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CASE NO.

7638

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

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

27 October 1982

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the OCD on its own motion to permit Cibola Energy Corporation, et al, to appear and show cause why certain four wells in Mora County should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE  
7638

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:

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. 7638  
heard by me on 10-27-1982

Richard R. Lamm, Examiner  
Oil Conservation Division

SALL. W. BOYD, C.S.R.

El. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7489

1  
2 MR. STAMETS: We'll call next Case 7638,  
3 again in the matter of the -- in the matter of the hearing  
4 called by the Division on its own motion to permit Cibola  
5 Energy Corporation, American Employers Insurance Company, and  
6 other interested parties to appear and show cause why the  
7 Simms Ranch Well No. 1, the Clyde Berlier Well No. 1, and  
8 No. 2, the Mora Ranch Well No. 3, and the Mora Ranch Well No.  
9 4, should not be plugged and abandoned in accordance with a  
10 Division-approved plugging program.

11 MR. PEARCE: Mr. Examiner, I am W. Perry  
12 Pearce, appearing in this matter on behalf of the New Mexico  
13 Oil Conservation Division.

14 We request that this matter be dismissed.

15 MR. STAMETS: Case 7638 will be dismissed.  
16

17 (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. 7638  
heard by me on 10-27 1982

Richard R. Starnes, Examiner  
Oil Conservation Division

SALL. 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  
13 October 1982

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Division on its own motion to permit Cibola Energy Corporation, et al, to appear and show cause why certain wells in Mora County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE  
7638

BEFORE: Daniel S. Nutter

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. NUTTER: Call Case Number 7638, which  
3 is in the matter of the hearing called by the OCD on its own  
4 motion to permit Cibola Energy Corporation, American Em-  
5 ployers Insurance Company and all other intereste parties to  
6 appear and show cause why certain wells in Mora County, New  
7 Mexico, should not be plugged and abandoned in accordance with  
8 a Division-approved plugging program.

9 MR. PEARCE: May it please the Examiner,  
10 I am W. Perry Pearce, appearing in this matter on behalf of  
11 New Mexico Oil Conservation Division.

12 We request that this matter be continued  
13 until the Examiner Hearing scheduled to be held October 27th  
14 of 1982.

15 MR. NUTTER: Case Number 7638 will be  
16 continued to the Examiner Hearing scheduled to be held at  
17 this same place at 9:00 o'clock a. m. October 27, 1982.

18  
19 (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 examination hearing of Case No. 7658  
heard by me on 10/13 1982.

[Signature], Examiner  
Oil Conservation Division

SALL. BOYD, C.S.R.  
1 Box 179-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  
15 September 1982

EXAMINER HEARING

CASE 7638

IN THE MATTER OF:

The hearing called by the Oil Conserva-  
tion Division on its own motion to permit  
Cibola Energy Corporation, et al, to ap-  
pear and show cause why certain wells in  
Mora County should not be plugged and  
abandoned in accordance with a Division-  
approved plugging program.

BEFORE: Daniel S. Nutter

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. NUTTER: We'll call first Case 7638,  
3 which is in the matter of the hearing called by the OCD on  
4 its own motion to permit Cibola Energy Corporation, American  
5 Employers Insurance Company, and other interested parties to  
6 show cause why certain wells in Mora County, New Mexico, should  
7 not be plugged and abandoned in accordance with a Division-  
8 approved plugging program.

9 MR. PEARCE: Mr. Examiner, I am W. Perry  
10 Pearce, appearing in this matter on behalf of the applicant  
11 and the applicant requests that this matter be continued un-  
12 til the hearing which has been set for October the 13th, 1982.

13 MR. NUTTER: Case Number 7638 will be  
14 continued to the Examiner Hearing set to be held at this same  
15 place at 9:00 o'clock a. m. October 13th, 1982.

16  
17 (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 complete record of the proceedings in the Examiner hearing of Case No. 7628 heard by me on 9/15 1982

[Signature], Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Box 197-B  
Sandy Pt., New Mexico 87501  
Phone (505) 453-7409

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

EXAMINER HEARING

IN THE MATTER OF:

The hearing called by the Oil Conservation Division on its own motion to permit Cibola Energy Corporation and all other interested parties to appear and show cause why a certain well in Mora County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE  
7638

BEFORE: Daniel S. Nutter

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. NUTTER: We'll next call Case Number  
3 7638, which is in the matter -- which is advertised in the  
4 matter of the hearing called by the OCD on its own motion to  
5 permit Cibola Energy Corporation and Mid-Continent Casualty  
6 Company to -- and other interested parties, to appear and show  
7 cause why certain wells in Mora County, New Mexico, should not  
8 be plugged and abandoned in accordance with a Division-approved  
9 plugging program.

10 This notice contains an error. The in-  
11 surance company on the bond in this case is not Mid-Continent  
12 Casualty Company.

13 The case will be re-advertised for hearing  
14 and continued at this time to the Examiner Hearing scheduled  
15 to be held at this same place at 9:00 o'clock a. m. September  
16 15th, 1982.

17  
18 (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 complete record of the proceedings in the Examiner hearing of Case No. 763, heard by me on 8/18 1982.

[Signature], Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Box 193-B

Sanita Fe, New Mexico 87301

Phone (505) 455-7409





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. 7638  
Order No. R-7124

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION DIVISION ON ITS OWN MOTION TO PERMIT CIBOLA ENERGY CORPORATION, AMERICAN EMPLOYERS INSURANCE COMPANY AND ALL OTHER INTERESTED PARTIES TO APPEAR AND SHOW CAUSE WHY THE 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, 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.

ORDER OF THE DIVISION

BY THE DIVISION:

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

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

FINDS:

That all of the subject wells have been plugged except the Simms Ranch Well No. 1 which has been approved for temporary abandonment as a shut-in gas well, and this case should be dismissed without prejudice.

IT IS THEREFORE ORDERED:

That Case No. 7638 is hereby dismissed without prejudice.

-2-

Case No. 7638  
Order No. R-7124

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



S E R B

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Joe D. Ramey*  
JOE D. RAMEY  
Director

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

DOCKET: COMMISSION HEARING - TUESDAY - OCTOBER 26, 1982

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

CASE 7636: (Continued from September 22, 1982, Commission Hearing)

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

Docket No. 34-82

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 27, 1982

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

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

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

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

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

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

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

CASE 7710: Application of Getty Oil Company for a unit agreement, Sierra County, New Mexico. Applicant, in the above-styled cause, seeks approval for the West Elephant Butte Unit Area, comprising 25,968 acres, more or less, of State, Federal, and fee lands in Townships 12 and 13 South, Ranges 4 and 5 West.

CASE 7704: Application of Mesa Petroleum Co. for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 158 feet from the South line and 2055 feet from the East line of Section 33, Township 5 South, Range 25 East, Undesignated Abo Pool, the SE/4 of said Section 33 to be dedicated to the well.

CASE 7705: Application of Johnson and Price for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 1500 feet from the North line and 1980 feet from the East line of Section 22, Township 15 South, Range 38 East, Medicine Rock-Devonian Pool, the W/2 NE/4 of said Section 22 to be dedicated to the well.

CASE 7706: Application of Johnson and Price for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down to and including the Devonian formation underlying the W/2 NE/4 of Section 22, Township 15 South, Range 38 East, to be dedicated to a well to be drilled at an unorthodox location 1500 feet from the North line and 1980 feet from the East line of said Section 22. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

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

Application of Forister & Swartz for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Southeast Chaves Queen Gas Area underlying the E/2 of Section 5, Township 13 South, Range 31 East, to be dedicated to a well to be drilled at an unorthodox location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7707: Application of Yates Petroleum Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4,009 feet to 4,217 feet in its Champlix "UL" Federal Well No. 1 located in Unit 7 of Section 12, Township 8 South, Range 31 East.CASES 7708 and 7709: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico.

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

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

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

CASE 7711: Application of Julian Ard for the amendment of Division Order No. R-6903, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6903 which said order pooled all mineral interests in the Morrow formation underlying the E/2 of Section 23, Township 20 South, Range 33 East, to provide that all of the Wolfcamp and Pennsylvanian formations would be pooled thereunder.CASE 7681: (Continued and Readvertised)

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

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

Application of Arco Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian through Ellenburger formations underlying the E/2 of Section 31, Township 20 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

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

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

CASE 7712: SE/4 Section 21

CASE 7713: SW/4 Section 21

CASE 7714: SE/4 Section 31

All in Township 8 South, Range 26 East.

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

Application of JJ-CC, Limited for compulsory pooling, Chavez 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: NW/4 Section 4, Township 5 South, Range 24 East

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

CASE 7667: (Continued from September 15, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chavez County, New Mexico. Applicant, in the above-styled cases, seeks an order pooling all mineral interests down through the Abo formation underlying the NW/4 of Section 4, Township 5 South, Range 24 East, to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

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

Application of Conoco, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cases, 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 600-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.

CASE 7504: (Continued from August 18, 1982 Examiner Hearing)

Application of Harvey E. Yates Company for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cases, 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.

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

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 13, 1982

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

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

- ALLOWABLES:**
- (1) Consideration of the allowable production of gas for November, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
  - (2) Consideration of the allowable production of gas for November, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7636: (Continued from September 15, 1982, Examiner Hearing)

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

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

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

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

CASE 7696: (Continued from September 29, 1982, Examiner Hearing)

Application of Arco Oil and Gas Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mississippian through Ellenburger formations underlying the E/2 of Section 31, Township 20 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7699: Application of Sea 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 E/2 of Section 12, Township 19 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 7700: Application of Depco, Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation underlying the NW/4 of Section 18, Township 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.

Examiner Hearing - Wednesday - October 13, 1982

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

(Continued from September 15, 1982, Examiner Hearing)

**CASES 7666, 7668, and 7669:** Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant in each of the three following cases, seeks an order pooling all mineral interests down through the Abo formation underlying the lands specified in each case, each to form a standard 160-acre gas spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Also to be considered in each case will be the cost of drilling and completing 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 East.

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

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

**CASE 7702:** In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning discovery allowables, contracting, and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Antelope Ridge-Cherry Canyon Pool. Further, to assign approximately 34,590 barrels of discovery allowable to the discovery well the Estoril Production Corporation Triple A Federal Well No. 2 located in Unit J of Section 10, Township 23 South, Range 34 East, N26E. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, N26E  
Section 10: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cherry Canyon production and designated as the Brushy Draw-Cherry Canyon Pool. Further, to assign approximately 25,410 barrels of discovery allowable to the discovery well, the J. C. Williamson UCBHW Federal Well No. 1 located in Unit H of Section 25, Township 26 South, Range 29 East, N26E. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, N26E  
Section 25: SW/4



- (c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the West Buffalo Valley-Pennsylvanian Gas Pool. The discovery well is the Clements Energy, Inc. Drumm Com Well No. 1 located in Unit E of Section 33, Township 14 South, Range 26 East, N26E. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 26 EAST, N26E

Section 33: All

Section 34: All

Section 35: All

- (d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the North Grana Ridge-Wolfcamp Gas Pool. The discovery well is the HSC Oil Company San Simon 19 State Well No. 1 located in Unit J of Section 19, Township 21 South, Range 35 East, N26E. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, N26E

Section 19: S/2

- (e) CREATE a new pool in Lea 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 E of Section 17, Township 20 South, Range 39 East, N26E. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, N26E

Section 17: Lots 1 and 2 and NW/4

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the McDonald-Devonian Pool. The discovery well is the Harvey E. Yates Company McDonald Unit Well No. 2 located in Unit D of Section 3, Township 14 South, Range 36 East, N26E. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 36 EAST, N26E

Section 3: NW/4

- (g) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the Palma Mesa-Pennsylvanian Gas Pool. The discovery well is the Rault Petroleum Corporation Haulad State Well No. 1 located in Unit H of Section 13, Township 8 South, Range 27 East, N26E. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, N26E

Section 13: S/2

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

TOWNSHIP 8 SOUTH, RANGE 33 EAST, N26E

Section 31: NE/4

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

TOWNSHIP 13 SOUTH, RANGE 36 EAST, N26E

Section 32: S/2

- (j) EXTEND the Blinberry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, N26E

Section 7: SE/4

TOWNSHIP 22 SOUTH, RANGE 37 EAST, N26E

Section 6: SW/4

Section 7: N/2

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

TOWNSHIP 22 SOUTH, RANGE 33 EAST, N2PM  
Section 7: E/2

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, N2PM  
Section 4: SE/4

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, N2PM  
Section 9: S/2

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

TOWNSHIP 22 SOUTH, RANGE 27 EAST, N2PM  
Section 16: All  
Section 21: N/2

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

TOWNSHIP 9 SOUTH, RANGE 30 EAST, N2PM  
Section 7: SE/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, N2PM  
Section 17: SW/4  
Section 18: E/2  
Section 20: NW/4

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

TOWNSHIP 15 SOUTH, RANGE 27 EAST, N2PM  
Section 34: N/2

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

TOWNSHIP 18 SOUTH, RANGE 34 EAST, N2PM  
Section 30: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 29 EAST, N2PM  
Section 19: SE/4  
Section 30: N/2 NE/4

- (t) EXTEND the East Gam-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, N2PM  
Section 25: E/2 and SW/4  
Section 35: S/2

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

TOWNSHIP 21 SOUTH, RANGE 35 EAST, N2PM  
Section 31: N/2  
Section 32: N/2

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

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

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NNPM  
Section 35: E/2

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

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

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

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

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

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

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

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

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

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

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NNPM  
Section 28: S/2

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

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

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

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

TOWNSHIP 6 SOUTH, RANGE 26 EAST, NNPM  
Section 9: S/2  
Section 10: All

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NNPM  
Section 1 through 4: All  
Section 11: E/2  
Section 12 through 14: All  
Section 23 through 26: All  
Section 35 and 36: All

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM

Section 1: All  
Section 2: All  
Section 7: All  
Section 18: All  
Section 19: All  
Section 20: W/2  
Section 28: W/2  
Section 29 through 32: All

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

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 10: N/2

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

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 11: SE/4  
Section 12: NW/4, W/2 and N/2 SE/4  
Section 14: N/2

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

TOWNSHIP 7 SOUTH, RANGE 32 EAST, NMPM

Section 19: NE/4

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

TOWNSHIP 11 SOUTH, RANGE 31 EAST, NMPM

Section 3: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 22: SE/4

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

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Section 32: SW/4

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM

Section 12: SW/4  
Section 13: NW/4  
Section 14: E/2 and SW/4  
Section 23: NE/4

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

DOCKET: EXAMINER HEARING WEDNESDAY-SEPTEMBER 15, 1982

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

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

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7638: (Continued and Readvertised)

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

CASE 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, 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 North, Range 8 East, Torrance County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

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

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO<sub>2</sub>-In-Action, Travelers Indemnity 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 Miguel 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 hearing called by the Oil Conservation Division on its own motion to permit CO<sub>2</sub>-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.

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 Mexico. 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 Javalina Basin Unit Area, comprising 3,840 acres, more or less, of State and Federal lands in Township 25 South, Range 34 East.

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

- CASE 7676:** Application of Tenneco Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from 4970 feet to 4982 feet in its Jennings Fed. Well No. 3 located in Unit 8 of Section 14, Township 24 South, Range 32 East.
- CASE 7677:** Application of Anadarko Production Company for a waterflood expansion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Teas Yates Waterflood Project by converting two wells located in Unit F of Sections 13 and 14, Township 27 South, Range 33 East and drilling three new injection wells at unorthodox locations in Units M of Section 11 and Unit L of Section 13, Township 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, Lea County, New Mexico. Applicant in the above-styled cause, seeks authority to institute a pressure maintenance project in the Vacuum Grayburg-San Andres Pool by the injection of water into the Grayburg San Andres formation through eight injection wells to be drilled at unorthodox locations in Section 35, Township 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 East line; 1310 feet from the South line and 1330 feet from the West line; 1310 feet from the South line and 10 feet from the East line; 10 feet from the South line and 1310 feet from the East line; 1330 feet from the North line and 1310 feet from the West line; and 1330 feet from the North line and 10 feet from the West line. Applicant also proposes two production wells at unorthodox locations in said 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 Ralph Mix for an oil treating plant permit, 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 NE/4 of Section 18, Township 19 South, Range 26 East.
- CASE 7671:** (Continued from September 1, 1982, Examiner Hearing)  
Application of Texas Eastern Developments, Inc. for an exception to Rule 307, San Juan County, New Mexico. Applicant in the above-styled cause, seeks an exception to Rule 307 of the Division Rules and Regulations to permit it to draw a vacuum on the Shiprock Gallup Oil Pool reservoir through 16 wells in Sections 16 and 17, Township 29 North, 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.
- CASE 7679:** Application of C & K Petroleum, Inc. for the amendment of Order No. R-4857-A and for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-4857-A to provide that the lands pooled by said order shall be the W/2 SE/4 of Section 27, Township 16 South, Range 37 East, dedicated to its Ship 27 Well No. 2 located in Unit O in said Section 27. Applicant further seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 SE/4 of the aforesaid Section 27, to be dedicated to a well to be drilled in Unit P of said Section 27. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7680:** Application of Unichem International, Inc. for an exception to Order No. R-3221, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Order No. R-3221 to permit the commercial disposal of produced brine into several unlined surface pits located in Section 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.

CASE 7682: Application of Cibola Energy Corporation for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Mississippian gas well drilled 330 feet from the North line and 330 feet from the West line of Section 34, Township 11 South, 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 Mexico. 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, Township 29 North, Range 15 West, to be dedicated to a well 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 7684: Application of R. E. Lauritsen for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gallup and Dakota 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.

CASE 7685: Application of Cimarron Energy Corporation for an unorthodox location, Eddy County, New 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 Readvertised)

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

CASE 7529: NE/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 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 7666: SW/4 Section 3;

CASE 7667: NW/4 Section 4;

CASE 7668: NW/4 Section 14;

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

CASE 7669: NW/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, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the W/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.

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CASE 7552: (Continued from August 18, 1982, Examiner Hearing)

Application of Conoco Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco formation underlying all of partial Sections 34 and 35, Township 20 1/2 South, Range 23 East, underlying a previously approved 688-acre non-standard proration unit, to be dedicated to a well at a previously approved unorthodox location which is to be re-entered. Also to be considered will be the cost of re-entering 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 Hearing)

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 certain pools in Chaves, Eddy, Lea and Roosevelt Counties, New Mexico:

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

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

- (b) CREATE a new pool in Lea County, New Mexico 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 Humble City Unit Well No. 1 located in Unit D of Section 36, Township 17 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM  
Section 36: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 35 EAST, NMPM  
Section 11: N/2

- (d) CREATE a new pool in Lea County, New Mexico, 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 G of Section 25, Township 25 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM  
Section 25: SE/4

- (e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the McMillan-Upper Pennsylvanian Gas Pool. The discovery well is the Southland Royalty Company Pacos River Federal 20 Com Well No. 1 located in Unit J of Section 20, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

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

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

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM  
Section 8: W/2



- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the West Medina-Tubb Pool. The discovery well is the Tamarack Petroleum Company, Inc. Korumay A Well No. 1 located in Unit F of Section 9, Township 20 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 36 EAST, NMPM  
Section 9: NW/4

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

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM  
Section 32: W/2

- (i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yaso production and designated as the Seven Rivers-Yaso Pool. The discovery well is Chama Petroleum Corporation Iremi Federal Well No. 1 located in Unit W of Section 34, Township 19 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 34: SW/4

- (j) CREATE a new pool in Lea County, New Mexico, 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 A Well No. 12 located in Unit G of Section 12, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM  
Section 12: NW/4

- (k) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the Teague-Tubb Pool. The discovery well is the Alpha Twenty-One Production Company Lea Well No. 2 located in Unit A 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

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

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

- (m) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Welch-Bone Spring Pool. The discovery well is the Quamah Petroleum, Inc. Ray 3 Federal Com Well No. 1 located in Unit K of Section 9, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM  
Section 9: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM  
Section 3: W/2 NW/4

Examiner Hearing - WEDNESDAY - SEPTEMBER 15, 1982

- (o) CONTRACT the horizontal limits of the Vacuum-Abo Reef Pool in Lea County, New Mexico, by the deletion of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM  
Section 3: E/2 NW/4

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

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM  
Section 13: W/2  
Section 14: W/2

- (q) EXTEND the West Arkansas Junction-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 36 EAST, NMPM  
Section 20: NW/4

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

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

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

TOWNSHIP 27 SOUTH, RANGE 32 EAST, NMPM  
Section 5: NW/4  
Section 6: E/2

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

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM  
Section 14: W/2 S/2 and NE/4

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM  
Section 3: S/2  
Section 4: All

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

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

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

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 35: S/2  
Section 36: W/2

- (x) EXTEND the South Empire-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 36: E/2 NE/4

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 31: NW/4 and S/2 NE/4

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

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

- (a) EXTEND the Hardy-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM  
Section 2: Lots 11, 12, 13, 14, and S/2  
Section 11: NW/4

- (aa) EXTEND the Northeast Livingston-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM  
Section 20: NW/4

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

TOWNSHIP 8 SOUTH, RANGE 34 EAST, NMPM  
Section 19: W/2

- (cc) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 33 EAST, NMPM  
Section 30: SE/4  
Section 31: N/2 NE/4

TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM  
Section 15: S/2

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

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

- (ee) EXTEND the Rees Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM  
Section 23: S/2  
Section 26: N/2

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

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 17: S/2  
Section 20: All

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

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM  
Section 21: NE/4

DOCKET: COMMISSION HEARING - WEDNESDAY - SEPTEMBER 22, 1982

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

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

CASE 7656: Application of Citias Service Company for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, pursuant to the provisions of Section 70-2-17 C, MMSA, 1978 Comp., and Paragraph (5) of Division Order No. R-6781, seeks a determination of reasonable well costs for two wells drilled under the provisions of said Order No. R-6781 by Doyle Hartman on lands pooled by said order.

CASE 7657: Application of Harvey E. Yates Company for non-rescission of Order No. R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the non-rescission of Order No. R-6873, which order pooled certain lands to be dedicated to a proposed Ordovician test well to be drilled thereon, being the W/2 of Section 18, Township 9 South, Range 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 Harvey E. Yates Company for a dual completion and downhole commingling, Chaves County, New Mexico. 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 feet to 4929 feet would be commingled with Upper Atoka perforations from 5926 feet to 5952 feet and the aforesaid intervals dually completed with Lower Atoka perforations from 6006 feet to 6048 feet and produced through parallel strings of tubing.

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 S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

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

**CASE 7635:** In the matter of the hearing called by the Oil Conservation Division on its own motion to permit CO<sub>2</sub>-in-Action, Travelers Indemnity 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 Miguel 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 CO<sub>2</sub>-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.

**CASE 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 M, Section 18, Township 4 North, Range 8 East, Torrance County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

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

**CASE 7639:** Application of Acoma Oil Corporation for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Mantz Abo, Drinkard and Blinbry 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. Antwell 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.

**CASE 7641:** 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.

**CASE 7642:** Application of Doyle 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 a charge for risk involved in drilling said well.

- CASE 7643:** 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.
- CASE 7650:** 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-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.
- CASE 7644:** Application of Rault Petroleum Corporation & McKay Petroleum Corporation for compulsory pooling, De Baca 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 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.
- CASE 7645:** 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 Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco formation underlying all of partial Sections 34 and 35, Township 20 1/2 South, Range 23 East, underlying a previously approved 688-acre non-standard proration unit, to be dedicated to a well at a previously approved unorthodox location which is to be re-entered. Also to be considered will be the cost of re-entering 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 7646:** Application of Tenneco Oil Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, 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 Mortex 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.
- CASE 7653:** 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.
- CASE 7648:** 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.

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 8 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 Madera-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.

CASE 7655: 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 NW/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: NW/4 Section 4, Township 5 South, Range 24 East

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

CASE 7649: Application of Southern Union Exploration Company for retroactive exemption, 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 M 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 25, 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.



BRUCE KING  
GOVERNOR

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

August 9, 1982

POST OFFICE BOX 3088  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87501  
(505) 827-2434

CERTIFIED - RETURN  
RECEIPT REQUESTED

Cibola Energy Corporation  
P. O. Box 1668  
Albuquerque, New Mexico 87103

J. S. Ward & Son, Inc.  
101 South Fourth Street  
Artesia, New Mexico 88210

Re: Simms Ranch Well No. 1,  
located in Unit N of  
Section 9, Clyde Berlier  
Well No. 1, located in Unit  
K and Clyde Berlier Well No.  
2, located in Unit F, both  
in Section 21, Mora Ranch  
Well No. 3, located in Unit  
M and Mora Ranch Well No. 4,  
located in Unit M, both in  
Section 5, all in Township  
21 North, Range 21 East,  
Mora 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 7638 concerns the above  
captioned subject matter.

Sincerely,

W. PERRY PEARCE  
General Counsel

WPP/fd  
enc.



CASES

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:

BEST AVAILABLE COPY

CASE NO. 7638  
Order No. R-7124

IN THE MATTER OF THE HEARING CALLED BY THE OIL CONSERVATION  
DIVISION ON ITS OWN MOTION TO PERMIT CIBOLA ENERGY CORPORATION,  
AMERICAN EMPLOYERS INSURANCE COMPANY AND ALL OTHER INTERESTED  
PARTIES TO APPEAR AND SHOW CAUSE WHY THE 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, 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.

ORDER OF THE DIVISION

BY THE DIVISION:

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

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

FINDS:

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

IT IS THEREFORE ORDERED:

That Case No. 7638 is hereby dismissed without prejudice.

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

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

JOE D. RAMEY,  
Director

S E A L

That all of the subject wells have been plugged  
except the Simms Ranch Well No. 1 which has been  
approved for temporary abandonment as a shut-in  
gas well, and this case should be dismissed  
without prejudice.