

Dockets Nos. 1-83 and 2-83 are tentatively set for January 5 and January 19, 1983. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - DECEMBER 16, 1982

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

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for January, 1983, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for January, 1983, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7753: Application of El Paso Natural Gas Company for the reclassification of marginal gas wells in the prorated gas pools of Northwest New Mexico and the suspension of certain proration rules. Applicant, in the above-styled cause, proposes that there not be any marginal wells in the four prorated gas pools in San Juan, Rio Arriba and Sandoval Counties, during January, February, and March 1983, and to accomplish this, seeks the reclassification of all marginal wells in said pools as non-marginal wells effective January 1, 1983, said wells to become non-marginal with a zero net over/under produced status as of January 1, but to be eligible for reclassification to marginal after March 31, if their production-allowable history from January 1 through March 31 so justifies. Applicant also proposes that all non-marginal wells in December, 1982, would continue to be classified as non-marginal at least until March 31, and would continue to accumulate their net over/under produced status. Further, applicant proposes that no well would be reclassified as marginal until after the March, 1983, production has been reported, when all provisions of Rule 16-A of the Special Rules for prorated gas pools in Northwest New Mexico as promulgated by Order No. R-1670, as amended, would be again applicable. Applicant further proposes that Rule 15B of the prorated gas pool rules which pertains to the shutting-in of wells which are six times over-produced would be suspended for the period from January through June of 1983 to accommodate those wells which may be subject to shut-in as the result of assignment of lower than normal allowables during the first six months of 1983.

CASE 7716: (Continued from November 10, 1982, Examiner Hearing)

Application of Amoco Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Slaughter Canyon Unit Area, comprising 3,840 acres, more or less, of Federal lands in Township 26 South, Range 26 East.

CASE 7754: Application of Chace Oil Company, Inc. for downhole commingling, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Gallup, Tocito, Greenhorn and Dakota production in the wellbore of its Jicarilla 15 Well No. 2 located in Unit I of Section 20, Township 23 North, Range 3 West.

CASE 7755: Application of Sovereign Oil Co. for directional drilling and unorthodox location San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its proposed 32-6 Well No. 1 from a surface location 1750 feet from the north line and 800 feet from the west line of Section 9, Township 32 North, Range 6 West, by kicking off from the vertical at a depth of 1500 feet and drilling in a southerly direction in such a manner as to penetrate the Pictured Cliffs formation at an unorthodox location within 50 feet of a point 1500 feet from the north line and 800 feet from the west line and to penetrate the Mesaverde formation at an unorthodox location within 200 feet of a point 1300 feet from the north line and 800 feet from the west line, all in said Section 9, dedicating the N/2 of said Section 9 to the well to the Mesaverde and the NW/4 to the Pictured Cliffs.

CASE 7756: Application of C & E Operators, Inc. for two non-standard proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of two 160-acre non-standard gas proration units comprising the SW/4 of Section 7 and the NW/4 of Section 18, respectively, both in Township 30 North, Range 11 West, Blanco Mesaverde Pool.

CASE 7728: (Continued from November 10, 1982, Examiner Hearing)

Application of TXO Production Corporation for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas proration unit comprising the NW/4 of Section 31, Township 24 North, Range 9 West, Basin-Dakota Pool.