

CASE 11129: (Continued from October 27, 1994, Examiner Hearing.)

Application of AnSon Gas Corporation for compulsory pooling and an unorthodox oil well location, 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 Atoka formation underlying the N/2 SE/4 of Section 15, Township 17 South, Range 37 East, forming a standard 80-acre oil spacing and proration unit for the Undesignated Humble City-Strawn Pool. Said unit is to be dedicated to the Shipp "15" Well No. 1 to be drilled at an unorthodox oil well location 2130 feet from the South line and 510 feet from the East line (Unit D) of Section 15 to test the Strawn formation. 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 the risk involved in drilling and completing said well. Said area is located approximately 3 miles northwest of Humble City, New Mexico.

CASE 11099: (Continued from October 27, 1994, Examiner Hearing.)

Application of TARA-JON Corporation 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 Drinkard formation underlying the NE/4 NW/4 (Unit C) of Section 27, Township 16 South, Range 38 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, which presently includes but is not necessarily limited to the Undesignated Garrett-San Andres Pool, Undesignated Garrett-Drinkard Pool, and Undesignated East Garren-Drinkard Pool. Said pooled unit is to be dedicated to either the plugged and abandoned The Texas Company Gotlieb Ertal Well No. 1 (T.D. - 13,310 feet), located at a standard oil well location 660 feet from the North line and 1982 feet from the West line, more or less, of said Section 27 or, if said Gotlieb Ertal Well No. 1 is found not to be mechanically sound, to a new well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of re-entering and re-completing the old plugged and abandoned well and/or the costs of drilling and completing a new 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 unit and a charge for risk involved in re-entering the old plugged and abandoned well and/or the drilling of a new well. Said unit is located approximately 12 miles north of Hobbs, New Mexico.

CASE 10976: (Continued from October 27, 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.

DOCKET NO. 33-94

DOCKET: COMMISSION HEARING - THURSDAY - NOVEMBER 17, 1994
9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO
The Land Commissioner's designee for this hearing will be Jami Bailey or Gary Garlson

CASE 11143: In the matter of the hearing called by the Oil Conservation Division to amend Rule 711 of its General Rules and Regulations pertaining to the permitting of surface waste disposal facilities. Some of the proposed amendments to Rule 711 include 1) adding "centralized" facilities to the scope of Rule 711; 2) increasing the scope of the notice requirements; 3) expanding the closure plan requirements; and 4) increasing the bonding requirements. Copies of the proposed amended Rule 711 are being sent out with the November 17th Commission hearing docket.

RULE 711 - ~~COMMERCIAL~~ SURFACE WASTE DISPOSAL
FACILITIES

(as of)

A. A commercial surface waste disposal facility is defined as any facility that receives compensation for collection, disposal, evaporation, remediation or storage of produced water, drilling fluids, drill cuttings, completion fluids, contaminated soils and/or, upon written approval by the Division, other approved oil field related waste in surface pits, ponds, or below grade tanks, or on the ground surface. ~~Such facility will not be allowed to operate unless it has been permitted in conformity with the following provisions:~~

B. A centralized surface waste disposal facility is defined as any facility that:

1. provides for collection, disposal, remediation, evaporation or storage of produced water, drilling fluids, drill cuttings, completion fluids, contaminated soils, and/or other approved oilfield related wastes in surface pits, ponds, below grade tanks or on the ground surface, and;
2. is owned by a single company/proprietor and receives wastes from two or more sites owned by that same company/proprietor, and;
3. receives in excess of _____ barrels/day or _____ cubic yards/day of waste or has a capacity to hold _____ barrels or more or _____ cubic yards or more.

C. Surface waste disposal facilities that receive wastes from a single well or are smaller than the size limitations of B.3. above will be permitted by the appropriate OCD District office. These facilities will be permitted through the Application to Drill (APD) process or supplemental District permitting.

D. Commercial and centralized surface disposal facilities will not be allowed construct, reconstruct, enlarge, modify or operate unless they have been permitted in conformity with the following provisions:

1. ~~Prior to the construction, reconstruction or enlargement of a commercial surface waste disposal facility,~~ An application, Form C- , for a permit to construct and operate a new facility or a to modification to an existing permit shall be filed in DUPLICATE with the Santa Fe Office of the Division and ONE COPY to with the appropriate district office. The application shall be submitted pursuant to Division guidelines and shall be accompanied by: