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NOTICE

The Oil Conservation Commission Hearing Originally Scheduled for October 10, 1996, Has Been Rescheduled for Tuesday, October 29, 1996.

Please Note That This Docket Does Not Reflect Any Continuances From The September 26, 1996 Examiner Hearing. Please Refer To The September 26, 1996 Docket For Any Continued Cases.

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DOCKET NO. 28-96

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 3, 1996

8:15 A.M. - 2040 S. Pacheco

Santa Fe, New Mexico

Dockets Nos 29-96 and 30-96 are tentatively set for October 17, 1996 and November 7, 1996. 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 11549: (Continued from September 5, 1996, Examiner Hearing.)

**Application of Santa Fe Energy Resources, Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 23, Township 19 South, Range 28 East, and in the following manner: the S/2 of Section 23 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within said vertical extent, including the Undesignated South Millman-Atoka Gas Pool, the Undesignated Winchester-Morrow Gas Pool, the Undesignated North Winchester-Morrow Gas Pool, the Undesignated Winchester -Upper Pennsylvanian Gas Pool, the Undesignated Winchester-Strawn Gas Pool, and the Undesignated North Winchester-Wolfcamp Pool; the SW/4 of Section 23 to form a standard 160-acre gas spacing and proration unit for any and all pools and/or formations developed on 160-acre spacing within said vertical extent, including the Undesignated Winchester-Wolfcamp Gas Pool; and the SE/4 SW/4 of Section 23 to form a standard 40-acre oil spacing and proration unit for any and all pools and/or formations developed on 40-acre spacing within said vertical extent, including the Undesignated Outpost-Delaware Pool, the Undesignated East Millman-Queen-Grayburg-San Andres Pool, the Undesignated Scanlon Draw-Queen Pool, and the Undesignated Winchester-Bone Spring Pool. Said units are to be dedicated to Applicant's Ten Bears "23" St. Well No. 1, to be drilled at an orthodox well location 990 feet from the South line and 1980 feet from the West line (Unit N) of the section. 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles southeast of Illinois Camp.

CASE 11621: (This Case Will Be Continued to October 17, 1996. Examiner Hearing.)

**Application of Yates Petroleum Corporation for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location within the Atoka formation for its Papatotes Unit Well No. 1 (API No. 30-025-33275), located 1969 feet from the South line and 330 feet from the East line (Unit I) of Section 34, Township 14 South, Range 34 East, being approximately 10 miles west by south of Hilburn City, New Mexico. The E/2 of said Section 34 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit for said gas bearing interval.

CASE 11622: **Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NW/4 SE/4 of Section 24, Township 22 South, Range 32 East. Applicant proposes to dedicate this pooled unit to its Checkers 24 Federal Well No. 1 to be drilled at a standard location 1980 feet from the South and East lines (Unit J) of said Section 24 to test any and all formations to the base of the Bone Spring formation, Red Tank-Bone Spring Pool. 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 28 miles west-southwest of Eunice, New Mexico.

**CASE 11618:** **Application of Costilla Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from 5700 feet to the base of the Delaware formation, Undesignated Ross Draw-Delaware Pool, in and under the SE/4 SE/4 of Section 28, Township 26 South, Range 30 East. Said unit is to be dedicated to its Abby Federal Well No. 5 to be drilled at a standard location 410 feet from the South line and 467 feet from the East line of said Section 28. Also to be considered will be the cost of drilling and completing said well and the allocation of these 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 area is located approximately 18 miles southeast of Malaga, New Mexico.

**CASE 11623:** In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Hay Hollow-Wolfcamp Gas Pool. The discovery well is the Great Western Drilling Company Hay Hollow "25" State Well No. 1 located in Unit G of Section 25, Township 25 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 27 EAST, NMPM

Section 25: N/2

- (b) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Devonian production and designated as the Northeast Chisum-Devonian Pool. The discovery well is the Marbob Energy Corporation True Grit Fee Well No. 1 located in Lot 4 of Section 3, Township 11 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM

Section 3: NW/4

- (c) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 10: SE/4

- (d) EXTEND the Hoag Tank-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 15: N/2

Section 16: NE/4

- (e) EXTEND the Loafer Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 22 EAST, NMPM

Section 26: N/2

- (f) EXTEND the Southwest Poker Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM

Section 24: NE/4

- (g) EXTEND the Sand Tank-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 12: S/2

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.