

NOTICE OF PUBLICATION
STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
SANTA FE, NEW MEXICO

The State of New Mexico by its Oil Conservation Division hereby gives notice pursuant to law and Rules and Regulations of said Division promulgated thereunder of the following public hearing to be held at 8:15 A.M. on **August 10, 1995**, 2040 South Pacheco, Oil Conservation Division Hearing Room, Santa Fe, New Mexico, before an examiner duly appointed for said hearing as provided by law. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-827-7132 or through the New Mexico Relay Network, 1-800-659-1779 by July 31, 1995. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:
All named parties and persons
having any right, title, interest
or claim in the following cases
and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE 11354:

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Nerdhlic Company, Inc., and all other interested parties to appear and show cause why the following five wells in McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug any or all of said wells, 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 "blanket" cash plugging bond covering said wells and authorizing the Director of the Division to make demand upon United New Mexico Bank in Santa Fe, 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 any or all of said wells:

- (1) **Inditos Well No. 1** (API No. 30-031-20774), located 2310'FNL & 330'FEL (Unit H) of Section 15, Township 16 North, Range 9 West;
- (2) **Bullseye Well No. 2** (API No. 30-031-20414), located 540'FSL & 1560'FWL (Unit N) of Section 18, Township 16 North, Range 9 West;
- (3) **Bullseye Well No. 9** (API No. 30-031-20576), located 330'FSL & 1650'FEL (Unit O) of Section 18, Township 16 North, Range 9 West;
- (4) **Bullseye Well No. 8** (API No. 30-031-20531), located 330'FNL & 990'FWL (Unit D) of Section 19, Township 16 North, Range 9 West; and,
- (5) **Bullseye "A" Well No. 2** (API No. 30-031-05091), located 990'FS & EL (Unit P) of Section 13, Township 16 North, Range 10 West.

CASE 11355:

Application of Tide West Oil Company for an unorthodox infill gas well location and simultaneous dedication, Chaves County, New Mexico.

Applicant, in the above-styled cause, seeks approval to drill its Chaves "A" Federal Well No. 2 at an unorthodox gas well location in the Pecos Slope-Abo Gas Pool that is either: 2310 feet from the North line and 660 feet from the East line (Unit H) of Section 21, Township 7 South, Range 26 East; or, in the alternative, not closer than 330 feet to the southern and eastern boundaries of the standard 160-acre Pecos Slope-Abo gas spacing unit comprising the NE/4 of said Section 21. Further, the applicant seeks an exception to Division General Rule 104.C(2) to allow the existing 160-acre gas spacing unit comprising said NE/4 of Section 21 to be simultaneously dedicated to the proposed well and to the existing Chaves "A" Federal Well No. 1 (API No. 30-005-61506), located at a standard gas well location 660 feet from the North and West lines (Unit B) of said Section 21. Said unit is located approximately 7 miles north-northeast of Acme, New Mexico.

CASE 11356:

**Application of Pogo Production Company
for a unit agreement, Lea County, New
Mexico.**

Applicant, in the above-styled cause, seeks approval of the Tomahawk Unit Agreement for an area comprising 1,650.13 acres, more or less, of Federal and State lands in Townships 21 and 22 South, Ranges 32 and 33 East. Said unit area is centered approximately 27 miles west of Eunice, New Mexico.

CASE 11357:

**Application of Yates Petroleum
Corporation for directional drilling and
simultaneous dedication, Eddy County,
New Mexico.**

Applicant, in the above-styled cause, seeks approval to directionally drill its Aspden "AOH" Federal Com Well No. 2 from an unorthodox surface oil well location 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 29, Township 19 South, Range 25 East, to a bottomhole location within the SE/4 SW/4 of said Section 29 considered to be standard in the North Dagger Draw-Upper Pennsylvanian Pool. Said well is to be included within the existing standard 160-acre oil spacing and proration unit comprising the SW/4 of said Section 29 and its production is to be simultaneously dedicated with the existing Boyd "X" State Com Well No. 4 located in Unit "K", the Boyd "X" State Com Well No. 2 in Unit "L", and the Aspden "AOH" Federal Com Well No. 1 in Unit "M". Said unit is located approximately 8 miles west of Lakewood, New Mexico.

CASE 11358:

**Application of Nearburg Exploration
Company/Nearburg Producing Company
to terminate injection operations into two
certain disposal wells by rescinding
Division Administrative Order SWD-336
and Division Order No. R-7637, Eddy
County, New Mexico.**

Applicant, in the above-styled cause, as operator of the Ross Ranch "22" well No. 2 (API No. 30-015-27458), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 22, Township 19 South, Range 25 East, North Dagger Draw-Upper Pennsylvanian Pool, seeks an order from the Division rescinding: (1) Administrative Order SWD-336, dated March 3, 1988, which order permitted Yates Petroleum Corporation to utilize its Osage Well No. 1 (API No. 30-015-20890), located 1980 feet from the North and East lines (Unit G) of Section 21, Township 19 South, Range 25 East, as a salt water disposal well into the Canyon formation; and, (2) Order No. R-7637, dated August 23, 1984, which order authorized Anadarko Petroleum Corporation to dispose of produced salt water into the Cisco/Canyon formations through its Dagger Draw SWD Well No. 1, (API No. 30-015-25003), located 1495 feet from the North line and 225 feet from the West line (Unit E) of said Section 22. The 160 acres comprising the NW/4 of said Section 22, in which the Ross Ranch "22" Well No. 2 is therein dedicated, is located approximately 4 miles southwest by west of Seven Rivers, New Mexico.

CASE 11359:

**Application of Damar Energy 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 Delaware formation, underlying the SE/4 SE/4 (Unit P) of Section 22, Township 23 South, Range 28 East, to form 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 East Loving-Brushy Canyon 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 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 unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 2 miles east of Loving, New Mexico.

CASE 11360:

Application of Nearburg Exploration

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 following described acreage in Section 33, Township 17 South, Range 27 East, and in the following manner: the W/2 to form 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 which presently includes but is not necessarily limited to the Undesignated Jennings Spring-Wolfcamp Gas Pool, Undesignated Red Lake-Pennsylvanian Gas Pool, Undesignated Logan Draw-Cisco/Canyon Gas Pool, Undesignated Scoggin Draw-Atoka Gas Pool, Undesignated Logan Draw-Morrow Gas Pool, Undesignated West Logan Draw-Morrow Gas Pool, and Undesignated Scoggin Draw-Morrow Gas Pool; and, the SW/4 to form 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 units are to be dedicated to a single well to be drilled and completed 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 Nearburg Producing Company as the operator of the well, and a charge for risk involved in drilling said well. Said well location is approximately 3 miles south of Riverside, New Mexico.

CASE 11361:

In the matter of the hearing called by the Oil Conservation Division upon its own motion to consider:

The creation of the following pools:

West Gallegos Wash-Farmington

Pool in Township 26 North, Range

12 West, San Juan County;

Gallo Canyon-Gallup-Dakota Oil

Pool in Township 23 North, Range

5 West, Rio Arriba County;

The extension of the Lybrook-Graneros Oil Pool in Rio Arriba County.

CASE 11362:

In the matter of the hearing called by the Oil Conservation Division upon its own motion to consider:

The creation of the following pool in Harding County:

West Bravo Dome Carbon Dioxide Gas Pool

in Townships 18 and 19 North, Range 30

East;

The extension of the Bravo Dome Carbon Dioxide (640-Acre) Gas Pool in Harding and Union Counties.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 20th day of July, 1995.

**STATE OF NEW MEXICO
OIL CONSERVATION DIVISION**

William J. LeMay
William J. LeMay
Director

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