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CASE NO.

76<u>37</u>

APPliCation, Transcripts,

Small Exhibits,

TC



STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

CIL CONSERVATION DIVISION

BRUCE KING GOVERNOR ARRY KEHDE SECRETARY

October 15, 1982

POST OFFICE BOX 2089 STATE LAND OFFICE BUILDING SANTA FE. NEW MEXICO 87501 (505) 827-2434

R.A.F. Enterprises P. O. Box 3487 Albuquerque, New Mexico 87110

Re: CASE NO. -7637 ORDER NO. R-7104

Applicant:

_OCD (R.A.F. Enterprises)

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 Artesia OCD Aztec OCD

Other Fireman's Fund

STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

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

CASE NO. 7637 Order No. R-7104

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT R.A.F. ENTERPRISES, FIREMAN'S FUND INSURANCE COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE SHAW WELL NO. 1, LOCATED IN UNIT M SECTION 18, TOWNSHIP 4 NG TH, RANGE 8 EAST, TORRANCE COUNTY, SHOULD NOT BE PLUGGED AND ABANDONED IN ACCORDANCE WITH A DIVISION-APPROVED PLUGGING PROGRAM.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 13, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of October, 1982, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

PINDS:

That the subject well having been transferred to the land owner for his use as a water well, this case should be dismissed.

IT IS THEREFORE ORDERED:

That Case No. 7637 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year harein= above designated.



STATE OF NEW MEXICO OLL CONSERVATION DIVISION ame ť í JCE D. RAMEY

Director

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2	STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT	
3	OIL CONSERVATION DIVISION	
4	STATE LAND OFFICE BLDG. SANTA FE, NEW MEXICO 13 October 1982	
5	EXAMINER HEARING	
6	.	
7	IN THE MATTER OF:	
8	The hearing called by the OCD on its own motion to permit R.A.F. Enterprises,	
9	Fireman's Fund Insurance Company, and CASE all other interested parties to appear 7637	
10	and show cause why a certain well in Torrance County, New Mexico, should not	
11	be plugged and abandoned in accordance , with a Division-approved plugging pro-	
12	gram.	
13	BEFORE: Daniel S. Nutter	
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15	TRANSCRIPT OF HEARING	
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17	APPEARANCES	
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19 _	For the Oil Conservation W. Perry Pearce, Esg. Division: Legal Counsel to the Division	
20	State Land Office Bldg. Santa Fe, New Mexico 87501	
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22	For the Applicant:	
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2 1 MR. NUTTER: We'll call next Case Number 2 3 7637, which is in the matter of the hearing called by the OCD on its own motion to permit R.A.F. Enterprises, Fireman's 4 Fund Insurance Company, and all other interested parties to 5 appear and show cause why a certain well in Torrance County, New Mexico, should not be plugged and abandoned in accordance 7 with a Division-approved plugging program. 8 MR. PEARCE: May it please the Examiner, 9 I am W. Perry Pearce, appearing in this matter on behalf of 10 New Mexico Oil Conservation Division. 11 Applicant requests that this matter be 12 13 dismissed. 14 MR. NUTTER: Why would the case be dis-15 missed, Mr. Pearce? 16 MR. PEARCE: The well operator in this 17 case has plugged this well in compliance with the plugging 18 program. MR. NUTTER: Okay, the well has been 19 plugged and the files are complete on it. 20 MR. PEARCE: That's my understanding, 21 22 yes, sir. 23 MR. NUTTER: Case Number 7637 will be 24 dismissed. 25

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

Silly W. Boyd CSE

I do hereby conflict that the foregoing is a complete record of the proceedings in the Examiner bounds of Case No. **2467** heard by me on **1013** 19 Oil Couservation Division

SALL. BOYD, C.S.R. Box 193-8 Samin Fr. (See Mexico 1730) Phone (303) 435-7407

1 STATE OF NEW MEXICO 2 STATE OF NEW MEXICO 3 OIL CONSERVATION DIVISION 3 SANTA FE, NEW MEXICO 4 SANTA FE, NEW MEXICO 5 SANTA FE, NEW MEXICO 6 IS September 1982 5 EXAMINER HEARING 6 The hearing called by the Oil Conservation on its own motion to permit 7 IN THE MATTER OF: 8 The hearing called by the Oil Conservation 9 Torrance County, should not be plugged and abandoned in accordance with a Division-approved plugging program. 10 abandoned in accordance with a Division-approved plugging program. 11 BEFORE: Daniel S. Nutter 13 BEFORE: Daniel S. Nutter 14 TRANSCRIPT OF HEARING 15 TRANSCRIPT OF HEARING 16 A P P E A R A N C E S 18 Por the Oil Conservation W. Perry Pearce, Esq. 19 For the Oil Conservation W. Perry Pearce, Esq. 10 Santa Fe, New Mexico 87501 12 For the Applicant: 13 Por the Applicant:						
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1 2 2 MR. NUTTER: We'll call next Case Number 3 7637, which is in the matter of the hearing called by the OCD on its own motion to permit R.A.F. Enterprises, Fireman's 5 Fund Insurance Company, and other interested parties to show 6 cause why a certain well in Torrance County should not be 7 plugged and abandoned in accordance with a Commission -- a 8 Division-approved plugging program. 9 MR. PEARCE: Mr. Examiner, I am W. Perry 10 Pearce, appearing in this matter on behalf of the New Mexico 11 Oil Conservation Division. 12 Applicant requests that this matter be 13 continued until the hearing currently set for October 13th, 14 1982. 15 ME. NUTTER: Case Number 7637 will be 16 continued to the Examiner Hearing scheduled to be held at this 17 same place at 9:00 o'clock a. m. October 13th, 1982. 18 19 (Hearing concluded.) 20 21 22 23 24 25

CERTIFICATE

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

Solly W. Boyd CSR

I do hereby called that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7637 heard by me on 15 19 01. , Examiner

it Conservation Division

OYD, C.S.R. į

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4	STATE LAND	OFFICE BLDG.					
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5	EXAMIN	ER HEARING					
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7 1	IN THE MATTER OF:	•					
8		d by the Oil Conservation					
9	Enterprises, Fire	wn motion to permit R.A.F. man's Fund Insurance Com-					
10	appear and show c	er interested parties to CASE ause why a certain well in 7637					
11	Torrance County, New Mexico, should not be plugged and abandoned in accordance with a						
	, Division-approved plugging program.						
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14	4						
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, 19 _F	or the Oil Conservation	W. Perry Pearce, Esq.					
20	Division:	Legal Counsel to the Division State Land Office Bldg.					
21		Santa Fe, New Mexico 87501					
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23 F	or the Applicant:						
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2	MR. NUTTER: Call next Case Number 7637,	
3	which is in the matter of the hearing called by the OCD on	
4	its own motion to permit R.A.F. Enterprises, Fireman's Fund	
5	Insurance Company, and other interested parties to appear and	
6	show cause why a certain well in Torrance County, New Mexico,	
7	should not be plugged and abandoned in accordance with a	
8	Division-approved plugging program.	Ĩ
9	MR. PEARCE: Mr. Examiner, I am W. Perry	
10	Pearce, appearing in this matter on behalf of New Mexico Oil	
11	Conservation Division.	
12	We request that this matter be continued	
13	until the hearing scheduled for September the 15th, 1982.	*
14	MR. NUTTER: Case Number 7637 will be	
15	continued to the Examiner Hearing scheduled to be held at	ļ
16	this same place at 9:00 o'clock a.m. September 15th, 1982.	
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18	(Hearing concluded.)	
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2	CERTIFICATE
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4	I, SALLY W. BOYD, C.S.R., DO HEREBY CEPTIFY that
5	the foregoing Transcript of Hearing before the Oil Conserva-
6	tion Division was reported by me; that the said transcript
7	is a full, true, and correct record of the hearing, prepared
8	by me to the best of my ability.
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10	Stelling LeviBourd CSR
11	J. •
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14	I do hereby certify that the foregoing is a complete record of the proceedings in 2437.
15	a complete record of the provention of the Providence in the provi
16	Chitana, Examiner
17	Oil Conservation Division
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SALL. BOYD, C.S.R. But 191-8 famte Rt. New Maxico 17901 Phone (305) 455-7407

Docket No. 29-82

Dockats Nos. 31-82 and 32-82 are cantatively set for September 29 and October 13, 1982. Applications for hearing must be filed at least 22 days in advance of bearing date.

DOCKET: EXAMINER HEARING WEDNESDAY-SEPTEMBER 15, 1982 9 A.H. - HORGAN HALL, STATE LAND OFFICE BUILDING SANTA FE, NEW MEXICO

The following cases will be beard before Daniel S. Matter, Examiner, or Richard L. Stenats, Alternate Examiner:

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

(2) Consideration of the allowable production of gas for October, 1962, from four prorated pools in Sam Juan, Rio Arribe, and Sandoval Counties, Hew Mexico.

CASE 7638: (Continued and Reserventiese)

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

TASE 7637: (Continued from August 18, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit R.A.F. Enterprises, Firemen's Fund Insurance Company and all other interested parties to appear and show cause why the Shaw Well Ho. 1, located in Unit M. Section 18, Township 4 North, Range 8 East, Torrance County, should not be plugged and abandoned in accordance with a Division-approved all contracts of the statements. plugging program.

CASE 7635: (Continued from September 1, 1982, Examiner Hearing)

In the matter of the bearing called by the Oil Conservation Division on its own motion to permit CO2-In-Action, Travelers Indemnity and all other interasted parties to appear and show cause why the frigg Well No. 3 located in Unit J. Section 25, Township 15 Horth, Range 28 East, San Higuel County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7636: (Continued from September 1, 1982, Examiner Hearing)

In the matter of the bearing called by the Oil Conservation Division on its own motion to permit CO₂-In-Action, Travelers Indonatic, and all other interested parties to appear and show cause why the Amistad No. 1 located in Unit E of Section 18, and the Amistad No. 2 located in Unit D of Section 7, both in Township 19 North, Range 36 East, Union County, should not be plugged and shandoned in accordance with a Division-approved plugging program.

- CASE 7673: Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Almost Texas Unit Area, comprising 3,840 acres, more or less, of State and Federal lands in Township 26 South, Range 31 East.
- CASE 7664: (Continued from September 1, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Maxico. Applicant, in the above-styled cause, seeks approval for the Little Cuevo Unit Area, comprising 13,407 acres, more or less, of State and Fee lands in Township 17 South, Range 18 East.

CASE 7674: Application of Trican Energy, Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Javaline Essim Unit Area, comprising 3,840 acres, more or less, of State and Federal lands in Township 25 South, Range 34 East.

<u>CASE 7675</u>: Application of Texaco Inc. for downhole commingling, Les County, New Merrico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Justis Blinebry, Justis Tubb-Drinkard, and Justis Devonian production in the wellbore of its G. L. Erwin "A" Pederal Well No. 2 located in Unit K, Section 35, Township 24 South, Range 37 East.

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Page 2 of 7 Reminer Hearing - MEDWESDAY - SEPTEMBER 15,1982

- CASE 7676: Application of Tenneco Oil Company for salt water disposal, Les County, New Mexico. Applicant, in the above-styled cames, easks authority to dispose of produced salt water into the Delemere formation in the performted interval from 4970 feet to 4982 fest in its Jannings Fed. Wall No. 3 located in Unit B of Section 14, Township 24 South, Range 32 East.
- CASE 7677: Application of Amedarko Production Company for a weterflood expansion, Los County, New Maxico. Applicant, in the above-styled cause, seeks authority to expand its Tess Yates Materflood Project by converting two wells located in Unit F of Sections 13 and 14, Texaship 27 South, Range 33 East and drilling three new injection wells at weethodaw locations in Units H of Section 11 and Unit L of Section 13, Toxiship 20 South, Range 33 East, and Unit E of Section 18, Township 20 South, Range 34 East.
- CASE 7678: Application of Phillips Petroleum Company for a pressure maintenance project, Lee County, New Marico. Applicant in the above-styled cause, seeks authority to institute a pressure maintenance project is the Vacuum Grayburg-Sam Andres Pool by the injection of water into the Grayburg Sam Andres formation through eight injection walls to be drilled at unorthodox locations in Section 35, Tommship 17 South, Range 34 East, as follows: 2630 feet from the South line and 1330 feet from the West line; 2630 feet from the South and West lines; 2630 feet from the South line and 1330 feet from the Mest line; 1310 fast from the South line and 1330 feet from the Neuth line and 1330 feet from the East line; 1310 fast from the South line and 1330 feet from the Neuth line and 1310 feet from the South line and 10 feet from the East line; 10 feet from the South line and 1310 feet from the South line and 10 feet from the East line; 10 feet from the South line and 1310 feet from the Mest line; 1330 feet from the North line and 1310 feet from the Nouth line and 1310 feet from the Mest line; 1330 feet from the West line. Applicant also proposes two production wells at unorthodox locations in and Section 35 as follows: 1310 feet from the South line and 2630 feet from the East line and 1310 feet from the South and East lines.
- CASE 7630: (Continued from September 1, 1982, Examiner Hearing This Case will be Dismissed)

Application of Raigh Mix for an oil treating plast parmit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the SW/4 ME/4 of Section 18, Township 19 South, Range 26 East.

CASE 7671: (Continued from September 1, 1962, Examiner Hearing)

Application of Texas Eastern Developments, Inc. for an exception to Bule 307, San Juan County, How Mexico. Applicant in the above-styled cause, seeks an exception to Bule 307 of the Division Bulas and Regulations to parmit it to draw a vacuum on the Shiprock Gallup Oil Pool reservoir through 16 wells in Sections 16 and 17, Township 29 Morth, Range 18 West. Applicant further seeks an administrative procedure whereby it could extend the proposed vacuum system to include additional wells in the same reservoir.

- <u>CASE 7679</u>: Application of C & K Petroleum, Inc. for the smendment of Order No. R-4857-A and for compulsory pooling, Les County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Orde. No. R-4657-A to provide that the lands pooled by said order shall be the W/2 SE/4 of Section 27, Tourship 16 South, Range 37 East, dedicated to its Shi/p 27 Hell No. 2 located in Unit O in said Section 27. Applicant further seeks an order pooling all mineral interast; in the Pennsylvamian formation underlying the E/2 SE/4 of the aforensid Section 27, to be dedicated to a well to be drilled in Unit P of said Section 27. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7680: Application of Unichem International, Inc. for an exception to Order Mo. R-3221, Eddy County, New Mexico. Applicant, in the showe-styled cause, seeks an exception to Order Mo. R-3221 to permit the commercial disposal of produced brine into several unlined surface pits located in Section 11, Township 23 South, Range 29 East.
- CASE 7681: Application of Cibola Energy Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of an Ordovician gas well to be drilled 330 feet from the North line and 990 feet from the East line of Section 13, Township 9 South, Range 27 East, the E/2 of said Section 13 to be dedicated to the well.

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age 3 of 7 kenningr Hearing - HEDHESDAY - SEPTEMBER 15, 1982

- <u>CASE 7682</u>: Application of Cibola Emergy Corporation for an unorthodox gas well location, Chaves County, Her Maxico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Mississippian gas well drilled 330 feet from the North line and 330 feet from the West line of Section 34, Township 11 South, Range 28 East, the W/2 of said Section 34 to be dedicated to the well.
- CASE 7683: Application of S & I Oil Company for compulsory pooling, San Juan County, New Maxico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup formation underlying the E/2 SE/4 of Section 12, Tourship 29 North, Range 15 West, to be dedicated to a well drilled at a standard location thereon. Also to be considered -ill be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling and well.
- CASE 7684: Application of R. E. Lawritson for compulsory pooling, San Juan County, New Marico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup and Dekota formations underlying the W/2 of Section 11, Township 29 North, Range 15 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- <u>CASE 7685</u>: Application of Cimerron Emergy Corporation for an unorthodox location, Eddy County, Hew Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian test to be drilled 1960 feet from the South line and 660 feet from the West line of Section 34, Township 22 South, Range 28 East, the S/2 of said Section 34 to be dedicated to the well.

CASES 7528 and 7529: (Continued and Reedvertised)

Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Maxico. Applicant, in each of the following two cases, seeks an order pooling all mineral interests down through the dis formation underlying the issue specified in each case, each to form a standard 160-acre gas spacing and protation unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing said wells and the ellocation 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 asid wells:

CASE 7528: 10/4 Section 4, Township 5 South, Range 24 East CASE 7529: 1E/4 Section 4, Township 5 South, Range 24 East

(Continued from September 1, 1982, Examiner Hearing)

CASES 7666, 7667, 7668, and 7669: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in each of the four following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160acre gas spacing and protation unit to be dedicated to a well to be drilled at a standard location thereos. Also to be considered in each case will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells:

> <u>CASE 7666</u>: SW/4 Section 3; CASE 7667: WW/4 Section 4;

CASE 7668: NW/4 Section 14;

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

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

CASE 7670: (Continued from September 1, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Cheves County, New Merico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the M/2 of Section 26, Township 14 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereou. 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. rage 4 of 7 Examiner Hearing - WEDNESDAY - SEPtensen 15, 1982

CASE 7652: (Continued from August 18, 1982, Exeminer Bearing)

Application of Conoco Inc. for compulsory pooling, Eddy County, New Maxico. Applicant, in the above-styled cause, seeks as order pooling all mineral interests in the Cisco formation underlying all of partial Sections 34 and 35, Township 20 1/2 South, Range 23 Kest, underlying a previously approved GBM-acre non-standard protection unit, to be dedicated to a wall at a previously approved unorthodox location which is to be re-entered. Also to be considered will be the cost of re-entering 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 7672: (Continued from September 1, 1982, Examiner Mearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowable, contracting, and extending cartain pools in Cheves, Eddy, Lea and Roosevelt Counties, New Maxico:

(a) CREATE a new pool in Eddy County, New Marico, classified as an oil pool for Brushy Canyon production and designated as the Brushy Draw-Brushy Canyon Fact. Further, to assign approximately 25,410 barrels of discovery allowable to the discovery well, the J. C. Williamson UCHERN Pederal Well No. 1 located in Unit N of Section 25, Township 26 South, Range 29 East, MRM. Said pool would comprise:

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

(b) CREATE a new pool in Les County, New Merico classified as an oil pool for San Andres production and designated as the Hobbs Channel-San Andres Pool. The discovery well is the Bass Enterprises Production Company Homble City Unit Well Ho. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, MMPM. Said pool would comprise:

> TOWNSHIP 17 SOUTE, RANGE 37 EAST, HEPH Section 36: 1974

(c) CREATE a new pool in Las County, New Mexico, classified as a gas pool for Morrow production and designated as the Humphreys Hill-Morrow Gas Pool. The discovery well is the Florida Exploration Company Ramo Com Well No. 1 located in Unit D of Section 11, Township 25 South, Range 35 East, MRFM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 35 EAST, KNPM Section 11: 8/2

(d) CREATE a new pool in Les County, New Mext':o, classified as an oil pool for Abo production and designated as the Justis-Abo Pool. The discovery well is the Santa Fe Energy Company Carlson B-25 Federal Well No. 3 located in Unit 0 of Section 25, Township 25 South, Enge 37 East, NMPM. Said pool would comprise:

> TOWNSHIP 25 SOUTH, BANGE 37 EAST, NMPH Section 25: SE/4

(e) CREATE a new pool in Eddy County, New Marico, classified as a gas pool for Upper Fermis/vanian production and designated as the McHillan-Upper Permsylvanian Gas Pool. The discovery well is the Southland Royalty Company Perces River Federal 20 Com Well Ho. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NRFM. Said pool would comprise:

> TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM Section 20: E/2

(f) CREATE a new pool in Eddy County, New Marico, classified as a gas pool for Strawn production and designated as the Mosley Canyon-Strawn Gas Pool. The discovery well is W. A. Honcrief, Jr., Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, MRPM. Said pool would comprise:

> TOWNSHIP 24 SOUTH, RANGE 25 EAST, NHPH Section 8: N/2

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(g) CREATE a new pool in Les County, New Newico, classified as an oil pool for Tubb production and designated as the Hest Medime-Tubb Pool. The discovery wall is the Tamarack Petroleum Corpany, Inc. Kornegay & Well No. 1 located in Unit P of Section 9, Township 20 South, Range 36 East, WHPH. Said pool would comprise:

> TONNISHIP 20 SOUTH, RANGE 38 EAST, HERM Saction 9: WW/4

(b) CREATE a new pool in Les County, New Maxico, classified as a gas pool for Norrow production and designated as the Pitchfork Ranch-Morrow Gas Pool. The discovery well is the MMG Oil Company Maders 32 State Con Well No. 1 located in Unit C of Section 32, Township 24 South, Range 34 East, MMFM. Said pool would comprise:

> TORNSELP 24 SOUTH, RANGE 34 EAST, MEN Section 32: H/2

(1) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production and designated as the Seven Rivers-Teso Pool. The discovery well is Chana Petroleum Corporation Irani Yedaral Well No. 1 located in Unit N of Section 34, Township 19 South, Range 25 East, NEW. Said pool would comprise:

TORNSHIP 19 SOUTH, RANGE 25 BAST, MAPH Section 34: SW/4

(j) CREATE a new pool in Lee County, New Maxico, classified as an oil pool for Abo production and designated as the East Skaggs-Abo Pool. The discovery well is the Texaco Inc. Ch. H. Weir & Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, MMPH. Said pool would comprise:

> TOWNSELP 20 SOUTH, RANGE 37 EAST, MAPH Section 12: ME/4

(%) CREATE a new pool in Las County, New Maxico, classified as an oil pool for Tubb production and designated as the Tergua-Tubb Pool. The discovery well is the Alpha Twenty-One Production Company Las Well No. 2 located in Unit A of Section 17, Township 23 South, Range 37 East, MMPM. Said pool would comprise:

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

(1) CREATE a new pool in Les County, New Mexico, classified as an oil pool for Devomion production and designated as the Townsend-Devomion Pool. The discovery well is the Kimberk Oil and Gas Company New Mexico 1-4 State Com Well No. 1 located in Unit N of Section 4, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

> TOWNSHIP 16 SOUTH, RANGE 35 EAST, MMPH Section 4: Lots 11, 12, 13, and 14

(m) CREATE a new pool in Eddy County, New Marico, classified as an oil pool for Roue -Spring production and designated as the Welch-Bone Spring Pool. The discovery wall is the Quanah Petroleum, Inc. Hay B Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, MMPM. Said pool would comprise:

> TOWNSELP 26 SOUTH, RANGE 27 EAST, REPN Section 9: SW/4

(n) CONTRACT the horizontal limits of the Buckeye-Abo Pool in Les County, New Mexico, by the deletion of the following described area:

> TOWNSHIP 18 SOUTH, RANGE 35 EAST, MATH Saction 3: W/2 HW/4

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(c) CONTRACT the horizontal limits of the Vacuum-Abo Reef Pool in Les County, Hew Mexico, by the deletion of the following described area:

> TONNESHIP 18 BOUTH, RANGE 35 EAST, MARY Section 3: 1/2 MW/4

(p) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Maxico, to include therein:

TORMSHIP 19 SOUTH, RANGE 23 EAST, HEFT Section 13: 17/2 Section 14: 17/2

(q) EXTERN the West Arkensas Junction-San Andres Pool in Los County, Her Merico, to include therein:

TONNESHIP 18 SOUTH, RANGE 36 BAST, HMPM Section 20: NN/4

(r) EXTERD the Atoks-Yeso Pool in Eddy County, New Mexico, to include therein:

TONNSHIP 18 SOUTH, MANGE 26 BAST, MARYA Section 26: 2/2

(s) EXTEND the Bilbrey-Morrow Gas Pool in Las County, New Maxico, to include therein:

TOWASHIP 22 SOUTH, HANGE 32 EAST, HERE Section 5: NR/4 Section 6: E/2

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

TORNSHIP 15 SOUTH, HANGE 31 HAST, HAPH Section 14: H/2 S/2 and ME/4

(u) EXTEND the Constery-Morrow Gas Pool in Eddy County, New Maxico, to include therein:

TORMSHIP 20 SOUTH, RANGE 25 EAST, HHPM Section 3: S/2 Section 4: All

(v) EXTERD the Comanche Stateline Tansill-Yates-Seven Rivers-Queen Pool in Les County, New Mexico, to include therein:

> TOWNSHIP 26 SOUTH, RANGE 36 EAST, HAPPE Section 26: NW/4 Section 27: NE/4 and E/2 NW/4

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, HRPM Section 35: 5/2 Section 36: W/2

(x) EXTERD the South Hepire-Wolfcamp Pool in Eddy County, Her Mexico, to include therein:

> TORMESHIP 17 SOUTH, RANGE 28 EAST, MHEYM Section 36: E/2 HE/4 TORMESHIP 17 SOUTH, RANGE 29 EAST, NHEPM Section 31: HW/4 and S/2 HE/4

(y) EXTEND the Forty Miner Ridge-Bone Spring Pool in Eddy County, New Mexico, to include therein:

> TOWNSHIP 23 SOUTH, RANGE 30 EAST, MMPH Section 16: SE/4

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(2) EXTERD the Hardy-Tubb Pool in Les County, New Mexico, to include therein:

TOAMSMIP 21 SOUTH, RANGE 36 EAST, HEFM Section 2: Lots 11, 12, 13, 14, and 5/2 Section 11: SW/4

(as) EXTEND the Northeast Lovington-Pennsylvanian Pool in Les County, New Mexico, to include therein:

> TONNELTP 16 SOUTH, RANGE 37 RAST, WHEN Section 20: HW74

(bb) EITERE the West Hilpesand-Pennsylvanian Pool in Roosevelt County, New Mexico, to include therein:

TORNSEIP & SOUTH, RANGE 34 EAST. HREM Section 19: W/2

(cc) EITERD the South Peterson-Pednsylvanian Associated Pool in Roosevelt County, New Markico, to include therein:

> TOWNSHIP 5 SOUTH, MANGE 33 RAST, MIRM Section 30: SE/4 Section 31: N/2 NE/4

TORNESULP 6 SOUTH, MARCE 33 EAST, NEWM Section 15: 5/2

(dd) EXTEND the Bace Track-Sen Andres Pool in Chaves County, New Mexico, to include therein:

TOURSHIP 10 SOUTH, RANGE 28 EAST, NHPM Section 18: NE/4 and S/2 SE/4

(es) EXTERD the Loss Draw-Wolfcamp Gas Pool in Eddy County, New Hex'co, to include therein:

TOGENERIP 26 SOUTH, RANGE 30 EAST, NHPH Section 23: 5/2 Section 26: 11/2

(ff) EXTERD the West Sand Dunes-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, BANGE 31 EAST, RHPM Section 17: 5/2 Section 20: All

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

TONNESHIP 14 SOUTH, RANGE 33 EAST, NHPH Section 21: WE/4

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DOCKET: CONMISSION HEARING - WEDNESDAY - SEPTEMBER 22, 1982 OIL CONSERVATION CONMISSION-MORGAN HALL - 9 A.M. STATE LAND OFFICE BUILDING, SANTA FE, NEW MERICO

The following cases were continued from the August 26, 1982, Commission Mearing:

CASE 7656: Application of Cities Service Company for determination of ressonable well costs, Les County, New Marico. Applicant, in the above-styled cause, pursuant to the provisions of Section 70-2-17 C. MMEA, 1978 Comp., and Paragraph (5) of Division Order No. R-6781, seeks a determination of reasonable well costs for two walls drilled under the provisions of said Order No. R-6781 by Doyle Martman on Lands pooled by said order.

<u>CASE 7657</u>: Application of Harvey X. Yates Company for non-rescission of Order No. R-6873, Chaves County, New Merico. Applicant, in the above-styled cause, seeks the non-rescission of Order No. R-6873, which order pooled certain leads to be dedicated to a proposed Ordovician test well to be drilled thereon, being the W/2 of Section 18, Township 9 South, Hange 27 East. Said order provided that should the unit well not be drilled to completion, or abandonment, within 120 days after commencement thereof, operator shall appear and show cause why the pooling order should not be rescinded.

CASE 7658: (Readvertised)

Application of Hervey 5. Yates Company for a dual completion and downhole commingling, Chaves County, New Maxico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Seymour State No. 1 located in Section 18, Township 9 South, Range 27 East, in such a manner that Abo perforations from 4912 feat to 4929 feet would be commingled with Upper Atoka peforations from 5926 feet to 5952 feat and the aforesaid intervals dually completed with Lower Atoka perforations from 6008 feet to 6048 feet and produced through perallel strings of tubing.

Docker No. 32-82

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

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 13,1982 9 A.M. - MORGAN HALL - STATE LAND OFFICE BUILDING - SANTA FE, NEW MEXICO

	BUILDING - SABIR FE, NEW REALCO
The following	ng cases will be beard before Danial S. Mutter, Exeminer, or Elchard 1. Stamets, Alternate Examiner:
ALLOHABLE:	 Consideration of the allowable production of gas for Novamber, 1982, from fifteen provated pools in Lea, Eddy, and Chaves Counties, New Maxico.
	(2) Consideration of the alloweble production of gas for November, 1982, from four prorated pools in San Juan, Rio Arriba, and Sendoval Counties, New Maxico.
CASE 7638:	(Continued from September 15, 1982, Examiner Hearing)
	In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Cibola Energy Corporation, American Reployers Insurance Company and all other interested parties to appear and show cause why the Simms Ranch Well No. 1, located in Unit N, Section 9, the Clyde Berlier Well No. 1, located in Unit R and the Clyde Berlier Well No. 2, located in Unit F, both in Section 21, the Mora Ranch Well No. 3 located in Unit H and the Mora Ranch Well No. 4, located in Unit M, both in Section 5, all in Township 21 North, Range 21 East, Mora County, should not be plugged and abandoued in accordance with a Division-approved plugging program.
CASE 7637:	(Continued from September 15, 1982, Examiner Hearing)
	In the matter of the hearing called by the Oil Conservation Division on its own motion to permit R.A.F. Enterprises, Firmman's Fund Insurance Company and all other interested parties to appear and show cause why the Shew Well No. 1, located in Unit M. Section 18, Township 4 Morth. Range 8 East, Torrance County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
<u>CASE 7698</u> :	Application of JoelB. Burr, Jr. for a non-standard protection unit and an unorthodox location, San Juan County, Hew Mexico. Applicant, in the above-styled cause, sacks approval for the unorthodox location of a well to be drilled 560 feet from the North line and 2440 feet from the West line of Section 29, Township 30 North, Range 12 West, Fulcher Kutz Pool, and a 120-ecre non-standard pro- ration unit comprising the N/2 NN/4 and SN/4 NN/4 of said Section 29 to be dedicated to the well.
CASE 7696:	(Continued from September 29, 1982, Examinar Hasring)
	Application of Arco Oil and Gas Company for compulsory pooling, Las County, New Maxico. Applicant, in the elever-styled cause, seeks an order pooling all mineral incerance in the Mississippian through Ellenburger formations underlying the E/2 of Section 31, Township 20 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thermon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost inereof 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.
<u>CASE 7699</u> :	Application of Sun Exploration & Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying, the K/2 of Section 12, Township 19 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for Fisk involved in drilling said well.
CASE 7700:	Application of Depco, Inc. for compulsory pooling, Chaves County, New Marico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation underlying the NW/4 of Section 18, Township 5 South, Range 25 East, to be defined as a public to be defined as a starting thermany time to be considered will be

iscluding the Abo formation underlying the BW/4 of Section 18, Township 5 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.

Docket 32-82

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CASE 7701: " Application of Amoco Production Company for salt water disposal, Les Gunty, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Devomion formation in the perforated interval from 12002 feet to 12012 feet in its Federal "A" Well No. 5 located 810 feet from the South line and 1980 feet from the West line of Section 13, Township 9 South, Range 35 East.

(Continued from September 15, 1982, Examiner Bearing)

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

CASE 7666: SW/4 Section 3;

CASE 7668: NW/4 Section 14;

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

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

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

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all sineral interests in the Morrow formation underlying the N/2 of Section 26, Township 14 South, Range 27 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7702: In the master of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowables, contracting, and extending certain pools in Chaves, Eddy, Los, and Receiver's Councies, New Marico:

(a) C2 ATE a new pool in Les County, New Merrico, classified as an oil pool for Charry Canyon production and designated as the Antelope Eidge-Cherry Canyon Pool. Further, to assign approximately 34,590 barrels of discovery allowable to the discovery well the Estoril Production Corporation Triple & Federal Well No. 2 located in Unit J of Section 10, Township 23 South, Eange 34 East, METH. Said pool would comprise:

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

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

> TOWNSHIP 26 SOUTH, RANCE 29 EAST, METH Section 25: SW/4

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(c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvenian production and designated as the West Buffalo Valley-Pennsylvenian Gas Pool. The discovery well is the Claments Energy, Inc. Drums Com Well No. 1 located in Unit E of Section 33, Township 14 South. Range 26 East, WRM. Said pool would comprise:

Section	14	SOUTH,	JANGE	26	EAST,	NMPM.
Section :	33:	ALL			_	
Section	34 :	A11				
Section	35.	A13				

(d) CREATE a new pool in Lee County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Grams Bidge-Wolfcamp Gas Pool. The discovery well is the BNG 0il Company San Simon 19 State Well No. 1 located in Unit J of Section 19, Township 21 South, Range 35 East, NEWM. Said pool would comprise:

> TOMESHIP 21 SOUTH, RANGE 35 EAST, HEPH Section 19: 5/2

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

> TONNEMITP 20 SOUTH, MANGE 39 RAST, MARYA Section 17: Lots 1 and 2 and MW/4

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

> TORMSHIP 14 SOUTE, RANGE 36 RAST, RAPH Section 3: MR/4

(g) CFEATE a new pool in Chaves County, Hew Maxico, classified as a gas pool for Pennsylvanian production and designated as the Pains Mess-Pennsylvanian Gas Pool. The discovery wall is the Rault Petroleum Corporation Hamled State Well Ho. 1 located in Unit M of Section 13, Township 8 South, Range 27 East, HEM. Said pool Would comprise:

TORNSHIP 8 SOUTH, RANCE 27 PAST, MATH Section 13: \$/2

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

> TONESHIP 8 SOUTE, RANGE 33 EAST, MEPH Section 31: ME/4

(1) EXTERD the Anstin-Mississippian Gas Pool in Las County, New Mexico, to include therein:

TORNSHIP 13 SOUTH, RANGE 36 ELST, MMPM Section 32: 5/2

(j) EXTERN the Blinebry Oil and Gas Pool in Las County, New Merrico, to include therein:

TORNESHIP 21 SOUTH, RANCE 37 EAST, HAPM Section 7: SE/4

TORNSHIP 22 SOUTH, RANCE 37 EAST, NORM Section 6: SH/4 Section 7: N/2 Page 4 of 5 Examiner Hearing - WEDNESDAY - October 13, 1982

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(k) EXTERD the Bootlag Ridge-Morrow Gas Pool in Las County, New Maxico, to include therein:

TORNELLE 22 SOUTH, MARCE 33 EAST, HARM Section 7: 2/2

(1) EXTERD the Buckeys-Abo Pool in Les County, New Mexico, to include therein:

TOURSHIP 18 SOUTH, RANCE 35 RAET, HAPN Section 4: SE/4

(E) INTER: the Buffelo-Pennsylvanian Gas Pool in Las County, Haw Maxico, to include therein:

DOMESHIP 19 COUTH, RANGE 33 EAST, MAPH Section 9: 5/2

(a) EXTERD the Carlabed-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

> TOURISHIP 22 SOUTH, RANGE 27 EAST, WHEN Section 16: All Section 21: M/2

(o) ETTERD the Cato-San Andres Pool in Chases County, New Moxico, to include therein:

TURNERIP 9 SOUTH, RANCE 30 RAST, MEN. Section 7: 55/4

(p) EXTERNO the South Corbin-Wolfcamp Pool in Les County, New Maxico, to include thereix:

TORMSHIP 18 SOUTH, MANCE 33 EAST, MARK Section 17: SE/4 Section 18: E/2 Section 20: MH/4

(q) EXTERN the Diamond Mound Atoka-Morrow Gas 2001 11 Chayes County, New Mexico, to include thereis:

> TORMCHIP 15 SOUTH, RANCE 27 RAST, MARM. Saction 34: 8/2

(r) EXTERNO the EK-Bone Spring Pool in Los County, New Maxico, to include therein:

TORNELLY 18 SOUTH, RANCE 34 RAST, MARNE Section 30: 50/4

(s) ETTEND the Empire-abo Pool in Eddy County, New Merico, to include therein:

> TONNESHIP 17 SOUTH, RANCE 29 EAST, MAPH Section 19: SE/4 Section 30: #/2 ME/4 -

(t) EXTERN the East Gen-Morrow Gas Pool in Les County, New Merrico, to include therein:

TORMERLE 19 SOUTH, RANGE 33 SAST, NUMER Section 25: E/2 and SW/4 Section 35: \$/2

(u) EXTERN the East Gramm Ridge-Morrow Gas Pool in Les County, New Mexico, to include therein:

TOAMSHIP 21 SOUTH, RANCE 35 EAST, WHEN Section 31: W/2 Section 32: W/2

Docket No. 32-82

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(v) EXEMP the Mat Mana-Morrow Gas Pool in Les County, New Maxico, to include therein:

TOMMETER 21 SOUTH, RANCE 32 EAST, MORE Section 9: E/2

(w) SITTNO the Indian Flace-Merrow Gas Pool in Eddy County. Her Marico, to include therein:

> TURNETTP 21 BOUTH, RANGE 28 PAST, MPh. Section 36: \$/2

(x) EXTERD the South Remmits-Atoka-Morrow Gas Pool in Les County. Her Herico, to incluin therein:

TONNESSIP 16 SOUTH, RANCE 34 RAST, WETH Section 20: 3/2

(y) SITERO the Langlia Mattix-Soven Rivers-Queen-Grayburg Pool in Les County, New Marico, to include thermin:

> TORNELLP 22 SOUTH, RANCE 37 EAST, MEM Section 35: ME/4

BORNELLY 25 SOUTH, BARCE 38 RAST, MEN Section 30: SE/4

(z) EXTEND the Linds-Sen Andres Pool in Cheves County, New Mexico, to include therein:

TORMARITY 6 SOUTH, RADGE 26 EAST, METH Section 32: W/2 ME/4, 8/2 MM/4 and WE/4 SE/4

(es) EXTERNO the North Lowing-Horrow Gas Pool in Eddy County, New Mexico, to include therein:

TORMERTP 23 SOUTH, RANGE 27 EAST, MERK Section 13: 1/2

(bb) EXTERN the Lowington-Abo Pool in Los County, New Maxico, to include therein:

TONNOLLP 16 SOUTH, BANGE 37 EAST, MERK Section 28: 8/2

(cc) EXTEND the Heljemer-Grayburg-See Andres Pool in Los County, New Mexico, to include therein:

TORMELP 17 SOUTH, RANGE 32 EAST, MERH Section 1: MR/4

TOUNCHIP 17 SOUTH, RANGE 33 EAST, MEN Section 24: SH/4

(dd) EXTERD the Peccé Slope-Abs Gas Pool in Chaves County, Saw Maxico, to include therein:

TORNERLIP 6 SOUTH, RANGE 26 EAST, HAPH Section 9: 5/2 Section 10: All

TORNERLY 7 SOUTH, RANCE 26 EAST, HAPPY Section 1 through 4: All Section 11: E/2 Section 12 through 14: All Section 23 through 26: All Section 35 and 36: All

Docket No. 32-82

Page 6 of 6 Examiner Heering - Hedneeday - October 13, 1982

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Totmesmir & sourim, manual 26 MAST, Hoppe Soction 1: All Section 2: All Section 7: Al; Section 10: All Section 10: All Section 20: W/2 Section 20: W/2 Section 20 through 32: All

(ce) EXTERD the Sand Point-Atoks Gas Pool in Eddy County, New Maxico, to include therein:

TOMESHIP 21 SOUTH, BANGE 28 EAST, MEPH Section 10: 8/2

(ff) EXTERD the Skagge-Abo Gas Pool in Les County, Hew Maxico, to include therein:

TORNERILP 20 SOUTH, BANGE 37 PAST, HAPH Section 11: SE/4 Section 12: ME/4, W/2 and W/2 SE/4 Section 14: W/2

(gg) EXTEME the Touchesk-Sun Amires Pool in Ressevelt County, New Maxico, to include therein:

TORNSHIP 7 SOUTH, RANGE 32 EAST, MEN Section 19: ME/4

(bh) EXTERO the Tower-Sem Andres Pool in Chavis County. How Mexico, to include therein:

TORNESHIP 11 SOUTH, RANCE 31 RAST, MAPH Section 3: SH/4

(11) EXTERD the Turkey Track-Seven Rivers-Quan Grayburg Fool in Mary County, New Maxico, to include therein:

> TOWNSHIP 18 SOUTH, RANGE 29 HAST, MUTH Section 22: SE/4

(jj) EXTERD the Vector-Grayburg-Sam Amires Pool in Les County, New Maxico, to include therein:

TORNSHIP 17 SOUTH, RANGE 36 EAST, MAPH Section 32: SU/4

(kk) EXTERD the Vada-Pennsylvanian Pool in Les County, New Maxico, to include therein:

TOWNSHIP 9 SOUTH, PANGE 33 EAST, MAPH Section 12: SW/4 Section 13: WW/4 Section 14: E/2 and SW/4 Section 23: HE/4



P 331 614 768

RECEIPT FOR CERTIFIED MAIL NO INSURANCE COVERAGE PROVIDED-NOT FOR INTERNATIONAL MAIL (See Reverse) SENT TO R.A.F. Enterprises STREET AND NO. P. O. Box 3487 P.O. STATE AND ZIP CODE Albuquerque, N.M.87110 POSTAGE CERTIFIED FEE SPECIAL U.L. RESTRICTED PULIVER I SHOW TO WHON AND DATE DELIVER D SHOW TO WHON AND DATE DELIVER D SHOW TO WHON AND D DATE DELIVERY SHOW TO WHON AND D SHOW TO WHON AND D DELIVERY SHOW TO WHON AND D SHOW TO WHON AND D DELIVERY DELIVER SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY SHOW TO WHOME DATE AND ADDRESS OF DELIVERY WITH RESTRICTED PUPPERY 1976 Apr POSTMARK OR DATE 3800 PS Form LATLE COPY

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STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT OIL CONSERVATION DIVISION

BRUCE KING

August 9, 1982

FORT OFFICE BOX 2008 STATE LAND OFFICE BLALONG SANTA FE, NEW MENICO 07801 (205) 827-3434

CERTIFIED - RETURN RECEIPT REQUESTED

R.A.F. Enterprises P. O. Box 3487 Albuquerque, New Mexico 87110

Fireman's Fund P. O. Box 30227 Albuquerque, New Mexico 87100

> Re: Shaw Well No. 1, located in Unit M of Section 18, Township 4 North, Range 8 East, Torrance County Plugging Bond

Gentlemen:

Enclosed is a copy of the docket of the Examiner Hearing to be held on Wednesday, August 18, 1982, at 9 o'clock a.m. in Morgan Hall, State Land Office Building, Santa Fe, New Mexico. Case 7637 concerns the above captioned subject matter.

Sincerely,

W. PERRY PEARCE General Counsel

WPP/fd .enc. Dockets Nos. 27-82 and 28-82 are tentatively set for September 1 and September 15, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 18, 1982

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

The following cases will be heard before Daniel 5. Mutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- ALCONNELE: (1) Consideration of the allowable production of gas for September, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Nexico.
 - (2) Consideration of the allowable production of gas for September, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- <u>CASE 7635</u>: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO₂-IR-Action, Travelers Indomnity and all other interested parties to appear and show cause why the Trigg Well No. 3 located in Unit J, Section 25, Township 15 North, Range 28 East, San Higuel County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7636: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO2-In-Action, Travelers Indemnity and all other interested parties to appear and show cause why the Amistad No. 1 located in Unit E of Section 18, and the Amistad No. 2 located in Unit D of Section 7, both in Township 19 North, Range 36 East, Union County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

TASE 7637: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit R.A.F. Enterprises, Fireman's Fund Insurance Company and all other interested parties to appear and show cause why the Shaw Well No. 1, located in Unit N, Section 18, Township 4 North, Range 8 East, Torrance County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7638: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Cibola Energy Corporation, Mid-Continent Casuaity Commany, and all other interested parties to appear and show cause why the Simms Ranch Well No. 1, located in Unit N, Section 9, the Clyde Berlier Well No. 1, located in Unit K and the Clyde Berlier Well No. 2, located in Unit F, both in Section 21, the Hora Ranch Well No. 3 located in Unit H and the Mora Ranch Well No. 4, located in Unit M, both in Section 5, all in Township 21-North, Range 21 East, Nora County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7639: Application of Acoma Oil Corporation for downhole commingling, lea County, New Mexico. Applicant, in the above-sigled cause, seeks approval for the downhole commingling of Wantz Abo, Drinkard and Blinebry Pool production in the wellbore of its S. J. Starkeys Lease Well No. 2, located in Unit B of Section 26, Township 21 South, Range 37 East.

CASE 7640: 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 in all formations from the surface down through and including the Abo formation in and under the NE/4 NE/4 of Section 12, Township 20 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.

<u>CASE 7641</u>: Application of Reading & Bates Petroleum Co. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from the surface down through the Devonian formation underlying the NW/4 SE/4 of Section 33, Township 14 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.

<u>CASE 7642</u>: Application of Eoyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface through the Jalmat Pool, underlying a previously approved 120-acre non-standard proration unit comprising the S/2 NE/4 and NE/4 NE/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to a well to be drilled at a previously approved unorthodox location. 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 à charge for risk involved in drilling said well.

Docket No. 26-82

Page 2 of 3 EXAMINER HEARING - WEDNESDAY - AUGUST 18, 1982

<u>CASE 7643</u>: Application of Texaco, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the W/2 NE/4 of Section 33, Township 16 South, Range 37 East, Casey-West Knowles Area, 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.

<u>CASE 7650</u>: Application of Texaco Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 NE/4 of Section 33, Township 16 South, Range 37 East, Casey-Nest Knowles Area, 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 7644: Application of Rault Petroleum Corporation & McKay Petroleum Corporation for compulsory pooling, De Baca County, New Nexico. 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 SM/4 of Section 33, Township 3 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- <u>CASE 7645</u>: Application of Stevens Operating Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface down to the base of the Abo formation underlying the NE/4 of Section 29, Township 7 South, Range 26 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 7652: Application of Conoco Inc. for compulsory pooling, Eddy County, New Mexicc. Applicant, in the above-styled cause; seeks an order pooling all mineral interests in the Cisco formation underlying all of partial Sections 34 and 35, Township 20 1/2 South, Range 23 East, underlying a previously approved 688-acre non-standard proration unit. to be dedicated to a well at a previously approved unorthodox location which is to be re-entered. Also to be considered will be the cost of re-entering 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.
- <u>CASE 7646</u>: Application of Tenneco Oil Company for an unorthodox gas well location, Lea County, New Mexico. Appliant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian gas well to be drilled 1855 feet from the North line and 660 feet from the East line of Section 25, Township 16 South, Range 33 East, the N/2 of said Section 25 to be dedicated to the well.
- CASE 7651: Application of Nortex Gas & Oil Company for the amendment of Order No. R-6903, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6903 to provide that non-consenting working interest owners shall have thirty days following final adjudication of title in which to pay their proportionate share of well costs.
- CASE 7647: Application of Guest Energy 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 San Andres formation in the open hole interval from 4150 feet to 5600 feet in its State A Well No. 2, located in Unit L of Section 26, Township 14 South, Range 33 East.
- <u>CASE 7653</u>: Application of Rio Pecos Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Chaverlea-North Federal Unit Area, comprising 1,920 acres, more or less, of Federal and Fee lands in Township 8 South, Range 31 East.
- <u>CASE 7648</u>: Application of Rio Pecos Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Pennsylvanian formation, underlying the W/2 of Section 35, Township 18 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.

Page 3 of 3 EXAMINER HEARING - WEDNESDAY - AUGUST 18, 1982 Docket No. 26-82

- CASE 7654: Application of Rault Petroleum Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location for an undesignated Pennsylvanian gas well to be drilled 600 feet from the South line and 660 feet from the West line of Section 13, Township & South, Range 27 East, the S/2 of said Section 13 to be dedicated to the well.
- CASE 7306: (Reopened)

In the matter of Case 7306 being reopened pursuant to the provisions of Order No. R-6769 which promulgated temporary pool rules for Nedera-Lower Penn Gas Pool in Lea County, including provision for 640-acre spacing units. All interested parties may appear and show cause why said pool should not be developed on 320-acre spacing.

<u>CASE 7655</u>: 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 from the surface down through the Abo formation underlying the NN/4 of Section 20, Township 7 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASES 7528 and 7529: (Continued from July 7, 1982, Examiner Hearing)

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

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

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

CASE 7649: Application of Southern Union Exploration Company for retroactive examption, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, seeks the retroactive exemption from Section 5 of the New Mexico Natural Gas Pricing Act of the following Basin Dakota infill wells: Jicarilla A No. 13-E in Unit N of Section 13 and Jicarilla A No. 10-E in Unit G of Section 23, both in Township 26 North, Range 4 West, and Jicarilla K No. 15-E in Unit A of Section 1, Township 25 North, Range 5 West, all in Rio Arriba County, and the Hodges No. 15-E in Unit J of Section 27, Township 26 North, Range 8 West. Each of the aforesaid wells was subject to the New Mexico Natural Gas Pricing Act until exempted from same by the Division on July 23, 1982, and applicant seeks the retroactive exemption of each of said wells to date of first delivery into the pipeline which ranges from December 24, 1980 to January 11, 1982.

CASE 7594: (Continued from July 21, 1982, Examiner Hearing)

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

Finds: (1) The subject where his use as a writer in the land owner for his use as a writer in this case thanks be disinisted . BEST AVAILABLE COPY