

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 20, 1995

8:15 A.M. - 2040 South Pacheo
Santa Fe, New Mexico

Dockets Nos 13-95 and 14-95 are tentatively set for May 4, 1995 and May 18, 1995. 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 11202: (Continued from February 16, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11252: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Stevens Operating Corporation, operator, American Employers Insurance, surety, and all other interested parties to appear and show cause why the Marjohn State Well No. 1 (API No. 30-005-00380), located 660 feet from the North and East lines (Unit A) of Section 11, Township 13 South, Range 28 East, Chaves County, New Mexico (which is approximately 15 miles east-northeast of Hagerman, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said wells, the Division should then be authorized to take such action as is deemed necessary to have both wells properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11253: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 1, located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11254: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 2, located 1650 feet from the North line and 1980 feet from the West line (Unit F) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11255: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Employers' Insurance Company, surety, and all other interested parties to appear and show cause why the Christopher Well No. 1 (API No. 30-005-60591), located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 32, Township 6 South, Range 26 East, Chaves County, New Mexico (which is approximately 15.5 miles west-northwest of Elkins, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11256: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Otis H. Sanders, and all other interested parties to appear and show cause why the Thigpen, et al Well No. 1-Y (API No. 30-015-22933), located 1800 feet from the North line and 1980 feet from the West line (Unit F) of Section 7, Township 16 South, Range 25 East, Eddy County, New Mexico (which is approximately 7.25 miles northwest by north of the Artesia, New Mexico Municipal Airport), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon Sunwest Bank at Roswell, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

CASE 11257: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 1 (API No. 30-039-24055), located 610 feet from the South line and 2000 feet from the West line (Unit N) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5.5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

CASE 11258: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 2 (API No. 30-039-24053), located 1770 feet from the South line and 970 feet from the East line (Unit I) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

CASE 11259: **Application of Chevron U.S.A. Inc. for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval for its W. T. McComack Well No. 18, formerly the Central Drinkard Unit Well No. 428, (API No. 30-025-26447) to be recompleted to the Tubb Oil and Gas Pool at an unorthodox gas well location 210 feet from the North line and 2390 feet from the East line (Unit B) of Section 32, Township 21 South, Range 37 East, the NE/4 of said Section 32 is to be dedicated to said well to form a standard 160-acre gas spacing and proration unit for said pool. Said unit is located approximately one mile west of Eunice, New Mexico. IN THE ABSENCE OF OBJECTION THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.

CASE 11260: **Application of Santa Fe Energy Resources, Inc. for a unit agreement, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the Abe Unit Agreement for an area comprising 3,200 acres, more or less, of State and Fee lands in Sections 21, 22, 27, 28, and 29, Township 21 South, Range 33 East. Said unit area is centered approximately 24 miles West-Northwest of Eunice, New Mexico.

CASE 11191: (Continued from March 16, 1995, Examiner Hearing.)

Application of Great Western Drilling Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its existing Glenn Cleveland Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7, Township 15 South, Range 35 East, in order to test and recomplete this well in the Morrow formation. The E/2 of said Section 7 to be dedicated to said well to form a standard 320-acre gas spacing and proration unit. Said unit is located approximately 7 miles northwest of Lovington, New Mexico.

CASE 11261: **Application of Marathon Oil Company for an additional high angle/horizontal wellbore and to amend Division Order No. R-10082-A, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks to amend Division Order No. R-10082-A to authorize the applicant to utilize the existing J. M. Denton Well No. 5 located in Unit "N" of Section 11, Township 15 South, Range 37 East, by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within its "*high angle/horizontal directional drilling project*" in the Denton-Devonian Pool, currently comprising the SW/4, N/2 SE/4 and SE/4 SE/4 of said Section 11. Applicant further seeks the designation of a target window for said well such that the horizontal or producing portion of said wellbore shall be no closer than 330 feet to the outer boundary of said project area, the creation and formation of an oversized and irregularly shaped spacing and proration unit to accommodate said wellbore, and the assignment of a special oil allowable for such non-standard oil proration unit. Said project area is located approximately 4.5 miles south-southeast of Prairieview, New Mexico.

CASE 11262: **Application of Texaco Exploration and Production, Inc. for special pool rules, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations for the South Sand Dunes-Bone Spring Pool including a provision for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said pool currently comprises portions of Sections 29, 30, 31, and 32, of Township 23 South, Range 32 East, and is located on the Lea/Eddy County line approximately 2 miles north of State Highway No. 128.