

CONTINUED TO

JANUARY 20

CASE 7410: I.O.A. OIL & GAS COMPANY FOR
/ TWO UNOBTAINED OIL WELL LOCATIONS, SAN
JUAN COUNTY, NEW MEXICO 27

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DOCKET MAILED

Date 11/6/81
12/8/81
12/28/81
1/8/82
2/5/82

CASE NO.

7410

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

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STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
17 February 1982

1

EXAMINER HEARING

IN THE MATTER OF:

Application of B.O.A. Oil & Gas
Company for two unorthodox oil well
locations, San Juan County, New
Mexico.

CASE
7410

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Ernest L. Padilla, Esq.
P. O. Box 2523
Santa Fe, New Mexico 87501

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I N D E X

RALPH ABBOTT

Direct Examination by Mr. Padilla	3
Cross Examination by Mr. Stamets	6

E X H I B I T S

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1
2 MR. STAMETS: We will take at this
3 time Case 7410.

4 MR. PEARCE: Application of BOA Oil and
5 Gas Company for two unorthodox oil well locations, San Juan
6 County, New Mexico.

7 MR. PADILLA: Mr. Examiner, Ernest L.
8 Padilla, Santa Fe, New Mexico, for the applicant.

9 I have one witness who needs to be
10 sworn.

11 MR. STAMETS: I believe the witness was
12 sworn in the original calling of this case and there is no
13 need in doing it again.

14
15 RALPH ABBOTT
16 being called as a witness and being previously sworn upon
17 his oath, testified as follows, to-wit:

18
19 DIRECT EXAMINATION

20 BY MR. PADILLA:

21 Q Mr. Abbott, for the record would you
22 please state your name and where you reside?

23 A My name is Ralph Abbott. I live in
24 Farmington, New Mexico, at 1808 Knudson.

25 Q Mr. Abbott, what is your connection

1
2 with the applicant, B.O.A.?

3 A. I'm a general partner.

4 Q. Mr. Abbott, you have not testified
5 before the Oil Conservation before, is that correct?

6 A. Well, I guess I gave some testimony
7 the last time I was here.

8 Q. Would you then tell us what your ex-
9 perience in the oil and gas industry is?

10 A. Well, I've been an independent operator
11 for five years as far as owning my own production.

12 Prior to that I was five years with
13 Conoslidated Oil and Gas and I was four years with Husky
14 Oil Company.

15 Q. Would you -- are you a geologist?

16 A. No.

17 Q. But your -- you came here today as a
18 practical oil man, is that correct?

19 A. Yes.

20 MR. PADILLA: Mr. Examiner, we tender
21 Mr. Abbott as a practical oil man?

22 MR. STAMETS: The witness is considered
23 qualified.

24 Q. Mr. Abbott, what is the purpose of the
25 hearing day?

1
2 hearing today?

3 A To approve some nonstandard locations.

4 Q And where are those locations located
5 generally?

6 A San Juan County, New Mexico.

7 Q Can you tell us from Exhibit Number
8 One, that I hand you now, where those locations are?

9 A 30, 29, 31, 32, of 31 North, 15 West,
10 San Juan County, New Mexico.

11 Q Mr. Abbott, can you tell us how it is
12 that you drilled the wells in the locations that you did
13 drill the wells?

14 A We asked for the USGS and Ute Indian
15 Tribe to come out and approve the locations. We contacted
16 the BLM and everyone that we thought was involved on the
17 property went out, picked the locations, had them staked,
18 surveyed, they met with all the requirements.

19 I guess it was our mistake, we didn't
20 seem to check them because we thought the surveyor would
21 give us standard locations. We didn't check them and we
22 were approximately 200 feet off, I think, from a standard
23 location as required by the State of New Mexico.

24 Q Can you tell us what the land ownership
25 pattern is in Sections -- in the affected sections there?

1
2 I believe they're Sections 30, 31, 29, and 28.

3 A. We own all those sections and it's Ute
4 Indian Reservation land. We have a farmout. We own the
5 four sections totally.

6 Q The royalty and the working interest
7 ownership is identical?

8 A. Yes.

9 Q In that connection, then, is it your
10 opinion that correlative rights will not be impaired by the
11 unorthodox locations?

12 A. It is my opinion.

13 MR. PADILLA: Mr. Examiner, we have
14 nothing else and we would tender the witness for cross ex-
15 amination.

16
17 CROSS EXAMINATION

18 BY MR. STAMETS:

19 Q Okay, Mr. Abbott, is what you're saying
20 in essence that these wells are located there because you
21 were not aware that the Division's rules applied?

22 A. That's correct. It was a mistake on
23 my part.

24 Q And you are aware of that now, and --

25 A. Very definitely, yes, sir.

1

2

Q. -- intend to follow those?

3

A. Yes, sir.

4

Q. Okay.

5

6

MR. STAMETS: Any other questions of
the witness? He may be excused.

7

Anything further in this case?

8

We'll take the case under advisement.

9

10

MR. PADILLA: Mr. Examiner, I tender
Exhibits One and Two. I don't believe I --

11

12

MR. STAMETS: Let the record show that
Exhibits One and Two have been admitted into evidence.

13

14

(Hearing concluded.)

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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that
the foregoing Transcript of Hearing before the Oil Conserva-
tion 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.

Sally W. Boyd CSR

I do hereby certify that the foregoing is
a complete record of the proceedings in
the Examiner hearing of Case No. 7410
heard by me on 2-17 1982.
Richard L. Starn, Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.
Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
20 January 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of B.O.A. Oil & Gas
Company for two unorthodox oil
well locations, San Juan County,
New Mexico.

CASE
7410

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

1
2 MR. STAMETS: Call next Case 7410.

3 MR. PEARCE: Application of B.O.A. Oil
4 & Gas Company for two unorthodox oil well locations, San
5 Juan County, New Mexico.

6 MR. STAMETS: At the request of the
7 applicant, this case will be continued to the February 17th
8 Examiner Hearing.

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10 (Hearing concluded.)
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C E R T I F I C A T E

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.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a correct and true transcript of the proceedings in the hearing of Case No. 7410, heard by me on 1-28, 1982.
Richard J. Starns, Examiner
 Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
 Santa Fe, New Mexico 87501
 Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
6 January 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of B.O.A. Oil & Gas
company for two unorthodox oil
well locations, San Juan County, CASE
New Mexico. 7410

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

Ernest L. Padilla, Esq.
P. O. Box 2523
Santa Fe, New Mexico 87501

1
2 MR. STAMETS: The hearing will please
3 come to order.

4 Call first Case 7410.

5 MR. PEARCE: Application of B.O.A. Oil
6 and Gas Company for two unorthodox oil well locations, San
7 Juan County, New Mexico.

8 MR. PADILLA: At the request -- excuse
9 me.

10 Mr. Examiner, I'm Ernest L. Padilla on
11 behalf of the applicant. We have requested a continuance to
12 January 20th, now we are requesting it.

13 MR. STAMETS: This case will be continued
14 to the January 20th Examiner Hearing.

15
16 (Hearing concluded.)
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C E R T I F I C A T E

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.

Sally W. Boyd CSR

I do hereby certify that the foregoing is a correct record of the proceedings in the hearing of Case No. 7410, held by me on 5-6-1981.

Richard L. Stamm Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Rt. 1 Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
16 December 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of B.O.A. Oil and Gas
Company for two unorthodox oil well CASE
locations, San Juan County, New 7410
Mexico.

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

1
2 HEARING OFFICER: We will call our next
3 case, 7410, the application of B.O.A. Oil and Gas Company
4 for two unorthodox oil well locations, San Juan County, New
5 Mexico.

6 At the request of the applicant this
7 case will be continued until January 6, 1982 Examiner
8 Hearing.
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THIS IS A VERBATIM COPY OF MR. ALEX PADILLA'S TRANSCRIPT
SUBMITTED HEREWITH.

SWB

I do hereby certify that the foregoing is
a complete and correct transcript of the proceedings in
the Examiner hearing of Case no. 7410,
heard by me on 12-16, 1981.
Richard L. Slane, Examiner
Oil Conservation Division

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICO

Hearing Date NOVEMBER 19, 1981 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
H.P. Kendrick	El Paso Natural Gas	El Paso TX
DAVE LARSON	"	"
Lee Ayers	"	"
W & Kellin	Kellin + Kellin	Santa Fe
Ralph Abbott	B.O.A. Oil & Gas	Farming town, N.M.
Bill Taylor	Gulf Oil Corp	Houston
C. J. Kasper	"	Midland
Alan W. Bohling	Gulf oil corp	Midland
Ed Stenberg	"	"
William L. Lane	Danphel, Eyr & Gack	Santa Fe
Bob Huber	Bryam	Santa Fe
JIM LAM	NEW MEXICO STATE LAND OFFICE	SANTA FE
Pat Miller	Behr Petroleum	Houston
Carl M. Houser	Belec Petr. Corp	Houston
Wilbur Shackelford	JEM Resources, Inc	Artesia
L. D. Hester	W.S. & S	Albuquerque
Roger Amernman	BIA	Albuquerque
Dellbert Fortner	SGS	Albuquerque

NEW MEXICO OIL CONSERVATION COMMISSION

EXAMINER HEARING

SANTA FE, NEW MEXICOHearing Date NOVEMBER 19, 1981 Time: 9:00 A.M.

NAME	REPRESENTING	LOCATION
John J. Eickman Jr. Carmel Lopez Mike Brownlee	The E/Parr Co Maulgum & Anderson Phillips Pet.	Santa Fe Santa Fe Odessa TX
DALTON BELL	JEM RESOURCES INC.	ARTESIA, N.M.
Loy GOODHEART Ray Nokes	RICE FURNACE Southland Loyalty Co.	HOBBS, N.M. Midland, TX
Jeffrey M. Woliver Wm. P. Aycock R.M. Williams Scott Hall	Texaco Inc Wm. P. Aycock & ASSOC., Inc Morris E. Antweil State Land Office	Midland, TX Midland Hobbs SF
S.E. Schlarb H.R. Smith Elizabeth A. Harris Garry Selord Jimmie Chrisman Zamir L. Padilla	Texaco-Fnc. Phillips Pet. Co Phillips Petrol. Co. OED Phillips Petr. Co JEM Resources Inc.	Midland, TX Odessa, TX Houston, TX Hills Houston Santa Fe

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
19 November 1981

EXAMINER HEARING

IN THE MATTER OF:

Application of B.O.A. Oil & Gas
Company for two unorthodox oil
well locations, San Juan County,
New Mexico.

CASE
7410

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation
Division:

W. Perry Pearce, Esq.
Legal Counsel to the Division
State Land Office Bldg.
Santa Fe, New Mexico 87501

For the Applicant:

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I N D E X

RALPH ABBOTT TESTIMONY

Questions by Mr. Stamets

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E X H I B I T S

Applicant Exhibit One, Report

7

1
2 MR. STAMETS: We will call next Case
3 7410.

4 MR. PEARCE: Application of B.O.A. Oil
5 and Gas Company for two unorthodox oil well locations, San
6 Juan County, New Mexico.

7 MR. ABBOTT: My name is Ralph Abbott.
8 I'm representing B.O.A.

9 MR. STAMETS: Mr. Abbott, what's your --

10 MR. ABBOTT: I'm the general partner in
11 B.O.A.

12 MR. STAMETS: General partner in B.O.A.
13 Okay, that will be fine, Mr. Abbott.

14 I'd like to have this witness sworn,
15 please.

16
17 (Mr. Abbott sworn.)
18

19 MR. ABBOTT: I'm unfamiliar with this
20 type of hearing. Both of my partners are attorneys and they
21 sent me.

22 So I'm here to -- I guess I should just
23 read a statement on the one well and then the other well,
24 I'll also read a statement. Would that be appropriate?

25 MR. STAMETS: Would you begin, Mr. Abbott,

1
2 by describing again for the record your relationship to B.O.A.
3 and your background, any education, training, experience,
4 relative to oil and gas operations?

5 MR. ABBOTT: Okay. I've been in the
6 oil and gas business for fifteen years. I was with Consoli-
7 dated as a Junior Engineer in the late '60ies. I've taken
8 several courses in college in geology. Mostly it was on the
9 job training, this type of thing.

10 I worked with an engineer for Southern
11 Union for 2-1/2 years towards my professional, and have never
12 accomplished that.

13 Just -- other than that, I've just been
14 out in the oil field.

15 MR. STAMETS: Okay, now then, Mr. Abbott,
16 would you tell us what you're seeking here today and what
17 caused these applications to be necessary?

18 MR. ABBOTT: Okay. On Well No. 16 on the
19 Ute Mountain Indian Reservation --

20 MR. STAMETS: Do you have a map or plat
21 or anything that shows these wells besides the one that's
22 in the application?

23 MR. ABBOTT: Are you talking about a
24 topo map or do you want a --

25 MR. STAMETS: Well, either one or both.

Oh, we can use the ones that were sent in with the original applications.

MR. ABBOTT: Okay. Well No. 16 was staked by San Juan Engineering Company, Mr. Jim Lees, as --

MR. STAMETS: Now, let's see, which of the two wells is No. 16?

MR. ABBOTT: Section 31 North -- Section 31, 31 North, 15 West, 2035 from the south, 2455 from the east.

MR. STAMETS: Okay. All right, thank you.

MR. ABBOTT: We requested this location be staked by San Juan Engineering. We told him we wanted a standard location. He went out and staked the location.

U.S.G.S., a Mr. Don Englishman and Mr. Terry Galloway, and a Mr. T. E. Taylor with the Ute Mountain Indian Tribe, or BIA, met us out there for approval of location.

When we got there we went -- for the on site inspection, we made the on site inspection and everything seemed to be going quite well.

A lady with the San Juan College that was giving us archeological clearance found a hogan that was approximately 300 feet from the location. She asked us if

1 we could move the location just a bit.

2 We moved the location to these footages:
3 2035, 2455. We thought everything was okay. We didn't ques-
4 tion anything. The USGS indicated it was a standard location
5 for their purpose. We -- I never checked, probably my mis-
6 take. We went ahead, built the location, followed the wishes
7 of the Ute Mountain Indian Tribe. Their ranger was there.
8 They wanted a road in a particular place; we did that; built
9 the location; spudded the well; made a good well. Our well
10 IP'd for about 126 barrels. We applied for an allowable;
11 nothing happened. We produced the well for about seven
12 months and were told that we hadn't had an allowable assigned
13 for the well and they asked us to stop production.

14 We pleaded our case with Mr. Chavez;
15 told him we had partners involved in this well and would like
16 to go ahead and -- and produce the well, and he is letting
17 us do that at the present time.

18 And we have all the offset acreage, if
19 the Commission feels like that we need to use another 40,
20 there would be no problem dedicating another 40 to this well.

21 Be glad to answer any questions.

22 MR. STAMETS: Is it possible for you to
23 get an archeological report or a report from the young lady
24 who found this hogan which would support --
25

1
2 MR. ABBOTT: It's all in the report here,
3 in the archeological report.

4 MR. STAMETS: Okay, do you have a copy
5 of that --

6 MR. ABBOTT: Yes, sir.

7 MR. STAMETS: -- which you can submit as
8 an -- let's call that Exhibit One in this case.

9 I presume that subsequent to this you
10 have acquired a copy of the Commission rule book and have
11 read it?

12 MR. ABBOTT: Yes, sir. I knew the rules
13 at the time. I just -- it's just a slip.

14 It's really tough to serve two masters
15 under these things, the USGS and the Indians were pretty ex-
16 plicit about this particular location for several reasons,
17 some plant life, and this type of thing, that they found in
18 the area.

19 I think you'll find it would be the
20 last -- next to the last page, I believe, is her report on
21 that with a diagram of the hogan.

22 MR. STAMETS: Well now, there's some
23 confusion here. The last sentence on the -- relative to
24 this site says, the site is approximately 300 feet northwest
25 of the proposed well location and is sufficiently distant so

as not to be disturbed by the construction.

Archeological clearance is recommended for the well location.

MR. ABBOTT: Yes, sir. If you'll go back over on about the third page you'll find that Mrs. Hooten made a mistake on her footages when she got back into the office and drew this.

When we were on -- inspecting the on site location, the Ute Indian people were really upset if we had some pits that would happen to break and would run through this particular wash and go through this -- this archeological site.

So they were the ones that asked us to do this. She knew that and then she got her footages fouled up and when she got back and did the map she was off on her map. Do you see her mistake there?

MR. STAMETS: She says here the well will be 1999 from the south line.

MR. ABBOTT: Yes, sir.

MR. STAMETS: And 24 feet from the east line of Section 31.

MR. ABBOTT: Yes, sir.

MR. STAMETS: Okay. Now that means that the -- well, it's going to be hard to figure out, say,

1
2 300 feet northwest.

3 Sounds as though this hogan is located
4 in the -- okay, it's in the northeast quarter of the south-
5 east quarter of the section. Sounds as though it's well
6 within the northeast quarter. Doesn't sound as though there
7 is anything in the northwest quarter of the southeast quarter
8 of the section.

9 A. Well, that was a mistake. It is in --
10 it is in the well area. In fact, at the time that we were
11 going to build a location, the hogan was probably 75 feet
12 from the location, and this was their requirements. They
13 felt like that they wanted to preserve this site.

14 MR. STAMETS: Now I don't believe that
15 what we've got here is sufficient evidence to approve this
16 location; however, we can approve these locations administra-
17 tively, especially if you are the owner of the offset acreage.
18 There's no --

19 MR. ABBOTT: Could we go that way, then?

20 MR. STAMETS: We can certainly go that
21 way on this one but we will have to have a plat such as this,
22 or perhaps one of a scale which will show it even better,
23 so we could locate the well and the hogan and the draw and
24 anything else which would support this location.

25 But what I've got here is just not suf-

1
2 ficient evidence to say that this location is or is not
3 necessary because of topography. We have considered archeology
4 as topography when we have a proper report.

5 What about the second well?

6 MR. ABBOTT: The second well, we're
7 asking for an unorthodox location here. Actually the terrain
8 is such that we could build a standard location. It would
9 cost about five to six times as much to build a location.

10 Under the things that we've proven out
11 in this particular area at this particular time, we feel
12 like that the archeological aspect would be better if we
13 would work at particular pimples or points in the area, and
14 we feel that this will make a better well. We own all the
15 offset acreage. I guess if we could ask for administrative
16 approval on this, that's what we would like.

17 MR. STAMETS: Are you talking about
18 archeology here or are you talking about geology?

19 MR. ABBOTT: Geology.

20 MR. STAMETS: Do you have any geologic
21 evidence?

22 MR. ABBOTT: Yes.

23 MR. STAMETS: To present on this.

24 MR. ABBOTT: Yes, Mr. Toles, the indi-
25 vidual that's drilling the well, feels like that the sands

1
2 in this area are leached out and he feels that the oil has
3 gravitated into the vertical fractures, and the vertical
4 fractures out in this area is -- they call it a pregnant
5 shale type formation. If you can find the vertical fractures
6 where the faulting does not completely break out in the out-
7 cropping, and you can find it in pimple type form on these
8 particular areas, we've found good wells.

9 And all the areas to the north of that,
10 all the wells were drilled on these type of sites and we
11 feel that -- that they'll make good wells if we can -- if we
12 can drill them on these particular areas.

13 And the No. 16 well has proven that.
14 The well made 106 barrels a day for about six months and
15 now it's dropped. I think it's making about 40 barrels a
16 day and it's one of the better wells out in that area.

17 And we've proved this just by trial and
18 error. We have drilled dry holes up trend, down trend,
19 trying to find it in the sand. It's not there; the oil is
20 not there.

21 MR. STAMETS: You don't have any area
22 map, any geologic maps, or you don't have a geologist here
23 to testify?

24 MR. ABBOTT: No.

25 MR. STAMETS: I was afraid of that.

1
2 MR. ABBOTT: We sure don't.

3 MR. STAMETS: And this puts me in a ex-
4 tremely difficult position in that these things are supposed
5 to be based on the record and we just don't have a sufficient
6 record to make a decision on this well.

7 MR. ABBOTT: Okay.

8 MR. STAMETS: On the No. 16 administrative
9 approval is possible. The No. 15, I don't believe it is,
10 based on geology.

11 At this stage I would think the only
12 thing we could do is continue this case to another hearing
13 date when a geologist can come in and can testify as to the
14 necessity of this location geologically.

15 MR. ABBOTT: Okay. Let me ask, is there
16 a possibility that we could get approval if we -- if we
17 dedicated more acreage to this particular well?

18 MR. STAMETS: Well, the amount of acreage
19 really isn't the problem. The problem we've got here is that
20 the well location doesn't fit the rules and regulations and
21 to have an exception to the rules and regulations we need
22 some evidence, either administratively by processes already
23 set up or at a hearing.

24 Without this everybody would be coming
25 in saying well, I want to drill my well there, and so we did

1
2 it and now we want you to approve it.

3 We went through this process in the
4 United States fifty years ago and there's no sense repeating
5 that. Spacing rules and regulations were established for a
6 reason and the exceptions are given when there's reasonable
7 cause.
8

9 MR. ABBOTT: Well, we feel like that we've
10 proven that in that particular area because of production and
11 I thought that that was the basis, to get oil out of the
12 ground, and that's why --

13 MR. STAMETS: Well, that certainly is
14 the case, but we need more and better evidence at this
15 tribunal in order to approve it.

16 MR. ABBOTT: Okay. Most of the geologists
17 that have written papers on that particular area, Elliott
18 Riggs, and this type of people, say that it's gravity feed
19 and it's in the sand, and we know that's not true. We've
20 drilled five dry holes to prove that theory, and I -- I
21 don't know what an educated geologist can tell us out there.
22 We'll surely retain one, have him look at our findings, and
23 I guess have him here next month, if that would be satisfactory
24 to you.

25 MR. STAMETS: Right, it certainly would.

1
2 and as I understand it, you do have an allowable at this
3 time from our District Office, so you're not being --

4 MR. ABBOTT: Not in the --

5 MR. STAMETS: -- -- not --

6 MR. ABBOTT: Not -- the No. 20 Well has
7 not even been drilled. The No. 16 Well we have no allowable,
8 no, sir.

9 MR. STAMETS: No. 16 you have no allowable?

10 MR. ABBOTT: Right.

11 MR. STAMETS: I thought you indicated
12 that Mr. Chavez is giving you an allowable.

13 MR. ABBOTT: No,

14 MR. STAMETS: On that well.

15 MR. ABBOTT: No, no. No, no.

16 MR. STAMETS: Okay. Well, in any event,
17 we can -- we can act very swiftly on the No. 16.

18 MR. ABBOTT: Okay.

19 MR. STAMETS: What we'll need on that --
20 let's go off the record, Sally.

21
22 (Thereupon a discussion was had
23 off the record.)
24

25 MR. STAMETS: Let's go back on the re-

1
2 cord.

3 Based on the need for additional inform-
4 ation we will be continuing this case to the December 16th
5 Examiner Hearing.

6 MR. ABBOTT: Thank you.

7 MR. STAMETS: Thank you.

8
9 (Hearing concluded.)
10
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C E R T I F I C A T E

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.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.
Rt. 1 Box 191-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409

I hereby certify that the foregoing is
a true and correct transcript of the
hearing held on 11-18-81
at 7410.
Richard L. Stamm
Oil Conservation Division



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

BRUCE KING
GOVERNOR
LARRY KEHOE
SECRETARY

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-2434

March 3, 1982

Mr. Ernest L. Padilla
Attorney at Law
P. O. Box 2523
Santa Fe, New Mexico 87502

Re: CASE NO. 7410
ORDER NO. R-6907

Applicant:

B.O.A. Oil & Gas Company

Dear Sir:

Enclosed herewith are two copies of the above-referenced
Division order recently entered in the subject case.

Yours very truly,


JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD x
Artesia OCD x
Aztec OCD x

Other _____

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

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

CASE NO. 7410
Order No. R-6907

APPLICATION OF B.O.A. OIL & GAS
COMPANY FOR TWO UNORTHODOX OIL WELL
LOCATIONS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 17, 1982, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 2nd day of March, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, B.O.A. Oil & Gas Company, seeks approval for the unorthodox location of a well drilled 2035 feet from the South line and 2455 feet from the East line and one drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, San Juan County, New Mexico.

(3) That the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 are to be dedicated to said wells.

(4) That said unorthodox locations resulted from administrative error.

(5) That the applicant is the operator of all offsetting acreage and that the interests are common in the dedicated and offset acreage.

-2-

Case No. 7410

Order No. R-6907

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:


(1) That BOA Oil and Gas Company is hereby authorized two unorthodox oil well locations for a well drilled 2035 feet from the South line and 2455 feet from the East line and a well drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, NMPM, Verde-Gallup Oil Pool, San Juan County, New Mexico.

(2) That the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 shall be dedicated to the above-described wells.

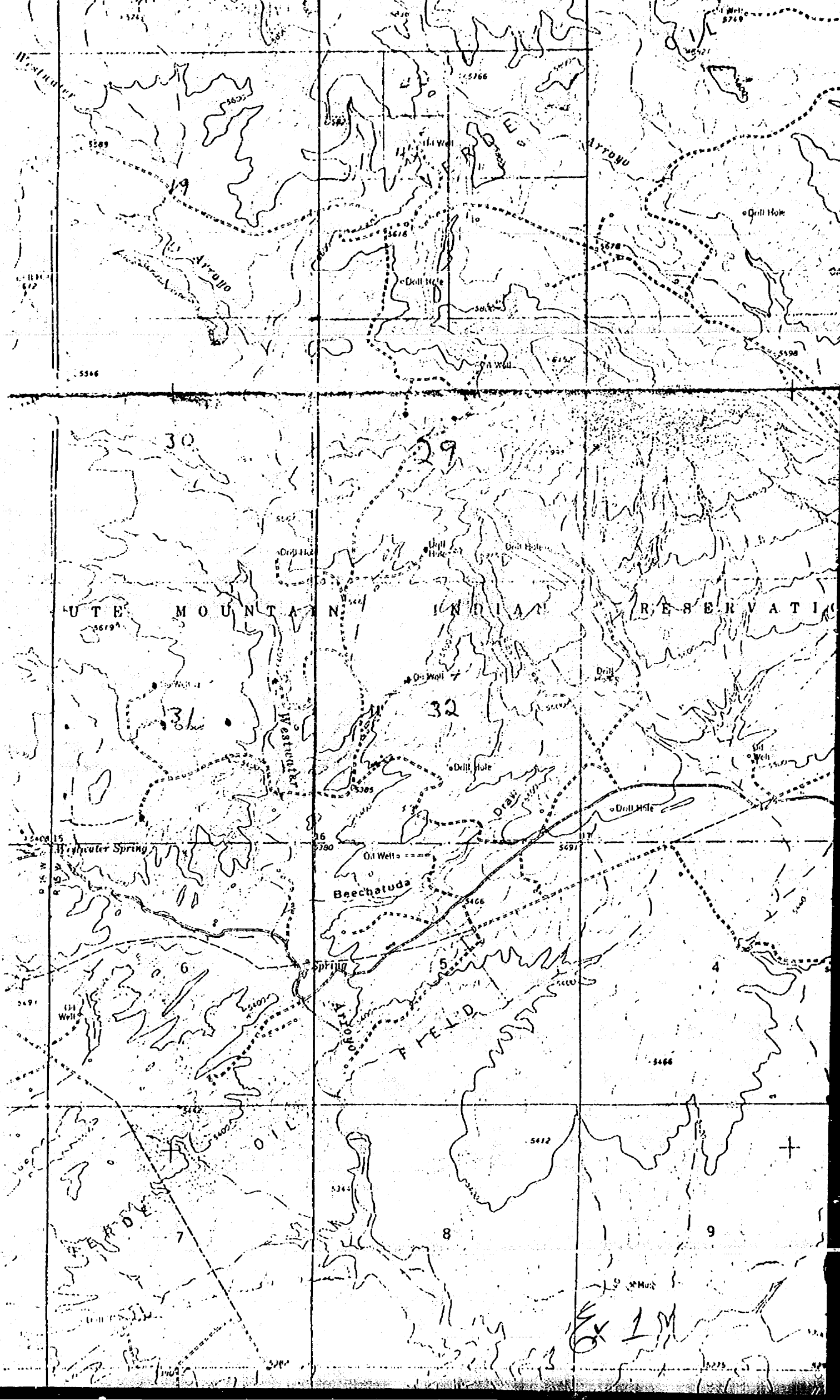
(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



Joe D. Ramey
JOE D. RAMEY,
Director

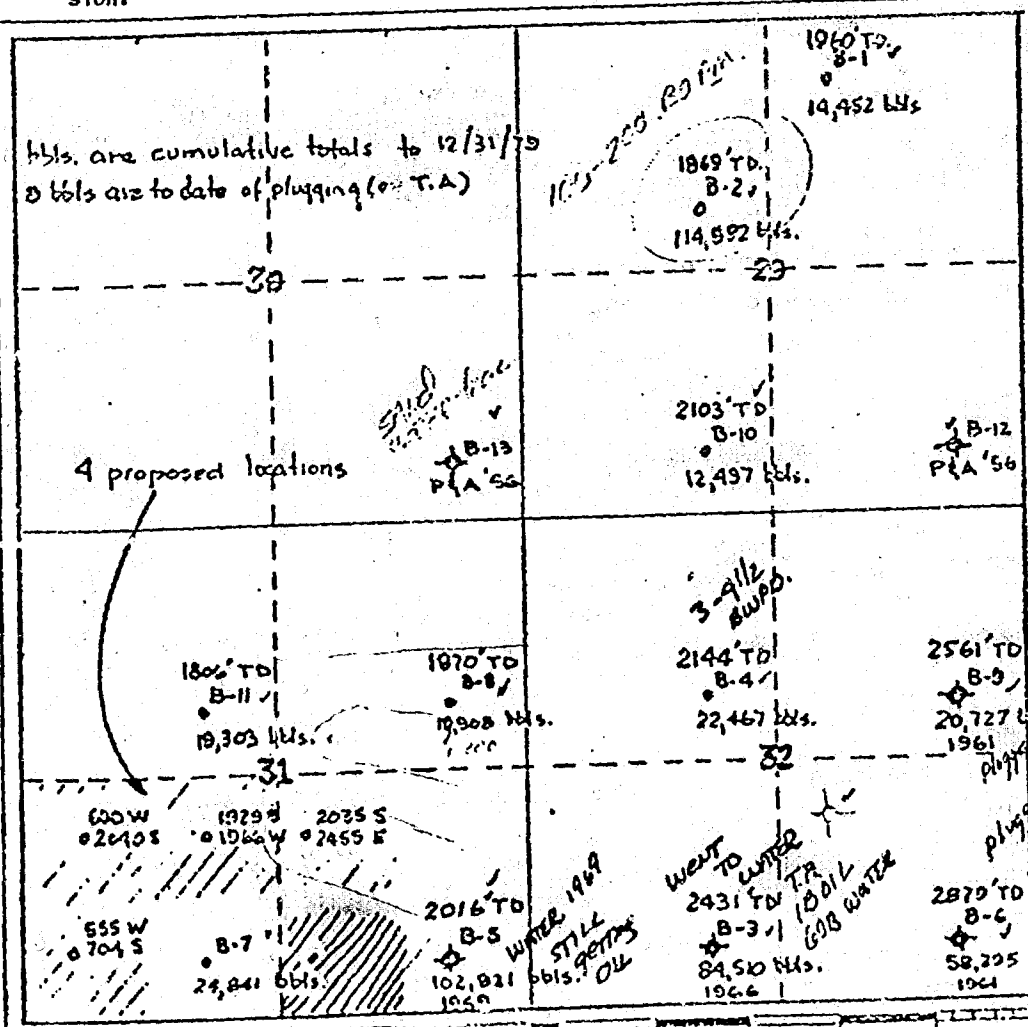


Form C-107
Supersedes C-12
Effective 1-1-65

All distances must be from the outer boundaries of the Section				
Operator		Lease		Well No.
Unit Letter	Section	Township	Range	County
Actual Footage Location of Well:				
feet from the		line and	feet from the	line
Ground Level Elev.	Producing Formation	Pool	Dedicated Acres- Acres	

- ☐ Yes ☐ No If answer is "yes," type of consolidation

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Time

Feasibility

Company

272

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed _____

Registered Professional Engineer
and of Land Surveyor

• 873156 11A 110.



An Archaeological Clearance Survey of
Five Proposed Well Locations & Access Roads
Conducted for B. O. A. Oil and Gas

L. Jean Hooton

Ute Mountain "B" #15
Ute Mountain "B" #16
Ute Mountain "B" #17
Ute Mountain "B" #18
Ute Mountain "B" #19

Report 80-SJC-329
of the
Cultural Resource Management Program
San Juan Campus
New Mexico State University

14 November 1980

BEFORE EXAMINER STAMPE
OIL CONSERVATION DIVISION

7410 EXHIBIT NO. 1

CASE NO. 7410

Submitted by BOA

Hearing Date Nov 19

**Report 80-SJC-329
Permit Ute Mountain Ute**

**An Archaeological Clearance Survey of
Five Proposed Well Locations & Access Roads
Conducted for B. O. A. Oil and Gas**

**L. Jean Hooton
Cultural Resource Management
San Juan Campus
New Mexico State University**

14 November 1980

An Archaeological Clearance Survey of
Five Proposed Well Locations & Access Roads
Conducted for B. O. A. Oil and Gas

On 11 September 1980, L. Jean Hooton from the Cultural Resource Management Program, New Mexico State University, San Juan Campus, conducted an archaeological clearance survey of five proposed well locations and access roads for B. O. A. Oil and Gas at the request of Mr. Ralph Abbott.

Present during the survey were Mr. Abbott, Mr. T. E. Taylor from the B.I.A. Ute Mountain Ute Agency, Mr. Don Englishman and Mr. Terry Galloway from the U.S. Geological Survey - Durango office.

The proposed well locations and access roads are on land administered by the Ute Mountain Ute Tribe, and were surveyed under a Ute Mountain Ute Federal Antiquities permit.

METHODOLOGY

The proposed well locations were surveyed by walking parallel transects, seventy-five feet apart, over the 300 by 300 foot easements. The access roads were surveyed by walking the proposed routes to and from the well locations.

GENERAL RECOMMENDATIONS

There were no cultural resources warranting avoidance found during the survey, therefore archaeological clearance is recommended for the inspected areas. Site SJC-657 was found near the proposed Ute Mountain "B" #16 location, but will not be disturbed by the construction.

Proposed Well: B.O.A. - UTE MOUNTAIN "B" #15

Land Status: Ute Mountain Ute.

Location: The proposed well location is in the center of the NE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 31, Township 31 North, Range 15 West, N.M.P.M., San Juan County, New Mexico. The well will be 1929 feet from the south line and 1966 feet from the west line of Section 31. (Figure 1)

U.T.M.: Center - 12; 7,26,490 mE; 40,81,660 mN.

Access: Existing.

Area Surveyed: 2.07 acres.

Terrain: Broken foothills with southeasterly drainage, alluvial surface deposits, and sandstone outcrops.

Soil: Sandy clay loam.

Vegetation: Juniper, shadscale, snakeweed, sagebrush, prickly pear cactus, narrowleaf yucca, alkali sacaton, brome, indian ricegrass.

Cultural Resources: None found.

Recommendations: Clearance recommended.

Proposed Well: B.O.A. - UTE MOUNTAIN "B" #16

Land Status: Ute Mountain Ute Tribe.

Location: The proposed well location is in the NE $\frac{1}{4}$ of the NE $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 31, Township 31 North, Range 15 West, N.M.P.M., San Juan County, New Mexico. The well will be 1999 feet from the south line and 24 feet from the east line of Section 31. (Figure 1)

U.T.M.: Center - 12; 7,27,460 mE; 40,81,710 mN.

Access: 20 feet wide and 1000 feet long, approaching the location from the south - southwest.

Area Surveyed: 2.53 acre.

Terrain: Broken foothills with southerly drainage, alluvial surface deposits, and sandstone outcrops.

Soil: Sandy clay loam.

Vegetation: Juniper, snakeweed, shadscale, sagebrush, prickly pear, brome, galleta, indian ricegrass, alkali sacaton.

Cultural Resources: None found on location. Site SJC-657 was found west of the location 300 feet from the center stake.

Recommendations: Clearance recommended.

Proposed Well: B.O.A. - UTE MOUNTAIN "8" #17

Land Status: Ute Mountain Ute Tribe.

Location: The proposed well location is in the center of the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 31, Township 31 North, Range 15 West, N.M.P.M., San Juan County, New Mexico. The well will be 2040 feet from the south line and 690 feet from the west line of Section 31. (Figure 1)

U.T.M.: Center - 12; 7,26,100 mE; 40,81,700 mN.

Access: 20 feet wide and 800 feet long, approaching the location from the east.

Area Surveyed: 2.43 acres.

Terrain: Broken drainage bottom with southerly drainage, alluvial surface deposits, and sandstone outcrops.

Soil: Sandy and sandy clay loam.

Vegetation: Juniper, greasewood, rabbitbrush, snakeweed, shadscale, prickly pear cactus, serviceberry, three-awn, brome, alkali sacaton, asters, bitterbrush.

Cultural Resources: None found.

Recommendations: Clearance recommended.

Proposed Well: B.O.A. - UTE MOUNTAIN "B" #18

Land Status: Ute Mountain Ute Tribe.

Location: The proposed well location is in the NW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$ of Section 31, Township 31 North, Range 15 West, N.M.P.M., San Juan County, New Mexico. The well will be 704 feet from the south line and 550 feet from the west line of Section 31. (Figure 1)

U.T.M.: Center - 12; 7,26,065 mE; 40,81,295 mN.

Access: 20 feet wide and 400 feet long, approaching the location from the south.

Area Surveyed: 2.25 acre.

Terrain: Pediment slope in canyon bottom with southerly drainage, alluvial surface deposits, and sandstone outcrops.

Soil: Sandy clay loam.

Vegetation: Juniper, shadscale, sagebrush, rabbitbrush, greasewood, brome, indian ricegrass, galleta.

Cultural Resources: None found.

Recommendations: Clearance recommended.

Proposed Well: B.O.A. - UTE MOUNTAIN "B" #19

Land Status: Ute Mountain Ute Tribe.

Location: The proposed well location is in the SE $\frac{1}{4}$ of the SW $\frac{1}{4}$ of the SE $\frac{1}{4}$ of Section 31, Township 31 North, Range 15 West, N.M.P.M., San Juan County, New Mexico. The well will be 190 feet from the south line and 1320 feet from the east line of Section 31. (Figure 1)

U.T.M.: Center - 12; 7,27,070 mE; 40,81,135 mN.

Access: 20 feet wide and 500 feet long, approaching the location from the west - northwest.

Area Surveyed: 2.30 acres.

Terrain: Low ridge top in broken foothills with southeasterly drainage, alluvial surface deposits, and sandstone outcrops.

Soil: Sandy clay loam.

Vegetation: Shadscale, snakeweed, brome, galleta, alkali sacaton.

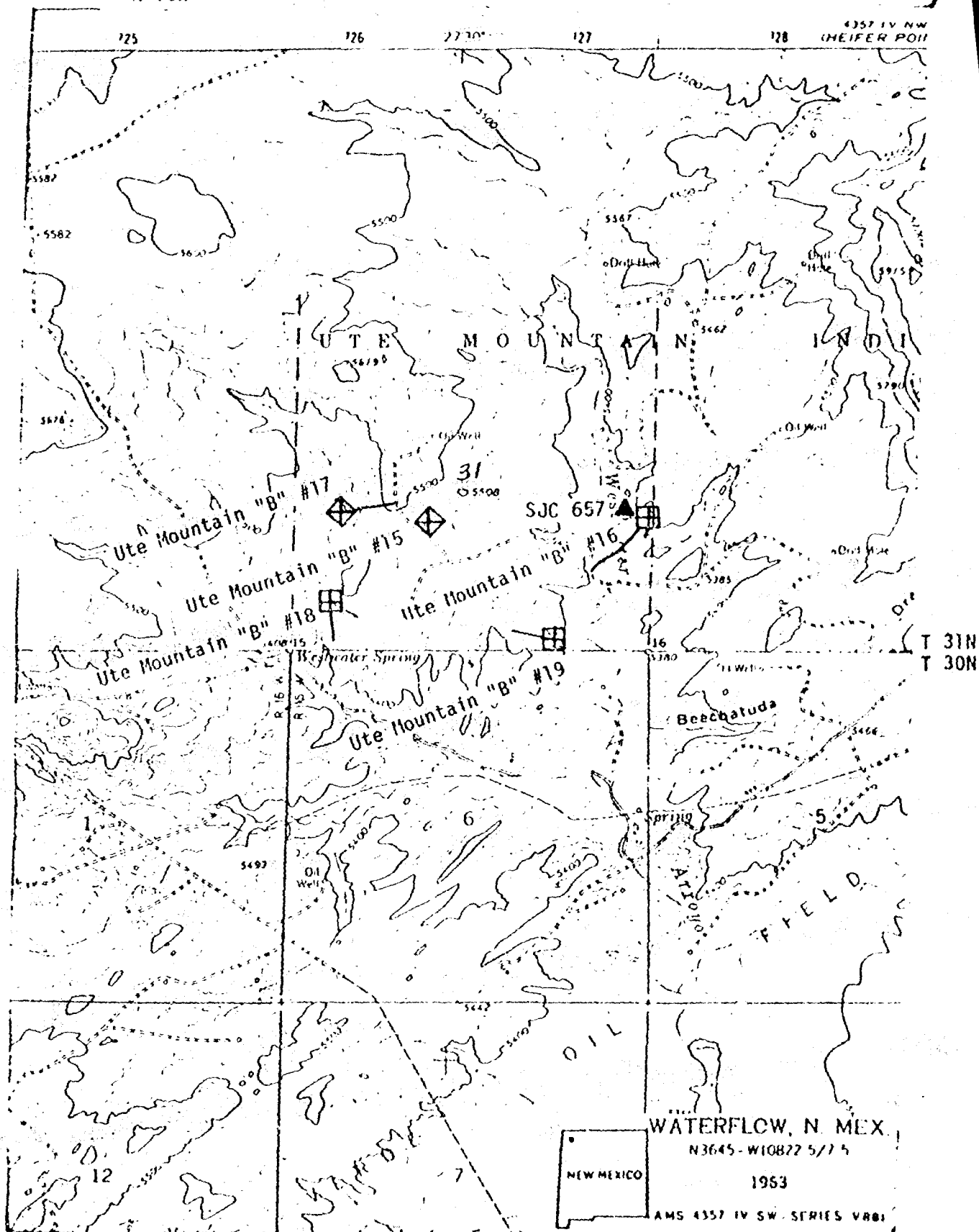
Cultural Resources: None found.

Recommendations: Clearance recommended.

R 16W

R 15W

4357 IV NW
HEIFER POII



San Juan Campus Archeological Survey B.O.A. Project SITE NO. LA

name SJC-657 Field number "B" #16

1/4 of the NE 1/4 of the SE 1/4, Sec. 31, T. 31 N. R. 15 W. County SAN JUAN State N.M.

top source U.S.G.S. 7.5 MIN. WATERFLOW, N.M., QUAD. Elevation 5380'

drainage primary WEST WATER ARROYO secondary SHUMWAY ARROYO

location NINE MILES NORTH - NORTHWEST OF FRUITLAND, N.M. IN SMALL DRAW AMONG BROKEN FOOTHILLS

nearest town FRUITLAND Nearest highway 550 Accessibility: foot ☒ sedan ☒ 4-w. dr. ☐ backhoe

ownership UTE MOUNTAIN UTE

informant RALPH ABBOTT

Stake location APPROXIMATELY 300 FEET SOUTHEAST FROM SITE TO WELL STAKE

SITUATION (check ☒ Valley bottom ☒ Bench ☐ Slope ☐ Ridge ☐ Mesa top ☐ Cliff edge ☐ Overhang ☐ Cave ☐ Dune

Other ☐ Area of site 10 x 10 METERS

FEATURES (Indicate number): Pit houses ☐ Kivas ☐ Surface rooms: Slab ☐ Masonry 1 Adobe ☐ Other ☐

Refuse area (direction) ☐ Hearths ☐ Burials ☐ Sherd/Chipping area ☐ Grids/Dams/Terraces ☐ Pictographs/Petroglyphs ☐

Trail/Steps ☐ Other ☐

PLAN: I-room ☒ Linear ☐ Arc ☐ L-shaped ☐ C-shaped ☐ F-shaped ☐ E-shaped ☐ (O)-shaped ☐ Enclosed plaza by a wall ☐

by rooms ☐ Scattered ☐ Indeterminate ☐ Other ☐

Single-tier ☒ Double-tier ☐ -tiers ☐ Part double-tier ☐ Part ☐ tier ☐ Orientation SE Exposure S

Feature & depth of fill 0.5 METER Est. Wall height 1.5 METERS Stratified? ☐

Condition: Undisturbed ☐ Eroded ☒ Pot hunted ☐ Pottery/Artifact abundance 10's, 100's, 1000's, NONE Modern structures ☐

Surface: Level ☐ Uneven ☒ Slopes to (direction) SSE Surface deposits: Alluvium ☒ Colluvium ☐ Aeolian ☐ Talus ☐

Residual ☐ Soil: Rocky ☐ Gravelly ☐ Sandy ☒ Clayey ☒ Other ☐

Local rock outcrops: Sandstone ☒ Limestone ☐ Shale ☐ Caliche ☐ Basalt ☐ Tuff ☐ Other ☐

Arable land (type, distance & direction) ☐

Water (distance & direction): River 7.5 MI S Arroyo ADJACENT Influence ☐ Spring 1 MI WSW Seeps ☐

Bedrock pool ☐ Permanent? NO Local vegetation patterns: JUNIPER, SNAKEWEED, SHADSCALE, SAGEBRUSH, PRICKLY PEAR CACTUS, BROME, GALLETA, INDIAN RICEGRASS, ALKALI SACATON

Photo: B/W ☐ Color ☐

Other resources ☐

Field remarks SEE ATTACHED NARRATIVE

References REPORT 80-SJC-329

Excavation requirements: Labor ☐ Time ☐ Equipment ☐

CULTURE NAVAJO / HISTORIC Phase Date EARLY 1900s /

Zone ☐ Locality ☐ Lab class 1 2 3 4 5 6 7 8 9 10

Lab remarks U.T.M.: 12; 7,27,360 mE; 40,81,740 mN.

Field recorder L.J. HOOTON Date 9/11/80 Collections storage ☐

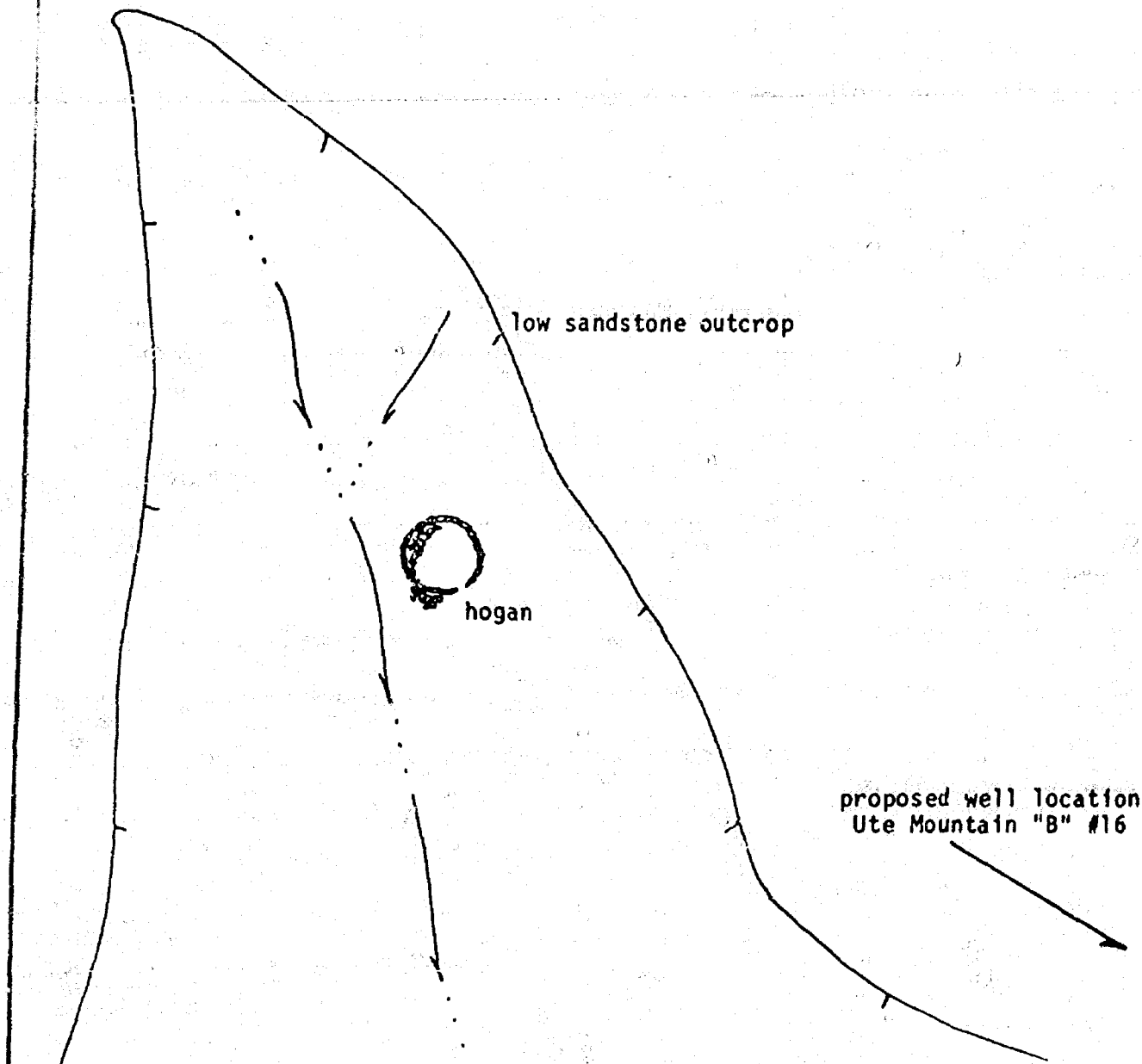
Lab recorder ☐ Date ☐ Shield Cabinet ☐ Drawer ☐ Bulk ☐

SITE SJC-657

Site SJC-657 is an historic Navajo site consisting of a single, circular hogan. The well-made masonry structure appears to have been burned. There is a small amount of wall fall on the exterior of the south side and the interior of the northwest side, however the walls still stand at 1 to 1.5 meters in height. Wooden door posts are still in place in the southeast facing doorway. No artifacts were found at the site. Area of the site is 10 meters by 10 meters and depth of fill is probably 50 centimeters.

The site is in the bottom of a small draw among broken foothills, down-slope from a low sandstone outcrop. Drainage is southerly and soil is sandy clay loam. Vegetation includes juniper, snakeweed, shadscale, sagebrush, prickly pear cactus, brome, galleta, indian ricegrass, and alkali sacaton.

The site is approximately 300 feet northwest of the proposed well location Ute Mountain "B" #16, and is sufficiently distant so as not to be disturbed by the construction. Archaeological clearance is recommended for the well location.



0 10
meters



Site SJC 657
NE $\frac{1}{4}$, NE $\frac{1}{4}$, SE $\frac{1}{4}$
Section 31
T 31N, R 15W
San Juan County
New Mexico

Dockets Nos. 7-82 and 8-82 are tentatively set for March 3 and March 17, 1982. Applications for hearing must be filed at least 27 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 17, 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. Stanets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE:**
- (1) Consideration of the allowable production of gas for March, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for March, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
 - (3) Consideration of purchaser's nominations for the one year period beginning April 1, 1982, for both of the above areas.

CASE 7445: (Continued from December 16, 1981, Examiner Hearing)
(THIS CASE WILL BE CONTINUED TO THE EXAMINER HEARING ON MARCH 17, 1982)

Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the San Andres formation for its Fulton Collier Well No. 1 in Unit G of Section 1, Township 18 South, Range 28 East.

CASE 7479: Application of Northwest Pipeline Corporation for amendment of Order No. R-2046, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-2046, which authorized approval of six non-standard proration units, Basin-Dakota Gas Pool.

The amendment sought is for the creation of the following non-standard proration units to be drilled at standard locations thereon: Township 31 North, Range 6 West, Section 25: N/2 (272.16 acres) and S/2 (273.3 acres); Section 36: N/2 (272.56 acres) and S/2 (272.88 acres); Township 30 North, Range 6 West; Section 1: N/2 (272.81 acres) and S/2 (273.49 acres).

CASE 7486: Application of Arco Oil & Gas Company for pool creation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Upper Devonian gas pool for its Custer Well No. 1 located 1810 feet from the North line and 2164 feet from the West line of Section 6, Township 25 South, Range 37 East, Custer Field.

CASE 7481: Application of Arco Oil & Gas Company for amendment of Order No. R-6792, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6792, which authorized the directional drilling of applicant's Custer Wells Well No. 1 to an unorthodox location in the Devonian and Ellenburger formations and imposed a penalty in the Devonian. By stipulation applicant and the offset operator have agreed that the subject well is not affecting the offsetting property and applicant herein seeks removal of the penalty imposed for so long as the well produces only from the present perforated interval in the Upper Devonian.

CASE 7459: (Continued from January 20, 1982, Examiner Hearing)

Application of Red Mountain Associates for the Amendment of Order No. R-6538, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6538, which authorized applicant to conduct waterflood operations in the Chaco Wash-Mesa Verde Oil Pool. Applicant seeks approval for the injection of water through various other wells than those originally approved, seeks deletion of the requirement for packers in injection wells, and seeks an increase in the previously authorized 68-pound limitation on injection pressure.

CASE 7410: (Continued from January 20, 1982, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

EXAMINER HEARING - WEDNESDAY - FEBRUARY 17, 1982

CASE 7457: (Continued from January 20, 1982, Examiner Hearing)

Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.

CASE 7482: Application of Wiser Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 1295 feet from the South line and 1345 feet from the West line of Section 32, Township 21 South, Range 37 East, Penrose-Skelly Pool.CASE 7483: Application of Adams Exploration Company 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 4176 feet to 4293 feet in its Griffin Well No. 4 located in Unit A, of Section 10, Township 8 South, Range 32 East, Chaveroo-San Andres Pool.CASE 7462: (Continued from February 3, 1982, Examiner Hearing)

Application of Marathon Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Blinberry production in the wellbore of its C. J. Saunders Well No. 3, located in Unit C of Section 1, Township 22 South, Range 36 East.

CASE 7474: (Continued from February 3, 1982, Examiner Hearing)

Application of Union Oil Company of California for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn, Atoka and Morrow formations underlying the E/2 of Section 25, Township 19 South, Range 33 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 7484: Application of Anadarko Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Atoka and Morrow formations underlying the E/2 of Section 1, Township 19 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 7485: Application of Berge Exploration for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying two 160-acre proration units, the first being the NW/4 and the second being the SW/4 of Section 27, Township 7 South, Range 26 East, each 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 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 7486: Application of MGF Oil Corporation for compulsory pooling, Lea 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 NE/4 NE/4 of Section 6, Township 20 South, Range 39 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 7487: Application of MGF Oil Corporation for compulsory pooling, Lea 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 SE/4 SE/4 of Section 31, Township 19 South, Range 39 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 7488: Application of Burkhart Petroleum Company for compulsory pooling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the SW/4 NW/4 of Section 13, Township 8 South, Range 37 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 7073: (Reopened and Readvertised)

In the matter of Case 7073 being reopened pursuant to the provisions of Order No. R-6558, which order promulgated special rules for the South Elkins-Fusselman Pool in Chaves County including provisions for 80-acre spacing units and a limiting gas-oil ratio of 3000 to one. All interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units with a limiting gas-oil ratio of 2000 to one.

CASE 7074: (Reopened and Readvertised)

In the matter of Case 7074 being reopened pursuant to the provisions of Orders Nos. R-6565 and R-6565-B, which created the South Elkins-Fusselman Gas Pool in Chaves County. All interested parties may appear and present evidence as to the exact nature of the reservoir, and more particularly, as to the proper rate of withdrawal from the reservoir if it is determined that said pool is producing from a retrograde gas condensate reservoir.

CASE 6373: (Reopened and Readvertised)

In the matter of Case 6373 being reopened pursuant to the provisions of Orders Nos. R-5875 and R-5875-A, which created the East High Hope - Abo Gas pool in Eddy County, and promulgated special rules therefor, including a provision for 320-acre spacing units. All interested parties may appear and show cause why said pool should not be developed on 160-acre spacing units.

CASE 7489: Application of Curtis J. Little for designation of a tight formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Chacra formation underlying portions of Township 25 North, Range 6 West, containing 6,720 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.

CASE 7490: Application of Harvey E. Yates Company 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 Atoka-Morrow formation, underlying the N/2 of Section 19, Township 8 South, Range 30 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 7491: Application of Harvey E. Yates Company for designation of a tight formation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Atoka formation underlying portions of Townships 12, 13, and 14 South, Ranges 35 and 36 East, containing 46,720 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, said area being an eastward and westward extension of previously approved tight formation area.

CASE 7492: Application of Harvey E. Yates Company for designation of a tight formation, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Atoka-Morrow formation underlying all or portions of Townships 7, 8, and 9 South, Ranges 29, 30, and 31 East, containing 115,200 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.

CASE 7493: 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 Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the East Bootleg Ridge-Morrow Gas Pool. The discovery well is Getty Oil Company Getty 15 Federal Well No. 1 located in Unit J of Section 15, Township 22 South, Range 33 East, NMPM. Said Pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM
Section 15: S/2

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the North King-Devonian Pool. The discovery well is Samadan Oil Corporation Speight Well No. 1 located in Unit B of Section 3, Township 13 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 37 EAST, NMPM
Section 3: NE/4

(c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the North Loving-Atoka Gas Pool. The discovery well is Gulf Oil Corporation Eddy GR State Well No. 1 located in Unit E of Section 16, Township 23 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 12: N/2

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 4: S/2
Section 7: All
Section 8: All
Section 9: All
Section 16: All
Section 17: All
Section 18: E/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Drinkard production and designated as the Teague-Drinkard Pool. The discovery well is Alpha Twenty-One Production Company Lea Well No. 1 located in Unit B of Section 17, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 17: NE/4

(e) EXTEND the West Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 23: All
Section 24: W/2

(f) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 16: W/2

(g) EXTEND the Avalon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 2: Lots 1 through 8

(h) EXTEND the Brunson-Fusselman Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 5: SE/4

(i) EXTEND the Brushy Draw-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 26: E/2

(j) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 23: All
Section 26: All

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(k) EXTEND the Cary-Montoya Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 4: W/2 SW/4

Section 5: SE/4

Section 9: W/2 W/2

(l) EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM

Section 35: E/2

Section 36: W/2

(m) EXTEND the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM

Section 25: S/2 SW/4

Section 27: SW/4

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

TOWNSHIP 7 SOUTH, RANGE 28 EAST, NMPM

Section 21: NE/4

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 19: S/2 SW/4

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

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 19: NE/4 NW/4

(q) EXTEND the Indian Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 26: W/2

(r) EXTEND the West Nadine-Blaine Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 8: NW/4

(s) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM

Section 28: NW/4

(t) EXTEND the Race Track-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM

Section 7: S/2 SW/4

Section 18: NW/4 and N/2 SW/4 and SW/4 SW/4

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(u) EXTEND the Railroad Mountain-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 2: NE/4 and E/2 NW/4

(v) EXTEND the Red Lake-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 7: S/2
Section 8: SW/4
Section 18: E/2 NW/4

(w) EXTEND THE West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 37 EAST, NMPM
Section 5: SW/4

(x) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 15: All

(y) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 13: SE/4
Section 24: NE/4

TOWNSHIP 9 SOUTH, RANGE 28 EAST, NMPM
Section 12: S/2 NE/4

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM
Section 7: S/2
Section 8: NW/4

Dockets Nos. 4-82 and 5-82 are tentatively set for February 3 and February 17, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 20, 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:

ALLOWABLE: (1) Consideration of the allowable production of gas for February, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for February, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7462: Application of Marathon Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Blinebry production in the wellbore of its C. J. Saunders Well No. 3, located in Unit C of Section 1, Township 22 South, Range 36 East.

CASE 7463: Application of Texaco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its C. H. Weir "A" Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, to produce oil from the Skaggs-Drinkard and an undesignated Abo pool.

CASE 7464: Application of Exxon Corporation for two unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two unorthodox oil well locations in Section 4, Township 19 South, Range 35 East, Scharb-Bone Spring Pool, as follows: State DD Well No. 1 to be drilled in the center of the SE/4 SW/4 and State DD Well No. 3 to be drilled in the center of the NW/4 NE/4. Pool rules require wells to be drilled in the NE/4 or SW/4 of a quarter section.

CASE 7465: Application of Superior Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1980 feet from the South line and 660 feet from the East line of Section 26, Township 24 South, Range 29 East, Wolfcamp-Pennsylvanian formations, the S/2 of said Section 26 to be dedicated to the well.

CASE 7466: Application of Conoco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for it and Southland Royalty Company to each institute a cooperative waterflood project in the Blinebry Oil and Gas Pool by the injection of water into the Blinebry formation through nine injection wells located on Conoco's Warren Unit and Hawk B-3 Leases and Southland's State Lease in Sections 33 and 34 of Township 20 South, Range 38 East, and Sections 2 and 3 of Township 21 South, Range 37 East.

CASE 7072: In the matter of Case No. 7072 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-6554 which order promulgated temporary special rules and regulations for the North Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, including a provision for 80-acre spacing units. Operators in said pool may appear and show cause why said pool should not be developed on 40-acre proration units.

CASE 7460: (Continued from January 6, 1982, Examiner Hearing)

Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.

EXAMINER HEARING - WEDNESDAY - JANUARY 20, 1982

CASE 7467: Application of Inexco Oil Company for pool creation, special pool rules, and a discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks creation of a new Strawn oil pool for its Lottia York Well No. 1 located in Unit P of Section 14, Township 17 South, Range 37 East, and the promulgation of special rules therefor, including a provision for 80-acre spacing. Applicant further seeks the assignment of 57,150 barrels of oil discovery allowable to said well.

CASE 7459: (Continued from January 6, 1982, Examiner Hearing)

Application of Red Mountain Associates for the Amendment of Order No. R-6538, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6538, which authorized applicant to conduct waterflood operations in the Chaco Wash-Mesa Verde Oil Pool. Applicant seeks approval for the injection of water through various other wells than those originally approved, seeks deletion of the requirement for packers in injection wells, and seeks an increase in the previously authorized 68-pound limitation on injection pressure.

CASE 7410: (Continued from January 6, 1982, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7451: (Continued from January 6, 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 down through the Abo formation underlying the SE/4 of Section 11, Township 6 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 7453: (Continued from January 6, 1982, Examiner Hearing)

Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and Mississippian formations underlying the NE/4 NW/4 of Section 7, Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon. Also to be considered will be the cost of re-entering 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 re-entry of said well.

CASE 7457: (Continued from January 6, 1982, Examiner Hearing)

Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area, in Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.

CASE 7468: 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 Chaves, Eddy, and Lea Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Paddock production and designated as the East Monument-Paddock Pool. The discovery well is Morris R. Antwell State SX Well No. 1 located in Unit J of Section 36, Township 19 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 36: SE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Ross Draw-Morrow Gas Pool. The discovery well is Florida Exploration Company Ross Draw Unit Well No. 10 located in Unit E of Section 27, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 27: N/2

EXAMINER HEARING - WEDNESDAY - JANUARY 20, 1982

- (c) CREATE a new Pool in Lea County, New Mexico, classified as an oil pool for Morrow production, and designated as the Sowell-Morrow Pool. The discovery well is Santa Fe Energy Company State NM2 Well No. 1 located in Unit M of Section 2, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 2: SW/4

- (d) EXTEND the Angell Ranch-Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 12: All
Section 13: N/2

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 27: N/2
Section 28: E/2

- (f) EXTEND the Atoka-Yaso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 23: S/2 S/2
Section 26: W/2 NW/4

- (g) EXTEND the Sunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 14: SW/4 SE/4

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 25: W/2
Section 26: S/2

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 17: N/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 14: S/2
Section 23: W/2

- (i) EXTEND the Cinta Roja-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 35 EAST, NMCM
Section 8: All

- (j) EXTEND the South Culebra Bluff-Atoka Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 36: W/2

- (k) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 7: S/2

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 30: E/2
Section 32: S/2

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 12: E/2

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM
Section 7: W/2

- (n) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 29: E/2 SE/4

- (o) EXTEND the Southwest Indian Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 19: E/2

- (p) EXTEND the Leo-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 30 EAST, NMPM
Section 23: N/2 NE/4

- (q) EXTEND the West Lynch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
Section 32: N/2
Section 33: NW/4

- (r) EXTEND the North San Simon-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 33: E/2 NW/4

- (s) EXTEND the South Saunders-Permian Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 25: N/2

- (t) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 9: NW/4

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

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM
Section 8: S/2 NW/4 and SW/4

- (v) EXTEND the Winchester-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 3: W/2

Dockets Nos. 3-82 and 4-82 are tentatively set for January 20 and February 3, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 6, 1982

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

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

CASE 7410: (Continued from December 16, 1981, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7448: (Continued and Readvertised)

Application of Energy Reserves Group Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13, Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.

CASE 7451: 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 SE/4 of Section 11, Township 6 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 7452: Application of Superior Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp-Pekah well to be drilled 1980 feet from the South line and 2480 feet from the East line of Section 14, Township 23 South, Range 32 East, the S/2 of said Section 14, to be dedicated to the well.

CASE 7453: Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and And Mississippian formations underlying the NE/4 NW/4 of Section 7, Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon. Also to be considered will be the cost of re-entering 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 re-entry of said well.

CASE 7454: Application of Uriah Exploration, Inc., for approval of an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1090 feet from the North line and 560 feet from the East line of Section 30, Township 22 South, Range 25 East, Wolfcamp-Pennsylvanian formations, the N/2 of said Section to be dedicated to the well.

CASE 7455: Application of H. L. Brown, Jr. for compulsory pooling at an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Granite Wash formation underlying the S/2 of Section 11, Township 6 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 1300 feet from the South line and 660 feet from the East line of said Section 11. 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 7456:** Application of Colonial Production Company for gas well commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the commingling of Ballard-Pictured Cliffs production from its Jicarilla Apache Wells Nos. 9 and 10, located in Units A and C of Section 15, Township 23 North, Range 4 West, prior to metering.
- CASE 7457:** Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.
- CASE 7458:** Application of Marks & Garner Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of salt water into the Bough C formation in the perforated interval from 9596 feet to 9616 feet in its Betenbough Well No. 2, located in Unit M of Section 12, Township 9 South, Range 35 East.
- CASE 7459:** Application of Red Mountain Associates for the Amendment of Order No. R-6538, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6538, which authorized applicant to conduct waterflood operations in the Chaco Wash-Mesa Verde Oil Pool. Applicant seeks approval for the injection of water through various other wells than those originally approved, seeks deletion of the requirement for packers in injection wells, and seeks an increase in the previously authorized 68-pound limitation on injection pressure.
- CASE 7460:** Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.
- CASE 7461:** Application of Wainoco Oil & Gas Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a well to be drilled at an unorthodox location 660 feet from the South and West lines of Section 18, Township 16 South, Range 37 East, Northeast Irvington Penn Pool, said location being 177.7 feet west of the center of Lot 4 whereas the pool rules specify that well be drilled within 150 feet of the center of the lot. Lots 3 and 4 of said Section 18 would be dedicated to the well.
- CASE 7421:** (Readvertised)
- Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 330 feet from the West line of Section 3. 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.

Docket No. 2-82

DOCKET: COMMISSION HEARING - MONDAY- JANUARY 11, 1982
9 A.M. - OIL CONSERVATION COMMISSION - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7393: (DE NOVO)

Application of Uriah Exploration Incorporated for compulsory pooling, Edgy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco Canyon and Morrow formations underlying the W/2 of Section 13, Township 22 South, Range 24 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.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

COMMISSION HEARING - MONDAY - JANUARY 11, 1982

CASE 7394: (DE NOVO)

Application of Supron Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian well to be drilled 467 feet from the North line and 1650 feet from the West line of Section 13, Township 22 South, Range 24 East, the N/2 of said Section 13 to be dedicated to the well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Dockets Nos. 1-82 and 2-82 are tentatively set for January 6, and January 20, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - DECEMBER 16, 1981

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:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for January, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 7439:** Application of Bass Enterprises Production Company for an amendment of Division Order No. R-6776, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6776 which authorized the directional drilling of its James Ranch Well No. 13 in Section 36, Township 22 South, Range 30 East, to provide for an amended surface location 1440 feet from the North line and 860 feet from the West line of Section 6, Township 23 South, Range 31 East.
- CASE 7440:** Application of Morris R. Antweil 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 Abo formation underlying the SW/4 NE/4 of Section 5, Township 20 South, Range 38 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 7441:** Application of Morris R. Antweil 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 Abo formation underlying the SE/4 NW/4 of Section 5, Township 20 South, Range 38 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 7442:** Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Abo formation underlying the SE/4 of Section 23, Township 5 South, Range 24 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 7443:** Application of Dalton H. Cobb for compulsory pooling, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 of Section 20, Township 8 North, Range 22 East, to be dedicated to a well drilled at a standard location thereon. Also to be considered will be the cost of re-entering 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 re-entering said well.
- CASE 7444:** 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 in the Wolfcamp-Penn formations underlying the E/2 of Section 30, Township 18 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 7445:** Application of Harvey E. Yates Company for an NGPA determination, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a new onshore reservoir determination in the San Andres formation for its Fulton Collier Well No. 1 in Unit G of Section 1, Township 18 South, Range 28 East.

CASE 7410: (Continued from November 19, 1981, Examiner Hearing)

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7356: (Continued from November 19, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil 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 7423: (Continued from November 19, 1981, Examiner Hearing - This Case will be dismissed)

Application of Conoco, Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinberry oil and gas pool by the injection of water into the Blinberry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.

CASE 7448: Application of Energy Reserves Group, Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13, Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.

CASE 7449: Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.

CASE 7446: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting, and extending vertical and horizontal limits of certain pools in San Juan, Rio Arriba, McKinley, and Sandoval Counties, New Mexico:

(a) That the South Gallegos Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby abolished.

(b) That the South Gallegos Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Section 24: SE/4
Section 25: E/2

(c) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby contracted by deleting:

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
Section 31: NW/4

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 36: W/2 SW/4

(d) That the South Gallegos-Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 2: S/2
Section 3: SE/4
Section 10: NE/4
Section 13: W/2

and the vertical limits of said pool are hereby extended to include the Pictured Cliff formation and said pool is redefined as the South Gallegos-Fruitland -Pictured Cliffs Gas Pool.

(e) That a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Nacimiento production, is hereby created and designated as the Gavilan Nacimiento Pool, comprising the following described area:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM

Section 6: SW/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 1: SE/4
Section 12: N/2

(f) That the Aztec Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, described and defined, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 30: SE/4
Section 31: NE/4

(g) That the Actec Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 12: NE/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 7: SE/4
Section 21: NW/4 and SE/4
Section 28: E/2

(h) That the BS Mesa Gallup Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM

Section 1: NW/4
Section 2: All
Section 6: SW/4

(i) That the Beautiful Mountain Mississippian Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby redesignated the Beautiful Mountain Mississippian Gas Pool and is extended to include:

TOWNSHIP 27 NORTH, RANGE 19 WEST, NMPM

Section 32: N/2 S/2 and SW/4 SW/4 and SE/4 SE/4

(j) That the Ballard Pictured Cliffs Gas Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 5 WEST, NMPM

Section 24: NE/4

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 15: SW/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 35: S/2

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM

Section 9: NE/4
Section 14: NW/4 and SE/4

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(k) That the Bisti Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM
Section 6: N/2 NE/4

TOWNSHIP 25 NORTH, RANGE 10 WEST, NMPM
Section 31: SE/4

(l) That the Blanco Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 9 WEST, NMPM
Section 3: SE/4
Section 10: NE/4

(m) That the Blanco Mesa Verde Gas Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM
Section 4: S/2
Section 5: S/2

TOWNSHIP 26 NORTH, RANGE 2 WEST, NMPM
Section 10: W/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 14: S/2
Section 25: All
Section 26: All
Section 35: All
Section 36: All

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM
Section 2: S/2
Sections 7 to 16: All
Section 22: All

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
Section 22: N/2

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
Section 13: W/2
Section 14: All
Section 23: N/2
Section 24: All

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Section 23: N/2

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM
Section 30: W/2

TOWNSHIP 31 NORTH, RANGE 13 WEST, NMPM
Section 14: All
Section 15: E/2
Section 23: All

(n) That the Blanco Picured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM
Section 17: NW/4
Section 18: SE/4

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TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPN

Section 3: N/2
Section 4: E/2
Section 9: N/2
Section 10: NW/4
Section 33: E/2
Section 34: N/2 and SE/4
Section 35: SW/4

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPN

Section 11: SW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPN

Section 6: NW/4

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPN

Section 28: SE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPN

Section 17: NE/4

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPN

Section 10: E/2

(D) That the South Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPN

Section 19: SW/4
Section 30: N/2
Section 31: NW/4

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPN

Section 24: S/2

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPN

Section 2: N/2
Section 3: N/2
Section 4: NE/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPN

Section 14: N/2
Sections 15, 16, & 17: All
Section 21: N/2
Section 22: N/2

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPN

Section 3: SE/4
Section 26: S/2 and NW/4
Section 27: All
Section 28: E/2
Section 33: E/2
Sections 34 & 35: All
Section 36: SW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPN

Section 14: NW/4
Section 24: All

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPN

Section 34: NW/4

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPN

Section 8: SE/4

TOWNSHIP 28 NORTH, RANGE 6 WEST, NMPM

Section 25: SE/4

Section 36: E/2

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM

Section 19: W/2

Section 30: NW/4

TOWNSHIP 28 NORTH, RANGE 8 WEST, NMPM

Section 11: E/2

Section 12: All

Section 13: All

Section 14: NE/4

Section 24: NE/4

(p) That the Bloomfield Chacra Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Sections 15 & 16: All

Section 17: SE/4

Section 22: NW/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 14: W/2

Section 15: E/2

Section 22: E/2

Section 23: W/2

Section 25: N/2

Section 26: W/2

Section 27: NE/4 and S/2

Section 34: All

Section 35: W/2 and SE/4

(q) That the Cha Cha Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM

Section 11: E/2

Section 12: S/2 and NW/4

Section 14: N/2

(r) That the Chacon Dakota Associated Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM

Section 1: W/2

Section 2: E/2

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 3: NE/4

Section 11: NW/4

Section 23: SE/4

Section 35: SE/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 16: SW/4

Section 17: SE/4

Section 21: All

Section 22: SW/4

Section 27: W/2 and SE/4

Section 28: E/2

Section 34: E/2

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TOWNSHIP 29 NORTH, RANGE 8 WEST, NMPM

Section 3: W/2
Section 4: E/2
Section 9: N/2
Section 10: NW/4
Section 33: E/2
Section 34: W/2 and SE/4
Section 35: SW/4

TOWNSHIP 30 NORTH, RANGE 9 WEST, NMPM

Section 11: SW/4

TOWNSHIP 30 NORTH, RANGE 10 WEST, NMPM

Section 6: NW/4

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM

Section 28: SE/4

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM

Section 12: NE/4

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM

Section 10: E/2

(0) That the South Blanco Pictured Cliffs Gas Pool in Rio Arriba, San Juan and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 1 WEST, NMPM

Section 19: SW/4
Section 30: W/2
Section 21: NW/4

TOWNSHIP 23 NORTH, RANGE 2 WEST, NMPM

Section 24: S/2

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM

Section 2: N/2
Section 3: N/2
Section 4: NE/4

TOWNSHIP 24 NORTH, RANGE 2 WEST, NMPM

Section 14: W/2
Sections 15, 16, & 17: All
Section 21: N/2
Section 22: N/2

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM

Section 3: SE/4
Section 26: S/2 and NW/4
Section 27: All
Section 28: E/2
Section 33: E/2
Sections 34 & 35: All
Section 36: SW/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM

Section 14: NW/4
Section 24: All

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 34: NW/4

TOWNSHIP 27 NORTH, RANGE 6 WEST, NMPM

Section 8: SE/4

(s) That the Escrito Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM
 Section 28: S/2 NE/4
 Section 35: W/2 NW/4

(t) That the Flora Vista Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM
 Section 3: W/2

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
 Section 34: W/2

(u) That the Flora Vista Gallup Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM
 Section 1: SW/4
 Section 2: SE/4

(v) That the Fulcher Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
 Section 16: W/2

(w) That the Gallegos Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12, WEST, NMPM
 Section 23: E/2 NE/4

(x) That the Gavilan-Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM
 Section 6: SW/4

TOWNSHIP 25 NORTH, RANGE 2 WEST, NMPM
 Section 9: NW/4

(y) That the Gobernador Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM
 Section 31: SE/4

(z) That the Gonzales Mesa Verde Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
 Section 30: SE/4
 Section 31: NE/4

(aa) That the West Kutz Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM
 Section 19: S/2

(bb) That the Kutz Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
 Section 4: NW/4 NE/4

(cc) That the West Kutz Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Section 32: NE/4

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM
Section 9: W/2
Section 16: NW/4

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM
Section 20: SE/4

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM
Section 18: SW/4
Section 19: N/2

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
Section 13: All
Section 24: N/2

(dd) That the South Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 27: N/2 S/2

(ee) That the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM
Section 7: N/2
Section 8: W/2
Section 17: NE/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 4: All
Section 8: S/2
Section 10: NW/4 and SE/4
Section 14: NW/4
Section 15: NE/4
Section 25: SE/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
Section 13: SW/4
Section 21: NW/4
Section 23: E/2
Section 24: N/2
Section 26: E/2
Section 31: W/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 35: SE/4
Section 36: S/2

(ff) That the South Los Pinos Fruitland-Pictured Cliffs Gas Pool in San Juan County, New Mexico as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM
Section 25: S/2
Section 32: SE/4
Section 33: NE/4

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(gg) That the Lybrook Gallup Oil Pool in Sandoval, San Juan, and Rio Arriba Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM

Section 6: E/2 SW/4
Section 7: NE/4 NW/4

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM

Section 1: W/2 SW/4 and SW/4 NW/4
Section 6: NW/4 and W/2 NE/4 and SE/4 NE/4
Section 8: NE/4 and N/2 SE/4
Section 12: NW/4 NW/4
Section 14: W/2
Section 15: N/2 NE/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM

Section 29: SW/4 SE/4
Section 30: S/2 S/2
Section 31: All
Section 32: W/2 E/2

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 23: S/2 S/2
Section 25: W/2 NW/4 and SW/4 and S/2 SE/4
Section 26: E/2 NE/4
Section 36: All

(hh) That the Miguel Creek Gallup Oil Pool in McKinley County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 16 NORTH, RANGE 6 WEST, NMPM

Section 20: E/2 SE/4
Section 28: NW/4 NW/4
Section 29: E/2 NE/4 and NW/4 NE/4

(ii) That the Nageezi Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 8 WEST, NMPM

Section 5: W/2
Section 6: N/2
Section 8: NE/4
Section 9: W/2 and NE/4
Section 16: NW/4

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 32: All

(jj) That the Otero Chacra Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 4: N/2

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM

Section 28: W/2
Sections 29 & 30: All
Section 32: NW/4 and E/2
Section 33: W/2 and SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Section 22: NE/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Section 5: NE/4
Section 9: All
Section 10: SW/4

(kk) That the Otero Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 1: W/2 NW/4 and SE/4 NW/4

Section 2: N/2 NE/4

(ll) That the Pajarito Pennsylvanian D Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 17 WEST, NMPM

Section 31: NW/4 NE/4

(mm) That the Pinon Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 16: W/2

Section 17: E/2

(nn) That the North Pinon Fruitland Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 33: W/2

(oc) That the Rusty Chacra Gas Pool in Sandoval County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 21 NORTH, RANGE 6 WEST, NMPM

Section 4: SW/4

Section 5: S/2 and NW/4

Section 6: All

Section 7: NW/4

Section 9: W/2

TOWNSHIP 22 NORTH, RANGE 6 WEST, NMPM

Section 17: SW/4

Section 18: NW/4 and SE/4

Section 20: NW/4 and SE/4

Section 27: SW/4

Section 28: S/2

Section 29: S/2

Section 30: NW/4 and SE/4

Section 31: E/2

Section 32: W/2 and NE/4

Section 34: N/2

Section 35: N/2 and SE/4

Section 36: SW/4

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM

Section 10: N/2

Section 11: NW/4

Section 12: SW/4

Section 17: S/2

Section 27: S/2 and NW/4

Section 28: E/2

Section 34: NE/4

(pp) That the Tapacito Pictured Cliffs Gas Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM

Section 5: SW/4

Section 6: SE/4

Section 9: SW/4

Section 16: N/2 and SE/4

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Section 3: All
 Section 4: E/2 and NW/4
 Section 5: NE/4
 Section 9: NE/4
 Section 10: N/2

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 31: NW/4
 Section 32: S/2

(qq) That the Ute Dome Dakota Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM

Section 26: SE/4
 Section 34: NE/4

(rr) That the WAW Fruitland Pictured Cliffs Gas Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 25: S/2
 Section 26: SE/4

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Section 4: SE/4
 Section 10: S/2

TOWNSHIP 27 NORTH, RANGE 12 WEST, NMPM

Section 30: NW/4

TOWNSHIP 27 NORTH, RANGE 13 WEST, NMPM

Section 4: SW/4
 Section 5: S/2
 Section 7: NE/4
 Section 8: All
 Section 9: W/2 and SE/4
 Section 16: N/2
 Section 17: NE/4

CASE 7447: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning a discovery allowable, contracting, and extending certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Draper Mill-Upper Pennsylvanian Gas Pool with vertical limits defined as from the top of the Pennsylvanian formation at 14,128 feet to the top of the Morrow formation at 15,003 feet as found on log of discovery well the HNG Oil Company Vaca Draw 16 State Well No. 1 located in Unit E of Section 16, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM

Section 16: W/2

(b) CREATE a new pool in Roosevelt County, New Mexico, classified as an oil pool for Pennsylvanian production and designated as the Dora-Pennsylvanian Pool. The discovery well is Enserch Exploration Inc. Annie Harvey Well No. 1 located in Unit J of Section 6, Township 5 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM

Section 6: SE/4

(c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Montoya production and designated as the Lightcap Montoya Gas Pool. The discovery well is Alkman Petroleum, Inc. Sanders Well No. 1 located in Unit E of Section 8, Township 8 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM
Section 8: W/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Loving-Cherry Canyon Pool. Further, to assign approximately 18,240 barrels of discovery allowable to the discovery well, the Pogo Production Company NEL Well No. 2 located in Unit I of Section 9, Township 23 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 9: SE/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the Midway-Strawn Pool. The discovery well is David Fasken Consolidated State Well No. 2 located in Unit A of Section 8, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 8: NE/4

(f) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the Pecos Slope-Abo Gas Pool. The discovery well is Yates Petroleum Corporation Federal HY Well No. 2 located in Unit O of Section 33, Township 7 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM
Section 35: SE/4
Section 36: S/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM
Section 31: SW/4

TOWNSHIP 5 SOUTH, RANGE 24 EAST, NMPM

Section 1: All
Section 2: E/2 and SW/4
Section 9: SE/4
Section 10: All
Section 11: All
Section 12: All
Section 13: All
Section 14: All
Section 15: All
Section 16: E/2
Section 21: E/2
Section 22: All
Section 23: All
Section 24: All
Section 25: All
Section 26: All
Section 27: All
Section 28: E/2
Section 31: S/2
Section 32: S/2
Section 33: E/2 and SW/4
Section 34: All
Section 35: All
Section 36: All

TOWNSHIP 5 SOUTH, RANGE 25 EAST, NMPM

Section 6: W/2
Section 7: NE/4
Section 31: W/2 and SE/4
Section 32: S/2

TOWNSHIP 6 SOUTH, RANGE 24 EAST, NMPM

Section 1: All

TOWNSHIP 6 SOUTH, RANGE 25 EAST, NMPM

Section 1 thru Section 36: All

TOWNSHIP 7 SOUTH, RANGE 25 EAST, NMPM

Section 1: All

Section 2: All

Section 3: All

Section 4: All

Section 5: All

Section 6: E/2

Section 7: N/2

Section 8: All

Section 9: All

Section 10: All

Section 11: All

Section 12: All

Section 13: N/2 and SE/4

Section 14: N/2

Section 15: N/2

Section 16: All

Section 17: All

Section 20: N/2

Section 21: All

Section 28: All

Section 33: All

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM

Section 18: S/2

(g) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the West Pecos Slope-Abo Gas Pool. The discovery well is Mesa Petroleum Company Rock Federal Well No. 1 located in Unit J of Section 7, Township 8 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM

Section 12: NW/4 and E/2

Section 13: E/2

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM

Section 6: S/2

Section 7: All

Section 8: S/2

Section 18: N/2 and SW/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring Oil production and designated as the Red Bluff-Bone Spring Pool. The discovery well is HCW Exploration, Inc. Dorstate Well No. 1 located in Unit H of Section 27, Township 25 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM

Section 27: NE/4

(i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Willow Lake-Bone Spring Pool. The discovery well is Maddox Energy Corporation Union Federal Well No. 1 located in Unit H of Section 33, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 33: NE/4

(j) CONTRACT the vertical limits of the North Shoebar Pennsylvanian Pool in Lea County, New Mexico, to the Strawn formation only and redesignate pool to the Northwest Shoebar-Strawn Pool. Said pool described as:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 15: SE/4

(k) EXTEND the Avalon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 28: S/2
Section 29: E/2
Section 32: E/2

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 2: Lots 9, 10, 15, 16, and
SE/4

(l) EXTEND the South Bell Lake-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 13: E/2

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 17: All

(m) EXTEND the Bunting Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM
Section 30: S/2
Section 31: N/2

(n) EXTEND the West Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 30: E/2

(o) EXTEND the South Culebra Bluff-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 25: N/2 SW/4 and NW/4
Section 26: NE/4 and S/2
Section 27: S/2 SE/4

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

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 35: N/2

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

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 36: E/2

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 31: NW/4

(r) EXTEND the Inbe-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM
Section 14: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 30: E/2

(t) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 30: N/2

(u) EXTEND the West Nadine-Blinbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 8: SE/4
Section 9: SW/4

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

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

(w) EXTEND the Oil Center-Blinbry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 11: E/2 SW/4

(x) EXTEND the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 11: NE/4

(y) EXTEND the Penasco Draw-San Andres-Yeso Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 35: S/2 NE/4 and SE/4
Section 36: S/2

(z) EXTEND the Robina Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
Section 6: E/2
Section 7: E/2

(aa) EXTEND the Sawyer-San Andres Associated Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM
Section 36: NE/4

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(bb) EXTEND the North Shoebar-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 15: SE/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM
Section 36: SW/4

(dd) EXTEND the Townsend-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 23: N/2

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 22: S/2
Section 27: All
Section 34: E/2
Section 35: W/2

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 2: N/2
Section 3: All

(ff) EXTEND the Twin Lakes-San Andres Associated Pool in Chaves County, New Mexico to include therein:

TOWNSHIP 9 SOUTH, RANGE 29 EAST, NMPM
Section 7: NE/4

Dockets Nos. 38-81 and 39-81 are tentatively set for December 2, and December 15, 1981. Application for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 19, 1981

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:

- ALLOWABLE:** (1) Consideration of the allowable production of gas for December, 1981, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1981, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7410: Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

CASE 7356: (Continued from October 21, 1981, Examiner Hearing)

Application of S & I Oil Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the W/2 SW/4 of Section 12, Township 29 North, Range 15 West, Cha Cha-Gallup Oil 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 7411: Application of Viking Petroleum, Inc., 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 330 feet from the North and East lines of Section 12, Township 11 South, Range 27 East, the NE/4 of said Section 12 to be dedicated to the well. (This case will be dismissed).

CASE 7412: Application of Gulf Oil Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower Yates, Queen, San Andres and Delaware formations in the open hole interval from 4375 feet to 7452 feet in its Lea "ZD" State Well No. 1 located in Unit A of Section 30, Township 13 South, Range 35 East, Air-Strip Field.

CASE 7413: Application of Gulf Oil Corporation for Directional Drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its Arnett Ramsey Well No. 12, the surface location of which is 500 feet from the South line and 1400 feet from the East line of Section 32, Township 25 South, Range 37 East, to a bottomhole location within 150 feet of a point 500 feet from the South line and 800 feet from the East line of Section 32, Township 25 South, Range 37 East, Langlie Mattix Pool, the SE/4 SE/4 of said Section 32 to be dedicated to the well.

CASE 7414: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Wantz-Granite Wash production in the wellbore of its Hugh Well No. 10, located in Unit C of Section 14, Township 22 South, Range 37 East.

CASE 7415: Application of Gulf Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Tubb and Drinkard production in the wellbore of its T. R. Andrews Well No. 3, located in Unit J of Section 32, Township 22 South, Range 38 East.

CASE 7379: (Continued from October 21, 1981, Examiner Hearing)

Application of JEM Resources, Inc., for vertical pool extension and special COR limit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the vertical extension of the Cave-Grayburg Pool to include the San Andres Formation, and the establishment of a special gas-oil ratio limit for said pool to 6000 to one or, in the alternative, the abolishment of the gas-oil ratio limit in said pool, all to be effective October 1, 1981.

CASE 7407: (Continued from November 4, 1981, Examiner Hearing)

Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the NE/4 of Section 23, Township 5 South, Range 24 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 7416: Application of El Paso Natural Gas Company for pool creation and redelineation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to contract the horizontal limits of the Jalnat Gas Pool by deleting therefrom all lands in Township 26 South, Range 37 East. Applicant also proposes to contract the horizontal limits of the Rhodes Yates - Seven Rivers Oil Pool by deleting therefrom all of the gas productive lands in the North end thereof and to create the Rhodes Yates-Seven Rivers Gas Pool comprising all such deleted lands. Applicant further proposes the deletion of certain oil productive lands from said Rhodes oil pool and the extension of the Scarborough Pool to include said lands. Applicant further proposes to contract the horizontal boundaries of the Rhodes Gas Storage Unit to delete certain lands and wells not participating in the Rhodes Gas Storage Project and to withdraw without restriction all gas remaining in the newly created Rhodes Gas Pool.

CASE 7417: (This case will be dismissed.)

Application of Northwest Pipeline Corporation for 13 non-standard gas proration units; San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.

CASE 7418: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Drinkard Pool including a special gas-oil ratio of 6,000 to one.

CASE 7419: Application of Morris R. Antweil for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the West Nadine-Blinebry pool including a special gas-oil ratio of 4,000 to one.

CASE 7420: Application of Southland Royalty Company for two unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of two previously drilled wells, the first being 760 feet from the South line and 660 feet from the East line of Section 5 the other being 660 feet from the North and West lines of Section 9, both in Township 19 South, Range 35 East, both to be plugged back to the Scharb-Bone Springs Pool, the S/2 SE/4 of Section 5 and the N/2 NW/4 of Section 9, respectively, to be dedicated to the wells.

CASE 7421: Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 2,310 feet from the South line and 330 feet from the West line of Section 3. 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 7422:** Application of Conoco, Inc. for dual completion and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Southeast Monument Unit Well No. 121, to produce oil from the Skaggs Grayburg and an undesignated Paddock pool through parallel strings of tubing. Applicant further seeks approval of the unorthodox location of said well 1310 feet from the North line and 1330 feet from the West line of Section 19, Township 20 South, Range 38 East, the NE/4 NW/4 of said Section 19 to be dedicated to this well.
- CASE 7423:** Application of Conoco, Inc., for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for three companies to institute a cooperative waterflood project in the Blinbry oil and gas pool by the injection of water into the Blinbry formation through 13 injection wells located on leases operated by Conoco, Shell Oil Company, and Southland Royalty Company, in Sections 33 and 34, Township 20 South, Range 38 East, and Sections 2 and 3, Township 21 South, Range 37 East.
- CASE 7424:** Application of Rice Engineering and Operating, Inc., for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Lower San Andres formation in the perforated interval from 4300 feet to 4852 feet in its Eunice-Monument Eumont SWD "G" Well No. 8, located in Unit G of Section 8, Township 20 South, Range 37 East.
- CASE 7425:** Application of H. L. Brown, Jr. for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the San Andres formation to the base of the Pennsylvanian formation underlying the S/2 of Section 36, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 554 feet from the South and West lines of said Section 26, provided that in the event the subject well encounters production in the Casey-Strawn Pool and/or the West Knowles-Drinkard Pool, the lands pooled would be the W/2 SW/4 of said Section 26. Also to be considered will be the cost of drilling and completing said well and the allocation of this 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 7426:** Application of Phillips Petroleum Company for Amendment of Division Order No. R-5897 and certification of a tertiary recovery project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the Amendment of Division Order No. R-5897, to include the injection of carbon dioxide in the previously authorized pressure maintenance project in the East Vacuum Grayburg-San Andres Unit, for conversion of existing injectors to water/carbon dioxide injection, and for certification to the Secretary of the IRS that the East Vacuum Grayburg-San Andres Unit Project is a qualified tertiary oil recovery project.
- CASE 7427:** Application of Belco Petroleum Corporation for a special allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an adjustment to the manner in which allowables are calculated for wells in the South Carlshad-Morrow Gas Pool in order to grant relief to the over-produced status of its Douglas Com. Well No. 1 located in Unit H of Section 7, Township 22 South, Range 27 East, said well being subject to shut-in being more than six times its allowable over-produced. In the alternative, applicant seeks to make up the over-production at a rate less than complete shut-in by curtailing production from the well to 80 percent of its top allowable until it is back in balance.
- CASE 7428:** 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 Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Antelope Ridge-Wolfcamp Gas Pool. The discovery well is J. C. Williamson Triple A Federal Well No. 1 located in Unit F of Section 10, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 10: N/2 and N/2 SE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Diamondtail-Wolfcamp Pool. The discovery well is the Superior Oil Company Triste Draw Federal Well No. 1 located in Unit J of Section 14, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4

Examiner Hearing - Thursday - November 14, 1981

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Grama Ridge-Bone Spring Pool. The discovery well is the Hunt Oil Company State 4 Well No. 1 located in Unit T of Section 4, Township 21 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 4: SW/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Grassland-Wolfcamp Pool. The discovery well is C. F. Qualia State 23 Well No. 1 located in Unit K of Section 23, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Lusk-Bone Spring Pool. The discovery well is Petroleum Development Corporation Shelly Federal Com. Well No. 1 located in Unit H of Section 5, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 5: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka Gas Pool. The discovery well is Southland Royalty Company Pecos River 21 Federal Com Well No. 1 located in Unit K of Section 21, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Springs-Morrow Gas Pool. The discovery well is Jake L. Hamon State 33 Com Well No. 1 located in Unit I of Section 33, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM
Section 32: E/2
Section 33: All

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

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM
Section 11: All
Section 15: N/2

(i) EXTEND the Baldrige Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 24 EAST, NMPM
Section 14: N/2

(j) EXTEND the Bear Draw-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 28: N/2 SE/4

(k) EXTEND the Bluit-Wolfcamp Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH RANGE 37 EAST, NMPM
Section 10: SE/4

(l) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 4: All

Examiner Hearing - Thursday - November 14, 1981

- (m) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM
Section 13: SE/4 SW/4

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

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 35: W/2

- (o) EXTEND the Eagle Creek-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM
Section 27: N/2

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 1: All

- (p) EXTEND the Golden Lane-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 8: S/2

- (q) EXTEND the Kennedy Farms-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 34: N/2
Section 35: N/2

- (r) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: S/2 S/2

- (s) EXTEND the West Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 35: N/2

- (t) EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 29: W/2

- (u) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 29: NE/4

- (v) EXTEND the POW-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 4: S/2

- (w) EXTEND the Saunders-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 32: NE/4

Examiner Hearing - Thursday - November 14, 1981

- (x) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPH
Section 8: NE/4

- (y) EXTEND the East Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPH
Section 10: NE/4

- (z) EXTEND the Teague-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPH
Section 27: NW/4

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

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPH
Section 28: SE/4

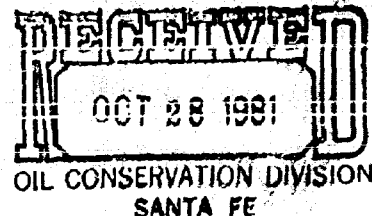
- (bb) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPH
Section 21: All

- (cc) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPH
Section 9: NE/4

B.O.A. Oil & Gas Company
3539 East 30th Street, Suite 108
Farmington, New Mexico
87401



Mr. Joe Ramey
New Mexico Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87501

October 27, 1981

Case 7410

Dear Mr. Ramey:

This is a request for a hearing for approval of an unorthodox oil well location in the Verde Gallup Pool.

It is intended to locate the B.O.A. Oil & Gas Company's Ute Mountain "B" Well #20, Section 31, 31N-15W, at 2455' from the North line, and 1944' from the East line, San Juan County, New Mexico.

We would like to have this well approved, because of Surface Geological Knowledge, which was discovered by drilling of off-set wells.

B.O.A. Oil & Gas operates all proration units offsetting the proposed unorthodox location.

Plats showing the proposed well location and the terrain of Section 31, along with an ownership plat, are attached.

Vert truly yours,

A handwritten signature in cursive script, appearing to read "Ralph Abbott".

Ralph Abbott, General Partner
B.O.A. Oil & Gas Company

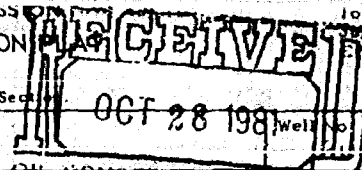
RGA/lr

Enc. (2)

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION

Form C-102
Revised C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section



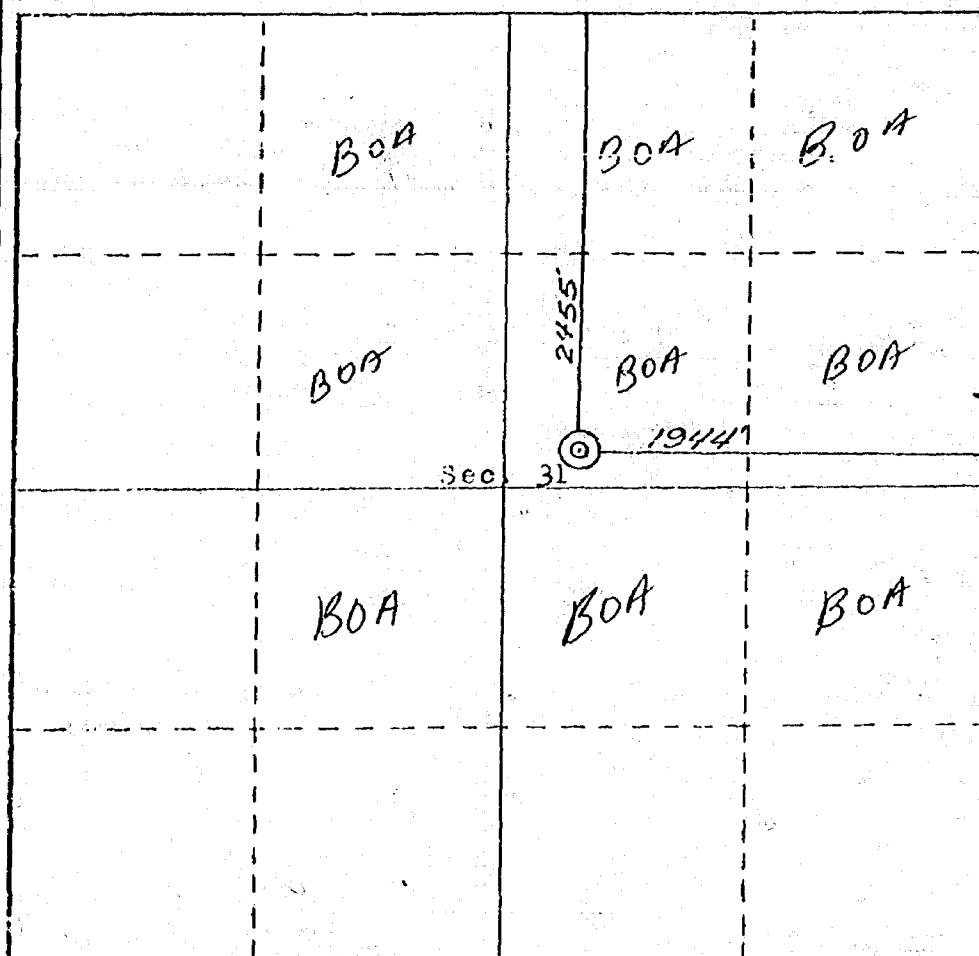
Operator B. O. A. OIL & GAS			Lease		
Unit Letter G	Section 31	Township 31 NORTH	Range 15 WEST	County SANTA FE	
Actual Footage Location of Well: 2455 feet from the NORTH line and 1944 feet from the EAST line					
Ground Level Elev. 5459	Producing Formation Gallup		Pool Verde Gallup		Dedicated Acreage: 40 Acres

1. Outline the acreage dedicated to the subject well by colored pencil or hatchure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

☐ Yes ☐ No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Joseph Allett
Name

General Partner

Position

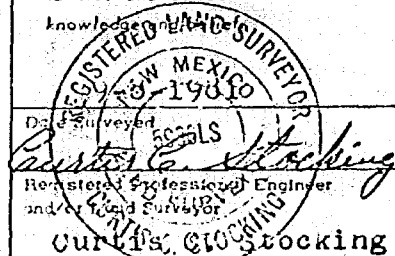
B.O.A. Oil & Gas Co.

Company

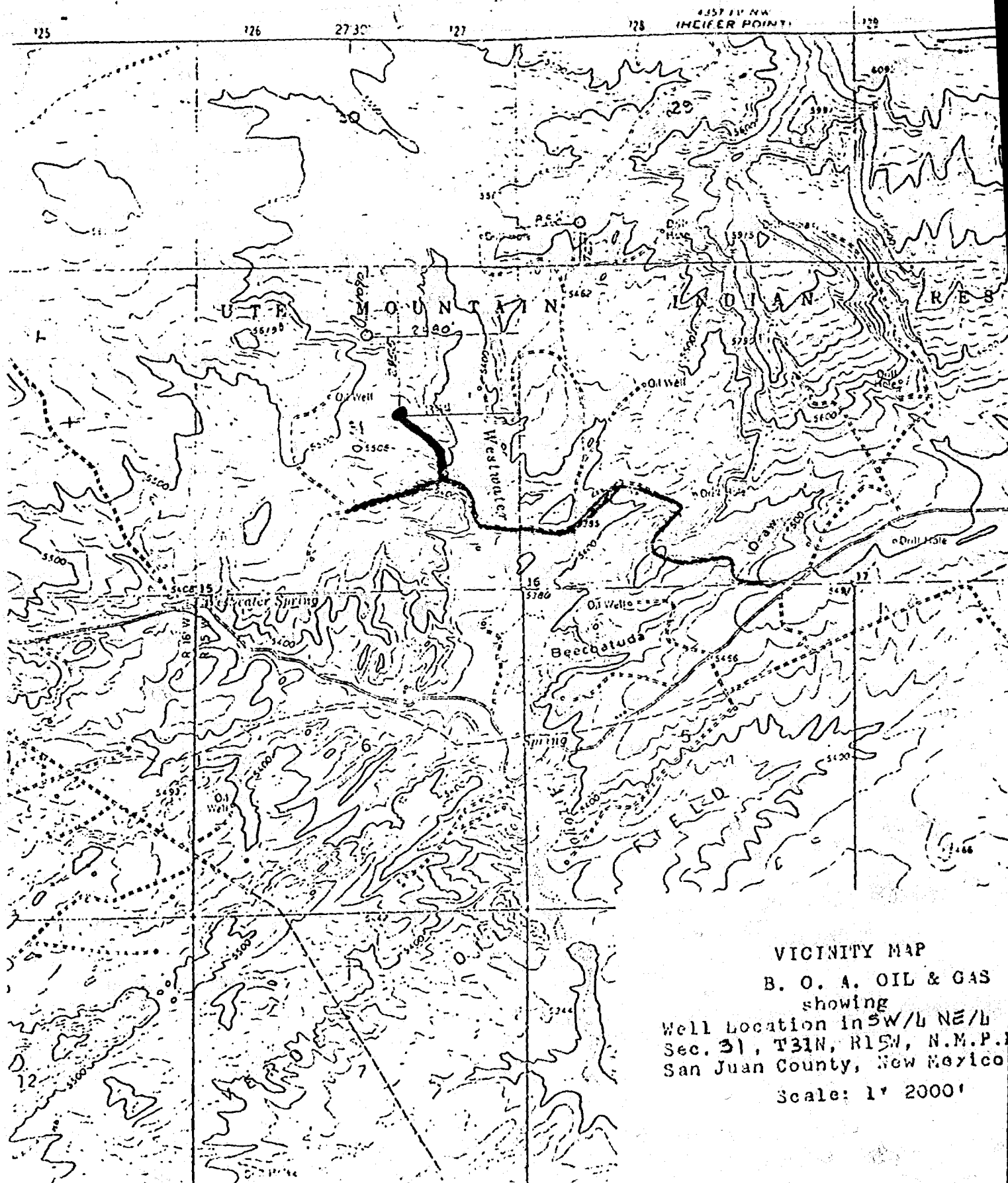
October 26, 1981

Date

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge.



Certificate No.
5980 NMLS



VICINITY MAP

B. O. A. OIL & GAS
showing

Well Location in SW/4 NE/4
Sec. 31, T31N, R15W, N.M.P.
San Juan County, New Mexico

Scale: 1" = 2000'

*Causi
Herbie
ORDERS*

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

RL

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

MS

Law

CASE NO. 7410
Order No. *R-6907*

APPLICATION OF B.O.A. OIL & GAS
COMPANY FOR TWO UNORTHODOX OIL WELL
LOCATIONS, SAN JUAN COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

*Feb 17
Dec 16*

This cause came on for hearing at 9 a.m. on ~~November~~ *Feb 17* 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this day of ~~November~~ *December*, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, B.O.A. Oil & Gas Company, seeks approval ^{for the} ~~of an~~ unorthodox ~~well~~ location of a well ~~well~~ drilled 2035 feet from the South line and 2455 feet from the East line and one ~~well~~ drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, San Juan County, New Mexico.

(3) That the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 ^{are} ~~is~~ to be dedicated to said wells.

That said unorthodox locations resulted from administrative error.
(4) ~~That wells at said unorthodox locations will better enable applicant to produce the oil underlying the proration~~

unit. (5) That the applicant ~~is~~ is the operator of all offsetting acreage and that ~~there are~~ interests are
(5) ~~That no offset operator objected to the proposed unorthodox locations.~~
common in the dedicated and offset acreage.

(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the oil in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

That B.O.A. Oil and Gas Company is hereby authorized two unorthodox oil well locations for

(1) ~~That an unorthodox well location for~~ a well ~~to be~~ drilled 2035 feet from the South line and 2455 feet from the East line ~~and a well~~ ~~and one to be~~ drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, NMPM, Verde-Gallup Oil Pool, San Juan County, New Mexico, ~~are hereby approved.~~

(2) That the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 shall be dedicated to the above-described wells.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

JOE D. KAMEY,
Director

S E A L