# CASE NO.

7696

APPlication,
Transcripts,
Small Exhibits,

ETC.

CERTIFICATE

the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Mily W. Boyd Core

I do hereby comb that the foregoing is a complete to the of the proceedings in the Examiner Laring of Cose the. 7696, heard by no on 10772 19.87.

Oil Conservation Division

7696.

We'll call next Case Number MR. NUTTER:

MR. PEARCE: That is on the application of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico.

Mr.Examiner, we have received a request from the applicant in this matter that this case be continued until the Examiner Hearing currently set for October the 27th, 1982.

MR. NUTTER: Case Number 7696 will be continued to the Examiner Hearing scheduled to be held at this same place at 9:00 o'clock a. m. October 27, 1982.

(Hearing concluded.)

В

#### CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Saringia Boyd CSE

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MR. STAMETS: We'll call next Case 7696. MR. PEARCE: That is on the application

of ARCO Oil and Gas Company for compulsory pooling, Lea County, New Mexico.

MR. STAMETS: At the request of the applicant this case will be continued to October 13th.

(Hearing concluded.)

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Page	. )

#### CERTIFICATE

I, SALLY W. BOYD, C.S.R., DO HERDBY CERTIFY that the foregoing Transcript of Hearing before the Oil Conservation Division was reported by me; that the said transcript is a full, true, and correct record of the hearing, prepared by me to the best of my ability.

Soly W. Boyd COR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7626 heard by me on

Oil Conservation Division Examiner

# BRUCE KING LARRY KEHOE SECRETARY

#### STATE OF NEW MEXICO

### ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION

POST OFFICE BOX 2008 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87501 (505) 827-2434

November 8, 1982

	Re: CASE NO. 7695
Mr. Owen Lopez	ORDER NO. R-7128
Hinkle, Cox, Eaton, Coffield & Hensley	
Attorneys at Law	Applicant:
Post Office Box 2068 Santa Fe, New Mexico 87501	
	ARCO Oil and Gas Company
•	
Dear Sir:	
Enclosed herewith are two cop Division order recently enter	pies of the above-referenced ed in the subject case.
Yours very truly,	
John Marine	
JOE D. RAMEY Director	
JDR/fd	
Copy of order also sent to:	
Hobbs OCD x Artesia OCD x Aztec OCD	
Other	

#### STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

> CASE NO. 7696 Order No. R-7128

APPLICATION OF ARCO OIL AND GAS COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO,

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 27, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this  $_{\mbox{8th}}$  day of November, 1982, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises, day of November, 1982, the Division NOW, on this

#### FINDS:

That the applicant's request for dismissal should be granted.

#### IT IS THEREFORE ORDERED:

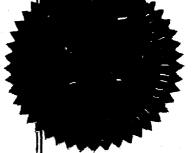
That Case No. 7696 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

> STATE OF NEW MEXICO OLL CONSERVATION DIVISION

JOE D. RAMEY.

Director



SEAL

#### The Gulf Companies

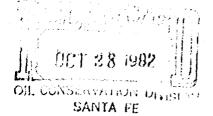
LAW DEPARTMENT

William V. Kastler

P. O. Box 3725 Houston, TX 77253

Owen M. Lopez, Esq. Hinkle, Cox, Eaton, Coffield & Hensley P. O. Box 2068 Santa Fe, New Mexico 87501

Re: NMOCD Case No. 7696



Dear Owen:

I am informed that our Trade Negotiations Unit in Midland, Texas has sent Atlantic Richfield its executed counterparts of the Osudo Unit and Unit Operating Agreement. This renders your application for forced pooling, in Case No. 7696 continued to October 27, 1982, moot.

I would appreciate your dismissing Case No. 7696 as I am not able to be in Santa Fe on October 27.

With best personal regards, I am

Sincerely yours,

William V. Kastler

WVK/vw

cc: New Mexico Oil Conservation Division

Attn: Richard L. Stamets

P. O. Box 2088

Santa Fe, New Mexico 87501

word planes and

LAW OFFICES

#### HINKLE, COX, EATON, COFFIELD & HENSLEY

500 DON GASPAR

OF COUNSEL CLARENCE E. HINKLE ROY C. SNOOGRASS, JR.

POST OFFICE BOX 2068 SANTA FE, NEW MEXICO 87501 (503) 982-4554

W. E. BONDURANT, JR. ((9)34973) ROBERT A. STONE (1965-1981)

O. M. CALLIQUE

LEWIS C. COX PAUL W. EATON CONRAD E. COFFIELD HAROLD C. HENSLEY, JR. R.CHARD E. GLSON STUART D. SHANOR C. D. MARTIN PAUL J. KELLY, JR OWEN M. LOPEZ JAMES H. BOZARTH DOUGLAS L. LUNSFORD DAVID L. SPOEDE PAUL M. BOHANNON ERNEST R. FINNEY, JR.\* J. DOUGLAS FOSTER

T CALDER EZZEUL JR WILLIAM B. BILDFORD! JOHN S. NELSON DEBORAH NORMOOD! ANDERSON CARTER, II STEVEN D. ARNOLD JEFFREYL BOAMAN JOHN C. HARRISON JEFFREY D. HEWETT JAMES BRUCE MICHELE & DREXLER

October 25, 1932

MIDLAND, TEXAS OFFICE 1000 FIRST NATIONAL BANK BUILDING POST OFFICE BOX 3580 (9)9) 683 469)

AMARILLO, TEXAS OFFICE 1700 AMERICAN NATIONAL BANK BUILDING POST OFFICE BOX 12118 (806) 372-5569

. ROSWELL, NEW MEXICO OFFICE 1 1 1000 MINKLE BUILDING POST OFFICE BOX 10

"NOT LICENSED IN NEW MEXICO

New Mexico Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

Attention: Richard L. Stamets, Examiner

Application of ARCO Oil and Gas Company for

Compulsory Pooling, Lea County, New Mexico,

NMOCD Case No. 7696

#### Gentlemen:

We hereby respectfully request that the abovereferenced case set for hearing on Wednesday, October 27, 1982, be dismissed inasmuch as the parties have amicably entered into an operating agreement.

cerely yours,

Owen M. Lopez

OML: to

Horace N. Burton, Esq.

Mr. E. R. Douglas Ross Freeman, Esq.

HAND DELIVERED

Dockets Nos. 35-82 and 36-82 are tentatively set for November 10 and November 23, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: COMMISSION HEARING - TUESDAY - OCTOBER 26, 1982

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

CASE 7656: (Continued from September 22, 1982, Commission Hearing)

Application of Cities Service Company for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, pursuant to the provisions of Section 70-2-17 C, NMSA, 1978 Comp., and Parsgraph (5) of Divsion Order No. R-6781, seeks a determination of reasonable well costs for two wells drilled under the provisions of said Order No. R-6781 by Doyle Hartman on lands pooled by said order.

Docket No. 34-82

#### DOCKET: EXAMINER REARING - WEDNESDAY - OCTOBER 27, 1982

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

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

CASE 7703: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Cortez Corporation, United States Fire Insurance Company and all other interested parties to appear and show cause why the Fair Well No. 1, located in Unit D of Section 24, Township 18 South, Range 26 East, Eddy County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7638: (Continued from October 13, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Cibols Energy Corporation, American Employers Insurance Company and all other interested parties to appear and show cause why the Simms Ranch Well No. 1, located in Unit N, Section 9, the Clyde Berlier Well No. 1, located in Unit K and the Clyde Berlier Well No. 2, located in Unit F, both in Section 21, the Mora Ranch Well No. 3 located in Unit M and the Mora Ranch Well No. 4 located in Unit M, both in Section 5, all in Township 21 North, Range 21 East, Mora County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7686: (Continued from September 29, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Energetics Corporation, United States Fidelity and Guaranty Company, and all other interested parties to uppear and show cause why the Hanes Corporation Well No. 1, located in Unit F of Section 9, Township 24 South, Range 2 East, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

Application of Getty Oil Company for a unit agreement, Sierra County, New Mexico.

Applicant, in the above-styled cause, scaks approval for the West Elephant Butte Unit Area, comprising 25,968 acres, more or less, of State, Federal, and fee lands in Townships 12 and 13 South, Ranges 4 and 5 West.

Application of Mesa Petroleum Co. for an unorthodox well location, Chaves County, New Mexico.

Applicant, in the above-styled cause, seeks approval of an unorthodox location 158 feet from the South line and 2055 feet from the East line of Section 33, Township 5 South, Range 25 East, Undesignated Abo Pool, the SE/4 of said Section 33 to be dedicated to the well.

CASE 7705: Application of Johnson and Price for an unorthodox location, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval of an unorthodox location 1500 feet from the North line and 1980 feet from the East line of Section 22, Township 15 South, Range 38 East, Medicine Rock-Devonian Pool, the W/2 ME/4 of said Section 22 to be dedicated to the well.

Application of Johnson and Price for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Devonian formation underlying the W/2 NE/4 of Section 22, Township 15 South, Range 38 East, to be dedicated to a well to be drilled at an unorthodox location 1500 feet from the North line and 1980 feet from the East line 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.

CASE 7693: (Continued from September 29, 1982, Examiner Hearing)

Application of Forister & Sweatt for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order fooling all mineral interests in the Southeaut Chaves Queen Gas Area underlying the E/2 of Section 5, Township 13 South, Range 31 East, to be dedicated to a well to be drilled at an unorthodox 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.

CASE 7707: Application of Yates Petroleum Corporation for salt water disposal, Chaves County, New Mexico.

Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San

Andres formation in the perforated interval from 4,009 feet to 4,217 feet in its Champlin "UL" Federal

Well No. 1 located in Unit F of Section 12, Township 8 South, Range 31 East.

CASES 7708 and 7709: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico.

Applicant, in each of the following cases, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas promation unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing the unit 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:

CASE 7708: NE/4 Section 9, Township 5 South, Range 24 East

CASE 7709: SE/4 Section 22, Township 6 South, Range 25 East

CASE 7711: Application of Julian Ard for the amendment of Division Order No. R-6903, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6903 which said order pooled all mineral interests in the Morrow formation underlying the E/2 of Section 23, Township 20 South, Range 33 East, to provide that all of the Wolfcamp and Pennsylvanian formations would be pooled thereunder.

CASE 7681: (Continued and Readvertised)

Application of Cibola Energy Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a gas well for any formation down to and including the Ordevician formation to be drilled 330 feet from the North line and 990 feet from the East line of Section 13, Township 9 South, Range 27 East, with the NE/4 or the E/2 of said Section 13 to be dedicated to the well as appropriate.

CASE 7696: (Continued from October 13, 1982, Examiner Hearing)

Application of Arco Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian through Ellenburger formations underlying the E/2 of Section 31, Township 20 South, Range 36 East, 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 operator of the well and a charge for risk involved in drilling said well.

CASES 7712, 7713, and 7714: Application of Sanders Oil & Gas Company for compulsory pooling, Chaves County, New Mexico.

Applicant, in each of the following cases, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing the unit 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:

CASE 7712: SE/4 Section 21

CASE 7713: SW/4 Section 21

CASE 7714: SE/4 Section 31

All in Township 8 South, Range 26 East.

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CASES 7528 and 7529: (Continued from September 29, 1982, Examiner Hearing)

Application of JJ-CC, Limited for compulsory poeling, Chaves County, New Mexico.

Applicant, in each of the following two cases, seeks an order pooling all mineral interests down through the Aho formation underling the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East

CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East

CASE 7667: (Continued from September 15, 1962, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the NW/4 of Section 4, Township 5 South, Range 24 East, to form a standard 160-acre gas spacing and proration unit 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 operator of the well and a charge for risk involved in drilling and well.

CASE 7652: (Continued from September 15, 1982, Examiner Hearing)

Application of Conoco, Inc. for compulsory pooling, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco formation underlying all of partial Sections 34 and 35, Township 20 1/2 South, Range 23 East, underlying a previously approved 688-acre non-standard proration unit, to be dedicated to a well at a previously approved unorthodox location which is to be re-entered. Also to be considered will be the cost of re-entering seid well and the allocation of the cost thereof as well as actual operating costs and charges for supervsion, designation of applicant as operator of the well and a charge for risk involved in re-entering said well.

CASE 7594: (Continued from August 18, 1982 Exeminer Bearing)

Application of Harvey E. Yates Company for statutory unitization, Les County, New Nexico. Applicant, in the above-styled cause, seeks an order unitizing for the purposes of a secondary recovery project, all mineral interests in that portion of the Bone Spring formation described as the Carbonate unit between the first and second Bone Spring Sands underlying the Young Deep Unit, encompassing 560 acres, more or less, of Federal lands underlying portions of Sections 3, 4, 9 and 10, Township 18 South, Range 32 East.

LAW OFFICES

#### HINKLE, COX, EATON, COFFIELD & HENSLEY

SOO DON GASFAR

OF COUNTY CLARENCE E FONKLE ROY C SNODGRAGS UR G M CATHOUN

POST OFFICE BOX ROCE SANTA FE, NEW MEXICO 87501 (505) 962-4554

W. E. BONDURANT, JR. (1913-1973) ROBERT A SHONE (1905-198)) MIDIAND TEXAS OFFICE

LEWIS C. COX. PAUL W EATON CONRAD E. COFFIELD HAROLO L HENSLEY JR - RICHARD E OLSON STUART D. SHANOR C D MARTIN PAUL JEKELLY ID OWEN MILOREZ JAMES H BOZARTH

PAUL M BOHANNON

ERNEST R. FINNLY JR.

J. DOUGLAS FOSTER

T CALDER EZZELL UR WILLIAM B. BURLORO\* JOHN S NELSON DEBORAH NORWOOD\* ANDERSON CAPTER II STEVEN D ARHOLD JEFFREY L BOWMAN JOHN C HARRISON DOUGLAS L'EUNSFORD DAVID L'SPOEDE JEFFREY D. HEWLIT JAMES BRUCE MICHELE A DREXLER

October 8, 1982

HOLD OFFICE BOX 3580 (9)5) 653-4691 AMARILLO, TEXAS CIFICE DOG AMERICAN NATIONAL BANK BUPDING POST OFFICE BOX 12118

1000 FIRST NATIONAL BANK BUILDING

ROSWELL, NEW MEXICO OFFICE 600 HINKLE BUILDING POST OFFICE BOX 10 (505) 622 6510

(606) 372-5569

\*NOT LICENSED IN NEW MEXICO

New Mexico Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501

Attention: Richard L. Stamets, Examiner

Application of ARCO Oil and Gas Company for Re:

Compulsory Pooling, Lea County, New Mexico,

NMOCD Case No. 7696

Gentlemen:

The applicant hereby respectfully requests that the Division continue the above-referenced case scheduled for hearing on October 13 to the next regularly scheduled examiner hearing.

Your attention to this matter and cooperation is appreciated.

OML: to

Horace N. Burton, Esq. cc:

Mr. E. R. Douglas Ross Freeman, Esq. Dockets Nos. 33-82 and 34-82 are tentatively set for October 27 and November 10, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 13,1982

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

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

- AlLOWABLE: (1) Consideration of the allowable production of gas for November, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
  - (2) Commission of the allowable production of gas for November, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7638: (Continued from September 15, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Cibola Energy Corporation, American Employers Insurance Company and all other interested parties to appear and show cause why the Simma Ranch Weil No. 1, located in Unit N, Section 9, the Clyde Berlier Well No. 1, located in Unit K and the Clyde Berlier Well No. 2, located in Unit F, both in Section 21, the Mora Ranch Well No. 3 located in Unit M and the Mora Ranch Well No. 4, located in Unit M, both in Section 5, all in Township 21 North, Range 21 East, Mora County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7637: (Continued from September 15, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit R.A.F. Enterprises, Fireman's Fund Insurance Company and all other interested parties to appear and show cause why the Shew Well No. 1, located in Unit M, Section 18, Township 4 North, Range 8 East, Torrance County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

- CASE 7698: Application of Joel D. Burr, Jr. for a non-etandard proration unit and an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 560 feet from the North line and 2440 feet from the West line of Section 29, Township 30 North, Range 12 West, Fulcher Kutz Pool, and a 120-acre non-standard proration unit comprising the N/2 NV/4 and SW/4 NV/4 of said Section 29 to be dedicated to the well.
- CASE 7696: (Continued from September 29, 1982, Exeminer Hearing)

Application of Arco Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian through Ellenburger formations underlying the E/2 of Section 31, Township 20 South, Range 36 East, 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 complating 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.

- CASE 7699: Application of Sun Exploration 6 Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying, the E/2 of Section 12, Township 19 South, Range 28 East, 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 operator of the well and a charge for risk involved in drilling said well.
- Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation underlying the NW/4 of Section 18, Township 3 South, Range 25 East, 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 operator of the well and a charge for risk involved in drilling said well.

CASE 7701: Application of Amoco Production Company for salt water disposal, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devonian formation in the perforated interval from 12002 feet to 12012 feet in its Federal "A" Well No. 5 located 810 feet from the South line and 1980 feet from the West line of Section 13, Township 9 South, Range 35 East.

(Continued from September 15, 1982, Examiner Hearing)

CASES 7666, 7668, and 7669: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant in each of the three following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing seid wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7666: SW/4 Section 3; CASE 7668: NW/4 Section 14;

All of the above being in Township 5 South, Range 24 East and

CASE 7669: NW/4 of Section 2, Township 9 South, Range 25 East.

CASE 7670: (Continued from September 15, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 26, Township 14 South, Range 27 East, 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 operator of the well and a charge for risk involved in drilling said well.

- CASE 7702: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowables, contracting, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:
  - (a) CREATE a new pool in Lea County, New Maxico, classified as an oil pool for Cherry Canyon production and designated as the Antelone Ridge-Cherry Canyon Pool. Further, to assign approximately 34,590 barrels of discovery allowable to the discovery well the Estorii Production Corporation Triple A Federal Well No. 2 located in Unit J of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM Section 10: SE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon Production and designated as the Brushy Draw-Cherry Canyon Pool. Further, to assign approximately 25,410 barrels of discovery allowable to the discovery well, the J. C. Williamson UCBHWW Federal Well No. 1 located in Unit M of Section 25, Township 26 South, Range 29 East, NHPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM Section 25: SW/4

CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the West Suffalo Valley-Pennsylvanian Gas Pool. The discovery well is the Clements Energy, Inc. Drumm Com Well No. 1 located in Unit E of Section 33, Township 14 South, Range 26 Fast, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 26 EAST, NICH

Section 33: All

Section 34: All

Section 35: All

(d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Welfcamp production and designated as the North Grama Ridge-Wolfcamp Gas Pool. The discovery well is the ENG Oil Company San Simon 19 State Well No. 1 located in Unit J of Section 19, Township 21 South, Range 35 East, NMPM. Said pool would comprise:

> TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPH Section 19: S/2

(e) CREATE a new pool in Les County, New Mexico, classified as a gas pool for Yates and Seven Rivers production and designated as the South House-Ystes-Seven Rivers Gas Pool. The discovery well is the Alpha-Twenty One Production Company Colvin Federal Well No. 1 located in Unit 3 of Section 17, Township 20 South, Range 39 East, NMPM. Said pool would comprise:

> TOWNSHIP 20 SOUTH, RANGE 39 EAST, Section 17: Lots 1 and 2 and NW/4

(f) CREATE a new pool in Les County, New Mexico, classified as an oil pool for Devonian production and designated as the McDonald-Devonian Pool. The discovery well is the Harvey E. Yates Company McDonald Unit Well No. 2 located in Unit D of Section 3. Township 14 South, Range 36 East, NMPM. Said pool would comprise:

> TOWNSHIP 14 SOUTH, RANGE 36 BAST, NEPM Section 3: NW/4

(g) CREATE a new pool in Chaves County, New Maxico, classified as a gas pool for Pennsylvanian production and designated as the Palma Mesa-Pennsylvanian Gas Pool. The discovery well is the Rault Petroleum Corporation Hanlad State Well No. 1 located in Unit N of Section 13, Township 8 South, Range 27 East, NMPM. Said pool would comprise:

> TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM Section 13: S/2

(h) CONTRACT the Bar U-Pennsylvanian Pool in Chaves County, New Mexico, to correct overlap with the Tobac-Pennsylvanian Pool, by the deletion of the following described area:

randon de la companya de la company

TOWNSHIP 8 SOUTE, RANGE 33 EAST, NRPM Section 31: NE/4

(i) EXTEND the Austin-Mississippian Gas Pool in Lea County, New Mexico, to include therein:

> TOWNSHIP 13 SOUTH, RANGE 36 EAST, NMPM Section 32: S/2

(j) EXTEND the Blinebry Oil and Gas Pool in Les County, New Mexico, to include therein:

> TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 7: SE/4

> TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 6: SW/4 Section 7: N/2

(k) EXTEND the Bootleg Ridge-Morrow Gas Fool in Lea County, New Mexico, to include therein:

TOWNSRIP 22 SOUTH, RANGE 33 EAST, NMPM Section 7: E/2

(1) EXT'ND the Buckeye-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM Section 4: SE/4

(m) EXTEND the Buffalo-Pennsylvanian Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 9: \$/2

(n) EXTEND the Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include therein;

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM Section 16: All Section 21: N/2

(o) EXTEND the Cato-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 30 EAST, NMPM Section 7: SE/4

(p) EXTEND the South Corbin-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 17: SW/4
Section 18: E/2
Section 20: NW/4

(q) EXTEND the Diamond Mound-Atoka-Morrow Gas Pool in Chaves County, New Mexico, to include therein:

TGWNSHIP 13 SOUTH, RANGE 27 EAST, NMPM Section 34: N/2

(r) EXTEND the EK-Bone Spring Pool in Les County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM Section 30: SW/4

(s) EXTEND the Empire-Abo Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM Section 19: SE/4
Section 30: N/2 NE/4

(t) EXTEND the "sat Gen-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NRFM Section 25: E/2 and SW/4 Section 35: S/2

(u) EXTEND the East Grama Ridge-Horrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM Section 31: N/2

Section 31: N/2 Section 32: N/2 (v) EXTEND the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM Section 9: E/2

(w) EXTEND the Indian Plats-Horrow Gas Pool in Eddy County, New Mexico, to include therein;

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM Section 36: E/2

(x) EXTEND the South Kemmitz-Atoka-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, MMPM Section 20: W/2

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 35: NE/4

TOWNSHIP 25 SOUTH, RANGE 38 EAST, NMPM Section 30: SE/4

(2) EXTEND the Linds-San Andres Pool in Chaves County, New Mexico, to include therein;

> TOWNSHIP 6 SOUTH, RANGE 26 EAST, NMPM Section 32: W/2 NE/4, S/2 NW/4 and NW/4 NW/4

(aa) EXTEND the North Loving-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NPPM Section 13: E/2

(bb) EXTEND the Lovington-Abo Pool in Lea County, New Maxico, to include therein:

TOWNSRIP 16 SOUTH, RANGE 37 EAST, NMPM Section 28: S/2

(cc) EXTEND the Maljamar-Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM Section 1: NW/4

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM Section 26: SW/4

(dd) EXTEND the Peccá Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 6 SOUTH, RANGE 26 EAST, NHPM Section 9: S/2

Section 10: All

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NHPM

Section 1 through 4: All

Section 11: E/2

Section 12 through 14: All

Section 23 through 26: All

Section 35 and 36: All

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM Section 1: All Section 2: All Section 7: All Section 18: All Section 19: All Section 20: W/2 Section 28: W/2

(ee) EXTEND the Sand Point-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

Section 29 through 32: All

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM Section 10: N/2

(ff) EXTEND the Skaggs-Abo Gas Pool in Lea County, New Mexico, to include therein:

> TOWNSHIP 20 SOUTH, RANGE 37 EAST, NHPM Section 11: SE/4 Section 12: NE/4, W/2 and N/2 SE/4 Section 14: N/2

(gg) EXTEND the Tomahawk-San Andres Pool in Roosevelt County, New Mexico, to include therein:

> TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPH Section 19: NE/4

(hh) EXTEND the Tower-San And as Pool in Chaves County, New Mexico, to include therein:

> TOWNSHIP 11 SOUTH; RANGE 31 EAST, NHPM Section 3: SW/4

(ii) EXTEND the Turkey Track-Seven Rivers-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

> TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM Section 22: SE/4

(jj) EXTEND the Vacuum-Grayburg-San Andres Pool in Law County, New Nextco, to include therein:

> TOWNSHIP 17 SOUTH, RANCE 36 EAST, NHPM Section 32: SW/4

EXTEND the Vada-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SCUTH, RANGE 33 EAST, NHOW

CONTRACTOR TO THE STATE OF THE

Section 12: SW/4 Section 13: NW/4

Section 14: E/2 and SW/4 Section 23: NE/4

LAW OFFICES

#### HINKLE, COX, EATON, COFFIELD & HENSLEY

500 DON GASPAR

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87501

(605) 982-4554

September 21, 1982

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WILLAM B. BURFORO!

OF BORAK MORAGOO

STEVEN DI ARROLD

MARKON LABORATE

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JEFFREY D. HEWET!

MICHELE A DREXLER

ANGHREGO CARTER II

JOHN SINE SON

New Mexico Oil Conservation Division Post Office Box 2088 Santa Fe, New Mexico 87501 SEP 22 1982 PLO OIL CONSISTENCE CINISION SANTA FE

Attention: Richard L. Stamets, Examiner

Re: Application of ARCO Oil and Gas Company for Compulsory Pooling, Lea County, New Mexico,

NMOCD Case No. 7696

Gentlemen:

The applicant hereby respectfully requests that the Division continue the above-referenced case scheduled for hearing on September 29 to the next regularly scheduled examiner hearing.

Your attention to this matter and cooperation is appreciated.

Sincerely,

HINKLE, COX, EATON, COFFIELD, & HENSLEY

Owen M. Lonez

OML: to

cc: Horace N. Burton, Esq.

Mr. E. R. Douglas Ross Freeman, Esq. Dockets Nos. 32-60 and 33-60 are tentatively set for October 13 and October 27, 1982. Applications for Rearing must be filed at least 22 days in advance of hearing date.

#### DOCKET: EXAMINER HEARING - NEDNESDAY - SEPTEMBER 29, 1982

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

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

- CASE 7686: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Energetics Corporation, United States Fidelity and Guaranty Company, and all other interested parties to appear and show cause why the Hanes Corporation Well No. 1, located in Unit F of Section 9, Idwaship 24 South, Range 2 East, Don Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7687: Application of Amoco Production Company for salt water disposal, Union County, New Mexico.

  Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Glorieta formation in the perforated interval from 1718 feet to 1780 feet in its former State FI Well No. 2 (2034 362P) located 650 feet from the South line and 1320 feet from the East line of Section 36, Township 20 North, Range 34 East.
- CASE 7688: Application of Mountain States Petroleum Corporation for an unorthodox gas well location. Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 990 feet from the North and East lines of Section 19, Township 15 South, Range 28 East, Buffalo Valley-Penn Gas Pool, the N/2 of said Section 19 to be dedicated to the well.
- Application of Tesoro Petroleum Corporation for a tertiary oil recovery project, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to convert its Hospah Sand Unit Waterflood Project to a polymer-augmented waterflood and, pursuant to Section 212.78 of the U.S. Department of Energy Regulations and Section 4993 of the Internal Revenue Code, seeks certification of said project as a qualified tertiary oil recovery project.
- Application of C & K Petroleum, Inc. for compulsory pooling, Lea County, New Mexico.

  Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formations underlying the E/2 SW/4 of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, 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 operator of the well and a charge for risk involved in drilling said well.
- CASE 7679: (Continued from September 15, 1982, Examiner Hearing)

Application of C & K Petroleum, Inc. for the amendment of Order No. R-4857-A and for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-4857-A to provide that the lands pooled by said order shall be the W/2 SE/4 of Section 27, Township 16 South, Range 37 East, dedicated to its Shipp 27 Well No. 2 located in Unit O in said Section 27. Applicant, further seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 SE/4 of the aforesaid Section 27, to be dedicated to a well to be drilled in Unit P 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 tisk involved in drilling said well.

CASE 7680: (Continued and Readvertised)

Application of Unichem International, Inc. for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit the commercial disposal of produced brine into several unlined surface pits located in Section 2, Township 23 South, Range 29 East.

Application of Dugan Production Corporation for compulsory pooling, San Juan County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Dakota
Pool underlying the W/2 of Section 5, Township 24 North, Range 9 West, 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 operator of the well and a charge for risk involved in drilling said
well.

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- CASE 7692: Application of Forister . Sweatt for an unorthodox well location, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks approval of an unorthodox location 990 feet from the North line and 1550 feet from the Sast line of Section 5, Township 13 South, Range 31 East, Southeast Chaves Queen Gas Area, the 872 of said Section 5 to be iedicated to the well.
- CASE 1693: Application of Forister's Sweatt for compulsory pooling, Chaves County, New Mexico.

  Applicant, in the above-styled cause, seeks an order cooling all mineral interests in the Southeast Chaves Queen Gas Area underlying the E/2 of Section 5, Township 13 South, Range 31 Fast, to be dedicated to a well to be drilled at an unorthodox location thereon. Elso 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.
- CASE 7681: (Continued from September 15, 1982, Examiner Hearing)

Application of Cibola Energy Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Ordovician gas well to be drilled 330 feet from the North line and 990 feet from the East line of Section 13, Township 9 South, Range 27 East, the E/2 of said Section 13 to be dedicated to the well.

CASE 7682: (Continued from September 15, 1982, Examiner Hearing)

Application of Cibola Energy Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Mississippian gas well drilled 330 feet from the North line and 330 feet from the West line of Section 34, Township 11 South, Pange 28 East, the W/2 of said Section 34 to be dedicated to the well.

Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico.

Applicant, in each of the following two cases, seeks an order pooling all mineral interests from the Surface down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

CASE 7694: NW/4 Section 21; and

CASE 7695: NE/4 Section 21

Both in Township 5 South, Range 25 East.

Application of Arco Oil and Gas Company for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian through Ellenburger formations underlying the 2/2 of Section 31, Township 20 South, Range 36 East, to be dedicated to a weil 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 i charge for risk involved in drilling said well.

CASES 7528 and 7529: (Continued and Readvertised)

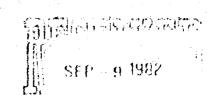
Application of JJ-CC, Limited for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the following two cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and protation unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing aid wells and the allocation of the lost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

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CASE 7528: NW/4 Section 4, Township 5 South, Range 24 East

CASE 7529: NE/4 Section 4, Township 5 South, Range 24 East

CASE 7697: Application of Oxoco Production Corp. for designation of a tight formation. San Juan County, New Mexico Applicant, in the above-styled cause, seeks the designation of the Mesaverde formation underlying Sections 7, 8, 17, 18, 19 and 20, Township 32 North, Range 8 West, containing 3160 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.



BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF ARCO OIL AND GAS COMPANY FOR COMPULSORY POOLING IN THE MISSISSIPPIAN THROUGH ELLENBERGER FORMATIONS IN SECTION 31, TOWNSHIP 20 SOUTH, RANGE 36 EAST, N.M.P.M., LEA COUNTY, NEW MEXICO

Case No. 76.96

#### APPLICATION

COMES NOW, ARCO Oil and Gas Company, a division of Atlantic Richfield Company, by its attorneys, Hinkle, Cox, Eaton, Coffield & Hensley, and applies for an order pooling all mineral interests in the El/2 of Section 31, Township 20 South, Range 36 East, N.M.P.M., Lea County, New Mexico, for the purpose of forming a 320-acre proration and spacing unit for a wildcat exploration well in the Mississippian through Ellenberger formations in Lea County, New Mexico, and in support of its application states:

- Applicant is a working interest owner of certain interests in the E1/2 of Section 31, Township 20 South,
   Range 36 East, Lea County, New Mexico.
- 2. Applicant has in good faith sought to join all other mineral interest owners in the El/2 of Section 31 for the purposes set forth herein.
- 3. Although Applicant attempted to obtain voluntary agreements of all mineral interest owners in the drilling of the well, there are still some mineral interest owners who have refused to join in dedicating their acreage, and applicant seeks an order from the Division pooling all mineral interests in the Mississippian through Ellenberger formations underlying the El/2 of Section 31, pursuant to Section 70-2-17 N.M.S.A. 1978.

- 4. The Division's order to be entered pursuant to this Application should designate Applicant as operator of the proposed well and should provide a reasonable charge for the risk involved in drilling this well. Applicant requests that 200% of the nonconsent working owners' prorata share of the cost of drilling and completing this well be fixed as the charge for the risk involved in drilling the well.
- 5. Approval of this Application will prevent the drilling of unnecessary wells, protect correlative rights and prevent waste.

Respectfully submitted,

HINKLE, COX, EATON, COFFIELD & HENGLEY

By COO'S

Owen M. Lopez Post Office Box 2068

Santa Fe, New Mexico 8 501

(505) 982-4554

DATED: September 9, 1982

Gridais

## STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION FOR THE PURPOSE OF CONSIDERING:

CASE NO. 7696 Order No. R-7/28

APPLICATION OF ARCO OIL AND GAS COMPANY FOR COMPULSORY POOLING, LEA COUNTY, NEW MEXICO,

No.

ITSTON

#### ORDER OF THE DIVISION

#### BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 27, 1982, at Santa Fe, New Mexico, before Examiner kichard L. Stamets.

NOW, on this <u>day of November, 1982, the Division</u> Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

#### FINDS:

That the applicant's request for dismissal should be granted.

#### IT IS THEREFORE ORDERED:

That Case No. 7696 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

JOE D. RAMEY, Director

SEAL

JUAN COUNTY, NEW MEXICO

DOCKET MAILED