 15, Township 31 North, Range 6 West, Basin-Fruitland Coal (Gas) Pool, the E/2 of said Section 15 dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. This application should also serve to correct all previous well records which had the subject well located at a standard coal gas well location, based upon an original survey made by Northwest Pipeline Corporation, 1880 feet from the North line and 830 feet from the East line (Unit H) of said Section 15. Said proration unit is located approximately 9.5 miles east by south of the Navajo Reservoir Dam.

CASE 10040: (Continued from August 8, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of its Rosa Unit Well No. 201 drilled at an unorthodox coal gas well location 1640 feet from the North line and 420 feet from the East line (Unit H) of Section 22, Township 31 North, Range 6 West, Basin-Fruitland Coal (Gas) Pool, the E/2 of said Section 22 dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. This application should also serve to correct all previous well records which had the subject well located at a standard coal gas well location, based upon an original survey made by Northwest Pipeline Corporation, 1230 feet from the North line and 1330 feet from the East line (Unit B) of said Section 22. Said proration unit is located approximately 9.5 miles east of the Navajo Reservoir Dam.

CASE 10021: (Continued from August 22, 1990, Examiner Hearing.) (This case will be dismissed.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its existing Kutz Deep Test Well No. 2 located 990 feet from the South and East lines (Unit P) of Section 28, Township 28 North, Range 10 West, the E/2 of said Section 28 to be dedicated to the well to form a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 7.25 miles south-southwest of Blanco, New Mexico.

CASE 10055: (Continued from August 22, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its Payne Well No. 271, to be drilled 65 feet from the North line and 300 feet from the East line (Unit A) of Section 27, Township 32 North, Range 10 West, Cedar Hill-Fruitland Basal Coal Pool, Lots 1 through 8 (E/2 equivalent) of said Section 27 to be dedicated to said well to form a non-standard 305.03-acre gas spacing and proration unit for said pool. Said unit is located approximately 1.5 miles northeast of Cedar Hill, New Mexico.

CASE 10056: (Continued from August 22, 1990, Examiner Hearing.)

Application of Meridian Oil, Inc. for three non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 6 of Division Order No. R-8768 to establish three non-standard gas spacing and proration units for Basin-Fruitland Coal (Gas) Pool production in Irregular Sections 6, 7, 18, 19, and 30, Township 31 North, Range 8 West. Said row of Sections are located approximately 8.5 miles northwest of the Navajo Reservoir Dam.

CASE 10062: (Continued from August 22, 1990, Examiner Hearing.)

Application of OXY USA Inc. for statutory unitization, Lea 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 Central Corbin-Queen Pool, underlying 1561.19 acres, more or less, of Federal and Fee lands comprising portions of Sections 3, 4, 8, 9, and 10, Township 18 South, Range 33 East. Said Unit is to be designated the Central Corbin Queen Unit. 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 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 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 non-consenting 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 8 miles southeast of Maljamar, New Mexico.

CASE 10063: (Continued from August 22, 1990, Examiner Hearing.)

Application of OXY USA Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its proposed Central Corbin Queen Unit Area (Division Case No. 10062) located in portions of Sections 3, 4, 8, 9, and 10, Township 18 South, Range 33 East, by the injection of water into the Central Corbin Queen Pool through 12 certain wells to be converted from producing Queen oil wells to injection wells. Said area is located approximately 8 miles southeast of Maljamar, New Mexico.

CASE 10064: (Continued from August 22, 1990, Examiner Hearing.)

Application of OXY USA Inc. for pool contraction and extension, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the horizontal contraction of the Corbin-Queen Pool and the concomitant extension of the Central Corbin-Queen Pool underlying Lots 1 and 2 (N/2 NE/4 equivalent) of Section 4, Township 18 South, Range 33 East, which is located approximately 7 miles southeast by east of Maljamar, New Mexico.

CASE 10067: Application of Bird Creek Resources, Inc. 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 Delaware formation or to a depth of 6,250 feet, whichever is deeper, underlying the SW/4 SE/4 of Section 15, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for either the Undesignated East Loving-Delaware Pool or Undesignated South Loving-Delaware Pool, to be dedicated to a well to be drilled at a standard oil 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 1.5 miles northeast of Loving, New Mexico.