

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 27, 1994
8:15 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

Dockets Nos. 32-94 and 33-94 are tentatively set for November 10, 1994 and December 1, 1994. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11111: (Continued from October 13, 1994, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled and completed at a standard location in the SW/4 SE/4 (Unit O) of said Section 21. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

CASE 10976: (Continued from September 29, 1994, Examiner Hearing.)

Application of Harvey E. Yates Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 32, Township 17 South, Range 31 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard gas well 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 1.5 miles southwest of the junction of U.S. Highway 82 and State Road 529.

CASE 11123: **Application of Rand Oil & Gas, Inc. for salt water disposal, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks authority to convert its Summers Well No. 1 located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 18, Township 17 South, Range 39 East, and utilize said well to dispose of produced salt water into the South Knowles-Devonian Pool through the open-hole interval from approximately 4950 feet to 8900 feet. Said well is located approximately 3 miles east of Knowles, New Mexico.

CASE 11080: (Continued from October 13, 1994, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described areas in Section 20, Township 23 South, Range 29 East, and in the following manner: The S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, including the Laguna Salado-Atoka Gas Pool; and the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said unit is to be dedicated to its Harroun Trust 20 Fed. Com Well No. 1, to be drilled at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of said Section 20. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles east of Loving, New Mexico.

CASE 11124: **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 Undesignated North Dagger Draw-Upper Pennsylvanian Pool underlying the NW/4 of Section 32, Township 19 South, Range 25 East, forming a standard 160-acre oil spacing and proration unit for said pool, said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the costs 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 the operator of the well and a charge for the risk involved in drilling and completing said well. Said unit is located approximately 10 1/2 miles west of Lakewood, New Mexico.

CASE 11107: (Continued from September 29, 1994, Examiner Hearing.)

Application of Maralo, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation, underlying the NE/4 NW/4 (Unit C) of Section 30, Township 23 South, Range 30 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 10 miles east by south of Loving, New Mexico.

CASE 11057: (Continued from October 13, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the SW/4 NW/4 of Section 27, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "27" Federal Well No. 3 to be drilled and completed at a standard oil well 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 10997: (Reopened)

Application of Nearburg Exploration Company to reopen Case 10997 and to amend Division Order No. R-10150, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-10150 entered on July 14, 1994 for the purpose of substituting a new unorthodox gas well location at 2310 feet from the North and West lines (Unit F) of Section 26, Township 19 South, Range 25 East, for the previously approved unorthodox gas well location at 1450 from the North and East lines (Unit G) of said Section 26 for Nearburg Producing Company's proposed Morris 26F Well No. 2 to be drilled in accordance with the referenced compulsory pooling order which pooled all non-participating royalty interests for any production from the surface to the base of the Morrow formation and all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the N/2 of said Section 26 forming a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Cemetery-Morrow Gas Pool. Said unit is located approximately 9 miles west-northwest of Lakewood, New Mexico.

CASE 11125: **Application of Enron Oil & Gas Company for an unorthodox oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location in the Undesignated Red Hills-Bone Spring Pool for its Hallwood "12" Federal Well No. 9 to be drilled 1830 feet from the North line and 1650 feet from the West line (Unit F) of Section 12, Township 25 South, Range 33 East. The S/2 NW/4 of said Section 12 to be dedicated to said well to form a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 19 miles west by north of Jal, New Mexico.

CASE 11126: **Application of Amerada Hess Corporation for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks authorization to drill its North Bell Lake Federal Well No. 2 at an unorthodox gas well location 1100 feet from the South line and 1500 feet from the West line (Unit N) of Section 5, Township 23 South, Range 34 East, to test the Ellenburger formation. The W/2 of said Section 5 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said unit is located approximately 21 miles southwest of Eunice, New Mexico.

CASE 11127: **Application of Manzano Oil Corporation for an unorthodox oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks authorization to drill its Manzano S.V. Sundown State Well No. 1 at an unorthodox oil well location 477 feet from the South line and 191 feet from the West line (Unit M) of Section 14, Township 10 South, Range 37 East, to test the Devonian formation, Undesignated North Echol-Devonian Pool. The SW/4 SW/4 of said Section 14 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 17 miles northeast of Tatum, New Mexico.