



Dockets Nos. 26-92 and 27-92 are tentatively set for September 3, 1992 and September 17, 1992. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 20, 1992

8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,  
SANTA FE, NEW MEXICO

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

**CASE 10500:** **Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the Sedge Unit Agreement for an area comprising 1967.92 acres, more or less, of State and Federal lands in Sections 18, 19, and 30, Township 22 South, Range 23 East, which is centered approximately 7.5 miles southwest by south of Marathon Oil Company's Indian Basin Gas Plant.

**CASE 10519:** (Continued from August 6, 1992, Examiner Hearing.)

**Application of Yates Petroleum Corporation for an unorthodox location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox location 360 feet from the South line and 2080 feet from the West line and (Unit N) of Section 34, Township 20 South, Range 24 East, Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool, the W/2 of said Section 34 to be dedicated to said well forming a standard 320-acre spacing and proration unit for either oil or gas. Said unit is located approximately 10.5 miles west-southwest of Seven Rivers, New Mexico.

**CASE 10528:** **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 Canyon formation, underlying the SE/4 of Section 20, Township 19 South, Range 25 East, forming a 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles northwest of Seven Rivers, New Mexico.

**CASE 10529:** **Application of Pogo Producing Company for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North line and 1650 feet from the East line (Unit B) of Section 34, Township 22 South, Range 32 East, to test the Morrow formation, the N/2 of said Section 34 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. The proposed well site is located approximately 8.75 miles north-northeast of New Mexico State Highway No. 128 at the Lea/Eddy County Line.

**CASE 10530:** **Application of Charles B. Gillespie, Jr. for pool creation and special pool rules, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Strawn formation comprising the W/2 SE/4 of Section 33, Township 15 South, Range 35 East, the assignment of a discovery allowable, and the promulgation of special rules therefor including provisions for 80-acre spacing units and designated well location requirements. Said area is located approximately 3.5 miles northwest of Lovington, New Mexico.

**CASE 10502:** (Continued from August 6, 1992, Examiner Hearing.)

**Application of Meridian Oil Inc. 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 Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the NW/4 NW/4 (Unit D) of Section 23, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6.25 miles north-northwest of the junction of State Highway No. 128 and the Delaware Basin Road.

**CASE 10503:** (Continued from August 6, 1992, Examiner Hearing.)

**Application of Meridian Oil Inc. 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 Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the SW/4 NW/4 (Unit E) of Section 23, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles north-northwest of the junction of State Highway No. 128 and the Delaware Basin Road.

**CASE 10504:** (Continued from August 6, 1992, Examiner Hearing.)

**Application of Meridian Oil Inc. 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 Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the NW/4 SW/4 (Unit L) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5.5 miles north by west of the junction of State Highway No. 128 and the Delaware Basin Road.

**CASE 10531:** **Application of Southland Royalty Company for an unorthodox gas well location and downhole commingling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks approval to commingle gas production from the Fulcher Kutz-Pictured Cliffs Pool and the Basin-Fruitland Coal (Gas) Pool within the wellbore of a well to be drilled at an unorthodox gas well location 1800 feet from the North line and 790 feet from the West line (Unit E) of Section 12, Township 27 North, Range 10 West. The W/2 of said Section 12, forming a standard 320-acre spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool, and the NW/4 of said Section 12, forming a standard 160-acre spacing and proration unit for the Fulcher Kutz-Pictured Cliffs Pool, are to be dedicated to said well. Said wellsite is located approximately 11 miles southeast of Bloomfield, New Mexico.

**CASE 10522:** (Continued from August 6, 1992, Examiner Hearing.)

**Application of Southland Royalty Company for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to deepen its South Corbin Federal Well No. 3, located 554 feet from the South and East lines (Unit P) of Section 20, Township 18 South, Range 33 East, from the South Corbin-Wolfcamp Pool to test the Undesignated South Corbin-Morrow Gas Pool. Said location is considered unorthodox pursuant to General Rule 104.C.(2). Further, the E/2 of said Section 20 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit in the Morrow interval. Said well is located approximately 10 miles south-southeast of Maljamar, New Mexico.

**CASE 10523:** (Readvertised)

**Application of Phillips Petroleum Company for three unorthodox oil well locations, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval for three unorthodox oil well locations each to be drilled within a fifty foot radius of the following described sites all within Section 4, Township 15 South, Range 32 East, Tulk-Wolfcamp Pool, which is located approximately 24 miles south of Caprock, New Mexico:

- . 1150' FSL & 1450' FEL (Unit O), the 40 acres comprising the SW/4 SE/4 is to be dedicated to said well;
- . 2600' FNL & 660' FEL (Unit H), the 40 acres comprising the SE/4 NE/4 is to be dedicated to said well; and,
- . 1300' FSL & 660' FWL (Unit M), the 40 acres comprising either the NW/4 SW/4 or SW/4 SW/4, whichever is appropriate, is to be dedicated to said well.

**CASE 10521:** (Continued from August 6, 1992, Examier Hearing.)

**Application of Union Oil Company of California d/b/a UNOCAL for termination of gas prorationing in the South Blanco-Pictured Cliffs Pool, Rio Arriba, Sandoval and San Juan Counties, New Mexico.** Applicant, in the above-styled cause, seeks an order terminating gas prorationing in the South Blanco-Pictured Cliffs Pool and to exclude said pool from the provisions of Division Order No. R-8170, as amended (General Rules For The Prorated Gas Pools of New Mexico). The current pool boundaries include portions of Townships 23 through 29 North, Ranges 1 through 9 West, in the three country area as stated above.

**CASE 10483:** (Continued from August 6, 1992, Examiner Hearing.)

**Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SE/4 NW/4 (Unit F) in all formations developed on 40-acre spacing from the surface to the base of the Strawn formation in Section 33, Township 15 South, Range 36 East, said unit 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 area is located approximately one-half mile southeast of the junction of U.S. Highway 82 and New Mexico No. 18.

EXAMINER HEARING - THURSDAY - AUGUST 20, 1992

- CASE 10532:** **Application of Nearburg Producing Company for an unorthodox oil well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 2080 feet from the South line and 1400 feet from the West line (Unit K) of Section 32, Township 24 South, Range 29 East, to test the Undesignated Willow Lake-Delaware Pool. The NE/4 SW/4 of said Section 32 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 5.25 miles southeast of Malaga, New Mexico.
- CASE 10533:** **Application of BTA Oil Producers for directional drilling and an unorthodox bottomhole gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks authority to deviate from its existing Indian 9201 JV-P Well No. 1 located 1650 feet from the North and East lines (Unit G) of Section 20, Township 22 South, Range 23 East, and recomplete said well in the Indian Basin-Upper Pennsylvanian Gas Pool at a new unorthodox bottomhole location within 50 feet of a point 1300 feet from the North and East lines of said Section 20. Said wellsite is located approximately 7 miles South-southwest of the Marathon Oil Company's Indian Basin Gas Plant.
- CASE 10534:** **Application of American Hunter Exploration, Ltd. for a pressure maintenance project, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in the West Puerto Chiquito-Mancos Oil Pool by the reinjection of gas into the Niobrara member of the Mancos shale through its existing Jicarilla 2-A Well No. 1, surface location 442 feet from the North line and 1177 feet from the East line (Unit A) of Section 2, Township 27 North, Range 1 West, which is approximately 9.5 miles west of El Vado, New Mexico.
- CASE 10535:** **Application of American Hunter Exploration, Ltd. for an unorthodox oil well location, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks an exception to RULE 4 of the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool, as promulgated by Division Order No. R-6469-B, as amended, for a well to be drilled at an unorthodox oil well location 1000 feet from the North line and 1300 feet from the East line (Unit A) of Section 2, Township 27 North, Range 2 West, Undesignated West Puerto Chiquito-Mancos Oil Pool, all of said Section 2 to be dedicated to said well forming a standard 640-acre oil spacing and proration unit for said pool. Said unit is located approximately 15 miles west of El Vado, New Mexico.
- CASE 10536:** **Application of American Hunter Exploration, Ltd. for an unorthodox oil well location, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks an exception to RULE 4 of the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool, as promulgated by Division Order No. R-6469-B, as amended, for a well to be drilled at an unorthodox oil well location 1000 feet from the South line and 2250 feet from the West line (Unit N) of Section 24, Township 27 North, Range 2 West, Undesignated West Puerto Chiquito-Mancos Oil Pool, all of said Section 24 to be dedicated to said well forming a standard 640-acre oil spacing and proration unit for said pool. Said unit is located approximately 15 miles west by south of El Vado, New Mexico.
- CASE 10537:** **Application of American Hunter Exploration, Ltd. for directional drilling, an unorthodox bottomhole oil well location, and a non-standard oil proration unit, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks approval to directionally drill from a surface location 830 feet from the North line and 1075 feet from the East line (Unit A) of irregular Section 5, Township 27 North, Range 1 West, to an unorthodox bottomhole oil well location in the West Puerto Chiquito-Mancos Oil Pool within 50 feet of a point 660 feet from the North line and 1900 feet from the East line (Unit B) of said Section 5. All of said Section 5 is to be dedicated to said well forming a non-standard 655.48-acre oil spacing and proration unit. Said unit is located approximately 12.5 miles west of El Vado, New Mexico.
- CASE 10538:** **Application of American Hunter Exploration, Ltd. for an unorthodox oil well location and a non-standard oil proration unit, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks an exception to RULE 4 of the Special Rules and Regulations for the Gavilan-Mancos Oil Pool, as promulgated by Division Order No. R-7407, as amended, for a well to be drilled at an unorthodox oil well location 500 feet from the North line and 1450 feet from the East line (Unit B) of irregular Section 28, Township 27 North, Range 2 West, Undesignated Gavilan-Mancos Oil Pool, all of said Section 28 to be dedicated to said well forming a non-standard 430.56-acre oil spacing and proration unit for said pool. Said unit is located approximately 18 miles west by south of El Vado, New Mexico.

**CASE 10525: (Continued from August 6, 1992, Examiner Hearing.)**

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Eddy and Chaves Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Bandana Point-Morrow Gas Pool. The discovery well is the Azotea AJZ Federal Well No. 1 located in Unit E of Section 9, Township 23 South, Range 24 East, NMPM.

**TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM**

Section 9: W/2

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the South Bandana Point-Strawn Gas Pool. The discovery well is the Azotea AJZ Federal Well No. 1 located in Unit E of Section 9, Township 23 South, Range 24 East, NMPM.

**TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM**

Section 9: W/2

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Yates production and designated as the South Burton-Yates Gas Pool. The discovery well is the State Well No. 1 located in Unit M of Section 20, Township 20 South, Range 29 East, NMPM.

**TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM**

Section 21: SW/4

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Cottonwood Spring-Upper Pennsylvanian production. The discovery well is the Chelsi Well No. 1 located in Unit J of Section 2, Township 26 South, Range 25 East, NMPM.

**TOWNSHIP 26 SOUTH, RANGE 25 EAST, NMPM**

Section 2: E/2

- (e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the South Golden Lane-Delaware production. The discovery well is the Big Eddy Unit Well No. 113 located in Unit K of Section 8, Township 21 South, Range 29 East, NMPM.

- (f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Saladar-Upper Pennsylvanian Gas Pool. The discovery well is the Eddy FV State Com Well No. 1 located in Unit H of Section 25, Township 20 South, Range 27 East, NMPM.

**TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM**

Section 25: E/2

- (g) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North San Lorenzo-Bone Spring Pool. The discovery well is the Salt Draw Federal Com Well No. 1 located in Unit G of Section 11, Township 25 South, Range 28 East, NMPM.

**TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM**

Section 11: NE/4

- (h) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the West Sand D. Delaware Pool. The discovery well is the Mobil Federal Well No. 1 located in Unit J of Section 29, Township 23 South, Range 31 East, NMPM.

**TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM**

Section 29: SE/4

- (i) EXTEND the Bandana Point-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPPM  
Section 9: W/2
- (j) EXTEND the Brushy Draw-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPPM  
Section 16: SE/4
- (k) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPPM  
Section 34: S/2
- (l) EXTEND the West Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPPM  
Section 7: SW/4  
TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPPM  
Section 12: N/2
- (m) EXTEND the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPPM  
Section 19: S/2  
Section 30: NE/4
- (n) EXTEND the South Dagger Draw-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPPM  
Section 24: S/2  
Section 25: N/2
- (o) EXTEND the Frontier Hills-Strawn Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPPM  
Section 10: E/2  
Section 15: N/2  
Section 16: NE/4
- (p) EXTEND the Haystack-Cisco Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPPM  
Section 30: N/2
- (q) EXTEND the East Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPPM  
Section 26: SW/4  
Section 35: NE/4
- (r) EXTEND the North Illinois Camp-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPPM  
Section 1: N/2  
TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPPM  
Section 6: W/2

- (s) EXTEND the East Lake-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM  
Section 19: NE/4  
Section 20: N/2
- (t) EXTEND the South Lone Wolf-Devonian Pool in Chaves County, New Mexico, to include therein:  
TOWNSHIP 13 SOUTH, RANGE 29 EAST, NMPM  
Section 28: SE/4
- (u) EXTEND the Lost Tank-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 21 SOUTH, RANGE 31 EAST, NMPM  
Section 24: SE/4  
TOWNSHIP 22 SOUTH, RANGE 31 EAST, NMPM  
Section 2: NE/4
- (v) EXTEND the East Loving-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 9: SE/4  
Section 28: NE/4
- (w) EXTEND the Red Lake Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM  
Section 16: W/2
- (x) EXTEND the Sheep Draw-Strawn Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM  
Section 33: N/2 and SW/4

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DOCKET 26-92

**DOCKET: COMMISSION HEARING - THURSDAY - AUGUST 27, 1992**  
**9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING,**  
**SANTA FE, NEW MEXICO**  
**The Land Commissioner's designee for this hearing will be Gary Carlson**

**CASE 10526: (Continued from August 13, 1992, Commission Hearing.)**

The Oil Conservation Division is calling a hearing on its own motion to accept nominations and other evidence and information to assist in determining October 1992 through March 1993 gas allowables for the prorated gas pools in New Mexico. Thirteen of the prorated gas pools are in Lea, Eddy, and Chaves Counties in Southeast New Mexico and four pools are in San Juan, Rio Arriba, and Sandoval Counties in Northwest New Mexico. Amendments to the Gas Proration Rules approved by Commission Order No. R-8170-H in December 1990 provide for allowables to be established for 6-month allocation periods beginning in April and October of each year. Information concerning preliminary allowable estimates for the October-March period is being distributed with OCD Memorandum dated July 27, 1992.

**Comparison of Monthly Average  
Pool Allowables, Sales, F1 and F2 Factors  
Northwest New Mexico**

<i>Period</i>	<i>Basin Dakota</i>	<i>Blanco Mesaverde</i>	<i>Blanco P.C. South</i>	<i>Tapacito</i>
<b>October 89 - March 90</b>				
Pool Allowable; MCF Per Month	12,242,569	16,894,172	1,797,464	449,567
Pool Sales; MCF Per Month	10,302,401	14,990,087	1,115,864	318,270
F1	4,528	2,629	375	488
F2	8.14	13.44	17.16	19.14
<b>October 90- March 91</b>				
Pool Allowable; MCF Per Month	9,416,739	15,731,709	1,508,811	332,221
Pool Sales; MCF Per Month	8,039,435	14,122,492	1,204,658	207,577
F1	5,676	3,690	483	546
F2	7.83	15.78	23.18	17.07
<b>October 91 - March 92</b>				
Pool Allowable; MCF Per Month	8,039,435	14,168,492	1,204,658	207,577
Pool Sales; MCF Per Month	7,145,484	12,265,486	1,061,345	228,640
F1	5,330	3,103	366	333
F2	7.44	12.61	18.21	9.86
<b>October 92 - March 93</b>				
Pool Allowable; MCF Per Month	7,145,484	12,265,486	1,061,345	228,640
Pool Sales; MCF Per Month				
F1	5,468	2,980	312	281
F2	7.03	14.44	19.82	12.27

Comparison of Monthly Average  
Pool Allowables, Sales and F1 Factors  
Southeast New Mexico

Period	Alaska Perm	Blinney	Buffalo Valley Perm	South Carlsbad Morrow	Carlsbad Draw Morrow	Furnont	Indian Basin Morrow	Indian Basin Upper Perm	Jatnet	Juels Glorietta	Tubb
October 89 - March 90											
Pool Allowable: MCF Per Month	90,502	584,153	226,422	333,609	231,865	2,279,715	90,717	3,167,359	775,942	57,744	338,032
Pool Sales: MCF Per Month	88,473	445,221	207,601	256,256	126,029	1,779,169	78,346	3,052,361	855,488	60,222	289,732
F1	10,193	23,478	33,319	34,790	31,079	13,965	47,191	132,760	7,184	3,575	8,383
October 90- March 91											
Pool Allowable: MCF Per Month	100,273	441,816	239,674	200,077	146,514	2,234,375	209,172	3,431,660	973,904	46,147	236,501
Pool Sales: MCF Per Month	113,402	409,780	203,184	221,417	136,500	2,315,225	204,393	3,372,080	905,099	39,437	213,916
F1	17,180	21,879	33,489	10,517	21,757	16,991	159,687	173,285	13,912	3,541	10,127
October 91 - March 92											
Pool Allowable: MCF Per Month	140,402	482,780	203,184	293,417	150,500	2,411,178	231,393	3,560,080	1,245,490	45,437	273,916
Pool Sales: MCF Per Month	100,603	454,535	276,371	230,677	355,760	2,596,563	81,249	2,768,607	1,143,588	55,754	252,532
F1	31,660	38,125	47,955	20,068	127,000	18,300	146,024	184,875	18,300	3,485	10,163
October 92 - March 93											
Pool Allowable: MCF Per Month	100,603	454,535	276,371	230,677	355,760	2,596,563	81,249	2,768,607	1,143,588	55,754	252,532
Pool Sales: MCF Per Month											
F1	15,801	32,960	4,141	34,670	125,255	24,730	0	173,328	24,856	4,705	9,710

ENGP2161--ENSP216-01  
 RUN-TIME: 11:00:02

EXHIBIT "A" CASE NO. 10526  
 MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE  
 PRORATED GAS POOLS - SOUTHEAST NEW MEXICO  
 FOR OCT92 THRU MAR93

RUN-DATE 08/07/92

	ATOKA PENN	BLINBERRY	BUFFALO VALLEY PENN	BURTON FLAT MORROM	CARLSBAD MORROM	CATCLAW DRAW MORROM	EUMONT MORROM	INDIAN BASIN MORROM SO	INDIAN BASIN UPPER PENN	JALMAT	JUSTIS 6L	TUBB
( 1 ) AVERAGE MONTHLY POOL SALES	100,603	454,535	276,371	230,677	355,760	2,596,563	81,249	2,768,607	1,143,588	55,754	252,532	
OCT91-MAR92												
ALL VOLUME ARE IN MCF.												
( 2 ) TOTAL NOMINATIONS AVG MONTH VOL.												
( 3 ) ADJUSTMENTS.												
( 4 ) MONTHLY POOL ALLOWABLE (LINE 1 + LINE 3.)	100,603	454,535	276,371	230,677	355,760	2,596,563	81,249	2,768,607	1,143,588	55,754	252,532	
OCT92-MAR93												
( 5 ) MONTHLY MARGINAL POOL ALLOWABLE (LINE 1 + LINE 3.)	67,001	233,672	272,230	196,007	230,505	2,225,600	81,249	1,817,035	1,062,804	27,523	184,565	
OCT91-MAR92												
( 6 ) MONTHLY NON-MARGINAL POOL ALLOWABLES (LINE 4 - LINE 5)	31,602	220,663	4,141	34,670	125,255	370,963	951,572	80,784	28,231	67,967		
OCT92-MAR93												
( 7 ) NUMBER OF NON-MARGINAL ACREAGE FACTORS	2.00	6.75	1.00	1.00	1.00	15.00	5.49	3.25	6.00	7.00		
OCT92-MAR93												
( 8 ) MONTHLY ACREAGE ALLOCATE FACTOR (LN 6 / LN 7)	15.001	32.690	4.141	34.670	125.255	24.730	173.328	24.856	4.705	9.710		
OCT92-MAR93												

F1 FACTORS FOR OTHER POOLS  
 BURTON FLAT STRAWN F1 = 10,000  
 HOKAJUNT MCKEE ELLEN F1 = 25,000

TRNGP2161--FMGP216-01  
 RUN TIME : 11:00:02

EXHIBIT "A" CASE NO. 10526  
 MARKET DEMAND AND ALLOWABLE DETERMINATION SCHEDULE  
 PROPOSED GAS POOLS - NORTHWEST NEW MEXICO  
 FOR OCT92 THRU MAR93

RUN-DATE 06/07/92

	BASIN	BLANCO	BLANCO	TAPACTIO
	DAKOTA	MESA VERDE	P.C. SOUTH	
( 1 ) AVERAGE MONTHLY POOL SALES OCT91-MAR92 ALL VOLUME ARE IN MCF.	7,145,404	12,265,486	1,061,345	228,640
( 2 ) TOTAL NOMINATIONS AVG MONTH VOL.				
( 3 ) ADJUSTMENTS.				
( 4 ) MONTHLY POOL ALLOWABLE OCT92-MAR93 (LINE 1 + LINE 3.)	7,145,404	12,265,486	1,061,345	228,640
( 5 ) MONTHLY MARGINAL POOL ALLOWABLE OCT91-MAR92	5,050,757	6,686,273	682,476	135,217
( 6 ) MONTHLY NON-MARGINAL POOL ALLOWABLES OCT92-MAR93 LINE 4 - LINE 5	2,094,727	5,579,218	378,869	93,423
( 7 ) NUMBER OF NON-MARGINAL ACREAGE FACTORS	229.86	468.11	303.30	83.10
( 8 ) NUMBER OF NON-MARGINAL ACREAGE TIMES DELIVERABILITY FACTORS	119,193	289,803	14,340	5,710
( 9 ) MONTHLY ACREAGE ALLOCATE FACTOR OCT92-MAR93	5,468	2,980	312	281
( 10 ) MONTHLY ACREAGE TIMES DELIVERABILITY ALLOCATE FACTOR OCT92-MAR93	7.030000	14.440000	19.820000	12.270000

Dockets Nos. 31-92 and 32-92 are tentatively set for September 17, 1992 and October 1, 1992. Applications for hearing must be filed at least 23 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - TUESDAY - SEPTEMBER 1, 1992**

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:

**CASE 10507: (Continued from August 6, 1992, Examiner Hearing.)**

**Application of C & C Landfarm Inc. for a commercial surface waste disposal facility, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks authorization to construct and operate a commercial landfarm facility for remediation of non-hazardous hydrocarbon-contaminated soils using an enhanced biodegradation process. Said area is to be located in the SW/4 NE/4 (Unit G) of Section 3, Township 20 South, Range 37 East, which is approximately 2 miles southeast of Monument, New Mexico. This application has been administratively determined to be approvable, and this hearing is scheduled to allow parties the opportunity to present technical evidence why the application should not be approved pursuant to the rules of the Division. In the absence of objection, this application will be taken under advisement.

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**DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 2, 1992**

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:

**CASE 10539: Application of Tierra Environmental Company, Inc. for a commercial surface waste disposal facility, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks authorization to construct and operate a commercial landfarm facility for remediation of non-hazardous hydrocarbon-contaminated soils using an enhanced biodegradation process. Said area is to be located in the NW/ 4 SE/4 (Unit J) of Section 2, Township 29 North, Range 12 West, which is approximately 6 miles east of Farmington, New Mexico. This application has been administratively determined to be approvable, and this hearing is scheduled to allow parties the opportunity to present technical evidence why the application should not be approved pursuant to the rules of the Division. In the absence of objection, this application will be taken under advisement.

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**DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 3, 1992**  
 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:

(Continued from August 20, 1992 Examiner Hearing)

**Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the Sedge Unit Agreement for an area comprising 1967.92 acres, more or less, of State and Federal lands in Sections 18, 19, and 30, Township 22 South, Range 23 East, which is centered approximately 7.5 miles southwest by south of Marathon Oil Company's Indian Basin Gas Plant.

**CASE 10540:** **Application of American Hunter Exploration, Ltd. for an unorthodox oil well location, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 2480 feet from the South line and 915 feet from the West line (Unit J) of irregular Section 6, Township 27 North, Range 2 West, to test the Mancos formation. The NW/4 SE/4 of said Section 6 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 19 miles west of El Vado, New Mexico.

**CASE 10541:** **The consolidated application of Bird Creek Resources, Fortson Oil Company and Ray Westall Operating, Inc. for special pool rules, Eddy County, New Mexico.** The applicants, in the above-styled cause, seek an order promulgating special rules for the East Herradura Bend-Delaware Pool including a provision for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said pool is located in the southeastern portion of Township 22 South, Range 28 East and the northeastern portion of Township 23 South, Range 28 East, being approximately 5 miles northeast by north of Loving, New Mexico.

**CASE 10522:** (Continued from August 20, 1992, Examiner Hearing.)

**Application of Southland Royalty Company for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to deepen its South Corbin Federal Well No. 3, located 554 feet from the South and East lines (Unit P) of Section 20, Township 18 South, Range 33 East, from the South Corbin-Wolfcamp Pool to test the Undesignated South Corbin-Morrow Gas Pool. Said location is considered unorthodox pursuant to General Rule 104.C.(2). Further, the E/2 of said Section 20 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit in the Morrow interval. Said well is located approximately 10 miles south-southeast of Maljamar, New Mexico.

**CASE 10528:** (Continued from August 20, 1992, Examiner Hearing)

**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 Canyon formation, underlying the SE/4 of Section 20, Township 19 South, Range 25 East, forming a 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles northwest of Seven Rivers, New Mexico.

**CASE 10542:** **Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 1650 feet from the West line (Unit F) of Section 30, Township 18 South, Range 25 East, for any and all formations and/or pools from the surface to the base of the Morrow formation being developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated Penasco Draw San Andres-Yeso Associated Pool, Penasco Draw-Permo Pennsylvanian Gas Pool, Undesignated Penasco Draw-Atoka Gas Pool, and Penasco Draw-Morrow Gas Pool, Lots 1 and 2, the NE/4, and E/2 NW/4 (N/2 equivalent) of said Section 30 to be dedicated to said well forming a standard 322.36-acre gas spacing and proration unit. The proposed well site is located approximately 11 miles southwest of Artesia, New Mexico.

**CASE 10543:** **Application of Yates Petroleum Corporation for an unorthodox gas well location and simultaneous dedication, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 2, Township 19 South, Range 24 East, to test all formations and/or pools from

the top of the Wolfcamp formation to the base of the Morrow formation which are spaced on 320-acre spacing, Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of said Section 2 are to be dedicated to said well forming a standard 321.08-acre gas spacing and proration unit. Further, the applicant seeks an exception to Division General Rule 104.C(2) to allow the N/2 equivalent of said Section 2 to be simultaneously dedicated in the Penasco Draw-Permo Pennsylvanian Gas Pool to the proposed well and to the existing Irish Hills "KW" State Well No. 2 located at a standard gas well location 1980 feet from the North and East lines (Unit G) of said Section 2. Said unit is located approximately 11.5 miles west by south at Seven Rivers, New Mexico.

**CASE 10544:** **Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 23, Township 22 South, Range 23 East, to test all formations and/or pools from the top of the Wolfcamp formation to the base of the Morrow formation which are spaced on 320-acre spacing (this presently excludes the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool which is spaced on 640-acre units), the N/2 of said Section 23 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said unit is located approximately 6 miles south of the Marathon Oil Company's Indian Basin Gas Plant.

**CASE 10529:** (Continued from August 20, 1992)

**Application of Pogo Producing Company for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North line and 1650 feet from the East line (Unit B) of Section 34, Township 22 South, Range 32 East, to test the Morrow formation, the N/2 of said Section 34 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. The proposed well site is located approximately 8.75 miles north-northeast of New Mexico State Highway No. 128 at the Lea/Eddy County Line.

**CASE 10530:** (Continued from August 20, 1992, Examiner Hearing)

**Application of Charles B. Gillespie, Jr. for pool creation and special pool rules, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Strawn formation comprising the W/2 SE/4 of Section 33, Township 15 South, Range 35 East, the assignment of a discovery allowable, and the promulgation of special rules therefor including provisions for 80-acre spacing units and designated well location requirements. Said area is located approximately 3.5 miles northwest of Lovington, New Mexico.

**CASE 10545:** **Application of Phillips Petroleum Company for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled within a fifty-foot radius of a point 2300 feet from the North line and 330 feet from the West line (Unit E) of Section 1, Township 12 South, Range 34 East, South Four Lakes Unit, Four Lakes-Devonian Gas Pool. Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) of said Section 1 is to be dedicated to said well forming a standard 160-06-acre gas spacing and proration unit. Said unit is located approximately 10 miles west-northwest of Tatum, New Mexico.

**CASE 10546:** **Application of Phillips Petroleum Company for an unorthodox gas well location and for simultaneous dedication, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled within a fifty-foot radius of a point 2450 feet from the North line and 960 feet from the East line (Unit H) of Section 2, Township 12 South, Range 34 East, South Four Lakes Unit, Four Lakes-Devonian Gas Pool. Further, the applicant seeks an exception to Division General Rule 104.C(2) to allow the existing 160.14-acre gas spacing and proration unit comprising Lots 1 and 2 and the S/2 NE/4 (NE/4 equivalent) of said Section 2 to be simultaneously dedicated in the Four Lakes-Devonian Gas Pool to the proposed well and to the South Four Lakes Unit Well No. 8 located at a standard gas well location 660 feet from the North line and 990 feet from the East line (Unit A) of said Section 2. Said unit is located approximately 10 miles west-northwest of Tatum, New Mexico.

**CASE 10512:** (Readvertised)

**Application of Phillips Petroleum Company for directional drilling and three unorthodox oil well locations, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an exception to RULE 4 of the Special Rules and Regulations for the Four Lakes-Pennsylvanian Pool, as promulgated by Division Order No. R-2326, for three unorthodox oil well locations (one which will be directionally drilled to an unorthodox bottomhole location) all within its South Four Lakes Unit which is located approximately 10 miles west-northwest of Tatum, New Mexico:

- 1250' FSL & 2450' FWL (Unit N) of Section 35, Township 11 South, Range 34 East, the 80 acres comprising the E/2 SW/4 is to be dedicated to said well;
- 2200' FNL & 2150' FWL (Unit F) of Section 2, Township 12 South, Range 34 East, the 80.11 acres comprising Lot 2 and the SE/4 NW/4 is to be dedicated to said well; and,

- from a surface location 2050' FSL & 1980' FEL to be drilled directionally to an unorthodox bottomhole location within a 50-foot radius of a point 2200 feet from the South line and 1980 feet from the East line, all in Unit J of Section 2, Township 12 South, Range 34 East, the 80 acres comprising the N/2 SE/4 is to be dedicated to said well.

**CASE 10502:** (Continued from August 20, 1992, Examiner Hearing.)

**Application of Meridian Oil Inc. 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 Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the NW/4 NW/4 (Unit D) of Section 23, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6.25 miles north-northwest of the junction of State Highway No. 128 and the Delaware Basin Road.

**CASE 10503:** (Continued from August 20, 1992, Examiner Hearing.)

**Application of Meridian Oil Inc. 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 Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the SW/4 NW/4 (Unit E) of Section 23, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles north-northwest of the junction of State Highway No. 128 and the Delaware Basin Road.

**CASE 10504:** (Continued from August 20, 1992, Examiner Hearing.)

**Application of Meridian Oil Inc. 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 Delaware formation or to a depth of 8700 feet, whichever is deeper, underlying the NW/4 SW/4 (Unit L) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5.5 miles north by west of the junction of State Highway No. 128 and the Delaware Basin Road.

**CASE 10547:** **Application of Benson-Montin-Greer Drilling Corporation for a high angle/horizontal directional drilling pilot project, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project within a standard 640-acre oil spacing and proration unit in the West Puerto Chiquito-Mancos Oil Pool comprising all of Section 9, Township 27 North, Range 1 West. The applicant proposes to drill vertically from a well to be located on the surface at an unorthodox surface oil well location 1050 feet from the North line and 2300 feet from the West line (Unit C) of said Section 9 to a depth sufficient to penetrate the base of the Mesaverde formation and kick-off in a southerly direction, build angle and continue to drill horizontally in the Mancos formation. The applicant proposes to keep the horizontal displacement of said well's producing interval within the allowed 1650 foot offsetting provisions for said pool, pursuant to the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool, as promulgated by Division Order No. R-6469-B, as amended. Said unit is located approximately 26 miles north of Regina, New Mexico.

**CASE 10548:** **Application of Benson-Montin-Greer Drilling Corporation for a high angle/horizontal directional drilling pilot project, Rio Arriba County, New Mexico.** Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project within a standard 640-acre oil spacing and proration unit in the West Puerto Chiquito-Mancos Oil Pool comprising all of Section 10, Township 27 North, Range 1 West. The applicant proposes to drill vertically from a well to be located on the surface at a standard oil well location 2060 feet from the South line and 2130 feet from the West line (Unit K) of said Section 10 to a depth sufficient to penetrate the base of the Mesaverde formation at which point the applicant will select the proper direction for a lateral extension in the pool. The applicant proposes to keep the horizontal displacement of said well's producing interval within the allowed 1650 foot offsetting provisions for said pool, pursuant to the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool, as promulgated by Division Order No. R-6469-B, as amended. Said unit is located approximately 26 miles north of Regina, New Mexico.

**CASE 10490: (Continued from August 6, 1992, Examiner Hearing.)**

**Application of Noranda Minerals Inc. requesting the Division to rescind or deny an application to drill a certain well in the oil/potash area, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order denying or rescinding the approval of an "Application for Permit to Drill" which would authorize Yates Petroleum Corporation to drill its Snyder "AKY" Well No. 1 at a standard oil well location in the NW/4 SW/4 (Unit L) of Section 1, Township 20 South, Range 32 East, (approximately 3 miles north of the junction of U.S. Highway 62/180 and State Highway 176). Said location is within the designated oil/potash area as described in and governed under the provisions of Division Order No. R-111-P.

Docket No. 30-92

DOCKET: COMMISSION HEARING - WEDNESDAY - SEPTEMBER 9, 1992

9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING,  
SANTA FE, NEW MEXICO**CASE 10466: Application of Yates Petroleum Corporation for authorization to drill, Eddy County,**

**New Mexico.** Applicant, in the above-styled cause, seeks approval to drill within the "Potash Area" pursuant to all applicable rules and procedures governing said area, as promulgated by Division Order No. R-111-P. The proposed well is to be located 660 feet from the North line and 1650 feet from the East line (Unit B) of Section 2, Township 22 South, Range 31 East, to test the Delaware formation at an approximate depth of 8500 feet for oil. Lot 2 of said Section 2 is to be dedicated to said well forming a 39.81-acre oil spacing and proration unit for the Undesignated Lost Tank-Delaware Pool. Said unit is located approximately 11 miles east of IMC Inc.'s Potash Mining and Refining Facilities. Upon application of Yates Petroleum Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

**CASE 10447: (De Novo) (Readvertised)****Application of Yates Petroleum Corporation for authorization to drill, Eddy County,**

**New Mexico.** Applicant, in the above-styled cause, seeks approval to drill within the "Potash Area" pursuant to all applicable rules and procedures governing said area, as promulgated by Division Order No. R-111-P. The proposed well is to be located 1980 feet from the North line and 1650 feet from the East line (Unit G) of Section 2, Township 22 South, Range 31 East, to test the Delaware formation at an approximate depth of 8500 feet for oil. The SW/4 NE/4 of said Section 2 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for the Undesignated Lost Tank-Delaware Pool. Said unit is located approximately 11 miles east of IMC Inc.'s Potash Mining and Refining Facilities. Upon application of Yates Petroleum Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

**CASE 10448: (De Novo) (Readvertised)****Application of Yates Petroleum Corporation for authorization to drill, Eddy County,**

**New Mexico.** Applicant, in the above-styled cause, seeks approval to drill within the "Potash Area" pursuant to all applicable rules and procedures governing said area, as promulgated by Division Order No. R-111-P. The proposed well is to be located 660 feet from the South line and 2310 feet from the West line (Unit N), Township 22 South, Range 31 East, to test the Delaware formation at an approximate depth of 8500 feet for oil. The SE/4 SW/4 of said Section 2 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for either the Undesignated Lost Tank-Delaware Pool or the Undesignated Livingston Ridge-Delaware Pool. Said unit is located approximately 11 miles east of IMC Inc.'s Potash Mining and Refining Facilities. Upon application of New Mexico Potash Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

**CASE 10449: (De Novo) (Readvertised)****Application of Yates Petroleum Corporation for authorization to drill, Eddy County,**

**New Mexico.** Applicant, in the above-styled cause, seeks approval to drill within the "Potash Area" pursuant to all applicable rules and procedures governing said area, as promulgated by Division Order No. R-111-P. The proposed well is to be located 1980 feet from the South line and 2310 feet from the West line (Unit K) of Section 2, Township 22 South, Range 31 East, to test the Delaware formation at an approximate depth of 8500 feet for oil. The NE/4 SW/4 of said Section 2 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for the Undesignated Lost Tank-Delaware Pool or the Undesignated Livingston Ridge-Delaware Pool. Said unit is located approximately 11 miles east of IMC Inc.'s Potash Mining and Refining Facilities. Upon application of New Mexico Potash Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.