

approximately 16 miles west-northwest of Eunice, New Mexico.

**CASE 12567:** (READVERTISED)

**Application of Ocean Energy Resources, Inc. for compulsory pooling and four non-standard oil and gas spacing and proration units, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying Lots 1-8 of irregular Section 3, Township 16 South, Range 35 East, and in the following manner: Lots 1-8 to form a non-standard 355.80-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Shoe Bar-Atoka Gas Pool and Undesignated North Shoe Bar-Morrow Gas Pool; Lots 3-6 to form a non-standard 177.21-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; Lots 3 and 4 to form a non-standard 97.21-acre oil spacing and proration unit for any formations and/or pools developed on 80-acre spacing within that vertical extent, including the Undesignated South Big Dog-Strawn Pool; and Lot 4 to form a non-standard 48.43-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Townsend-Permo Upper Pennsylvanian Pool. The units are to be dedicated to applicant's Townsend State Com. Well No. 10, to be located at an orthodox location 800 feet from the North line and 660 feet from the West line of Section 3. Also to be considered will be the cost of drilling and completing the 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 the risk involved in drilling and completing the well. The units are located approximately 6 miles west-northwest of Lovington, New Mexico.

**CASE 12535:** (READVERTISED)

**Application of Ocean Energy Resources, Inc. for compulsory pooling and four non-standard oil and gas spacing and proration units, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying Lots 1-8 of irregular Section 3, Township 16 South, Range 35 East, and in the following manner: Lots 1-8 to form a non-standard 355.80-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Shoe Bar-Atoka Gas Pool and Undesignated North Shoe Bar-Morrow Gas Pool; Lots 3-6 to form a non-standard 177.21-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; Lots 3 and 4 to form a non-standard 97.21-acre oil spacing and proration unit for any formations and/or pools developed on 80-acre spacing within that vertical extent, including the Undesignated South Big Dog-Strawn Pool; and Lot 4 to form a non-standard 48.43-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Townsend-Permo Upper Pennsylvanian Pool. The units are to be dedicated to applicant's Townsend State Com. Well No. 10, to be located at an orthodox location 800 feet from the North line and 660 feet from the West line of Section 3. Also to be considered will be the cost of drilling and completing the 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 the risk involved in drilling and completing the well. The units are located approximately 6 miles west-northwest of Lovington, New Mexico.

**CASE 12590:** **Application of Yates Petroleum Corporation for compulsory pooling and a non-standard gas spacing and proration unit, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in Lots 1 through 8 (N/2

**DOCKET: EXAMINER HEARING - THURSDAY – February 8, 2001**  
**8:15 A.M. - 1220 South St. Francis**  
**Santa Fe, New Mexico**

Dockets Nos. 5-01 and 6-01 are tentatively set for February 22, 2001 and March 8, 2001. 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 12558:** Continued from December 21, 2000, Examiner Hearing.

Application of Dugan Production Corporation for special pool rules, or in the alternative, for simultaneous dedication, San Juan County, New Mexico. Applicant seeks the promulgation of special rules and regulations for the currently unprorated WAW Fruitland Sand-Pictured Cliffs Pool, including provisions to permit a second gas well (infill well) within a standard 160-acre spacing unit, designated well location requirements, and any other provisions deemed necessary in the implementation of "infill drilling" in this pool. The WAW Fruitland Sand-Pictured Cliffs Pool comprises portions of Townships 25, 26, and 27 North, Ranges 11, 12, and 13 West and is centered approximately 14 miles south of Farmington, New Mexico. **IN THE ALTERNATIVE**, the applicant seeks exceptions to Division Rule 104.D (3) to continuously and concurrently produce gas from the WAW Fruitland Sand-Pictured Cliffs Pool within the following two existing 160-acre gas spacing and proration units comprising: (A) the SE/4 of Section 36, Township 27 North, Range 13 West from its: (i) older existing Bengal "C" Well No. 5 (API No. 30-045-22628), located at an unorthodox gas well location (approved by Division Administrative Order NSL-867, dated July 14, 1977) 790 feet from the South line and 2000 feet from the East line (Unit O) of Section 36; and (ii) recently drilled and completed Bengal Well No. 6 (API No. 30-045-29830), located at a standard gas well location 900 feet from the South and East lines (Unit P) of Section 36, and for the simultaneous dedication of both wells to this 160-acre unit; and (B) the SE/4 of Section 12, Township 26 North, Range 13 West from its: (i) older existing Irish Well No. 1-J (API No. 30-045-23887), located at a standard gas well location 790 feet from the South and East lines (Unit P) of Section 12; and (ii) recently drilled and completed Irish Well No. 4 (API No. 30-045-29833), located at a standard gas well location 1850 feet from the South line and 790 feet from the East line (Unit I) of Section 12, and for the simultaneous dedication of both wells to this 160-acre unit.

**CASE 12589:** Application of H. L. Brown, Jr. for compulsory pooling, a non-standard oil spacing and proration unit and an unorthodox oil well location, Roosevelt County, New Mexico. Applicant, in accordance with Division Rule 1207.A(2), seeks an order pooling all mineral interests from the surface to the base of the Devonian formation underlying the NE/4 of Section 8, Township 7 South, Range 36 East, forming a standard 160-acre gas spacing unit and a non-standard 160-acre oil spacing and proration unit to be dedicated to its Robertson "8" Well No. 1 to be drilled and completed at an unorthodox oil well location 1550 feet from the North line and 1400 feet from the East line of this section (Unit G). Also to be considered will be the costs of drilling and completing this well and the allocation of the costs 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 this well. This unit is located approximately 7 miles southwest of Milnesand, New Mexico.

**CASE 12539:** Continued from January 11, 2001, Examiner Hearing

**(REOPENED AND READVERTISED)** Application of Maynard Oil Company for simultaneous Dedication in the Wilson-Morrow Gas Pool, Lea County, New Mexico. Applicant seeks authorization to simultaneously dedicate its existing Wilson Deep Unit Well No. 1 (located 2080 feet from the North and West lines - Unit F) and its proposed Wilson Unit Well No. 2 (to be located at a standard location 660 feet from the North and West lines - Unit D) to a standard 320-acre gas spacing unit comprised of the W/2 of Section 13, Township 21 South, Range 34 East. This location is

Equivalent) of Irregular Section 3, Township 16 South, Range 35 East, to form a non-standard 355.80-acre gas spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated North Shoe Bar-Atoka Gas Pool and the Undesignated North Shoe Bar-Morrow Gas Pool. Said unit is to be dedicated to Yates Daisy AFS State Well No. 2 to be drilled at a standard location 660 feet from the North and East lines of said Section 3 to a depth sufficient to test all formations from the surface to the base of the Mississippian 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 Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 6 miles west-northwest of Lovington, New Mexico.

**CASE 12569: (READVERTISED)**

**Amended Application of Yates Petroleum Corporation for compulsory pooling and a non-standard gas spacing and proration unit, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in Lots 1 through 8 (N/2 Equivalent) of Irregular Section 3, Township 16 South, Range 35 East, to form a non-standard 355.80-acre gas spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated North Shoe Bar-Atoka Gas Pool and the Undesignated North Shoe Bar-Morrow Gas Pool. Said unit is to be dedicated to Yates Daisy AFS State Well No. 2 to be drilled at a standard location 660 feet from the North and East lines of said Section 3 to a depth sufficient to test all formations from the surface to the base of the Mississippian 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 Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 6 miles west-northwest of Lovington, New Mexico.

**CASE 12584: Continued from January 25, 2001, Examiner Hearing.**

**Application of Conoco, Inc. for compulsory pooling, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool in a 320-acre spacing unit comprised of the W/2 of Section 36, Township 29 North, Range 11 West. Said pooled unit is to be dedicated to its State "A" Gas Com Well No. 1-E to be recompleted in the Fruitland Coal formation at a previously approved unorthodox well location (Corrected Amended Administrative Order NSL-4197) 1850 feet from the North line and 800 feet from the West line of Section 36. 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 2.5 miles Southeast of Bloomfield, New Mexico.

**CASE 12591: Application of David H. Arrington Oil and Gas, Inc. for pool contraction, pool extension, unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico.** Applicant seeks an order contracting the Townsend-Morrow Gas Pool by deleting therefrom the W/2 of Section 14, Township 16 South, Range 35 East, and extending the North Shoe Bar-Atoka Gas Pool to include these lands. Applicant also seeks an exception to Division Rule 104.C.(2)(b) to permit the simultaneous dedication of the following wells to a 320-acre spacing and proration unit in the Atoka formation comprised of the W/2 of Section 14: the Mayfly "14" State Com. Well No. 1 at a previously

approved unorthodox location 330 feet from the North and West lines; the Mayfly "14" State Com. well No. 6 (formerly the Monsanto Well No. 1) located at a standard well location 1980 feet from the South line and West lines; and the Mayfly "14" State Com. Well No. 4 to be re-completed at an unorthodox gas well location 1651 feet from the North line and 371 feet from the West line of said Section 14 in the North Shoe Bar-Atoka Gas Pool. Said wells are located approximately 5 miles west of Lovington, New Mexico.

**CASE 12551:** Continued from January 25, 2001, Examiner Hearing.

**Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests in the following described spacing and proration units in Section 14, Township 21 South, Range 34 East, as follows: the S/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Wilson-Morrow Gas Pool and the Undesignated South Wilson- Pennsylvanian Gas Pool; and the SE/4 for all formations and/or pools developed on 160-acre spacing. Said units are to be dedicated to its Side Pocket "14" State Com Well No. 1 to be drilled at a standard location 1980 feet from the South line and 660 feet from the East line of Section 14 to a depth sufficient to test all formations from the surface to the base of the Morrow 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 Nearburg Producing Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 20 miles Southeast of Halfway, New Mexico.

**CASE 12320:** Continued from January 11, 2001, Examiner Hearing.

**Application of Chevron U.S.A. Production Co. for Approval to convert the EMSU Wells No. 210, 212, 222, 252 and 258 to Injection in the Eunice Monument South Unit, Lea County, New Mexico.** Applicant seeks approval to convert its EMSU Wells No. 210, 212, 222, 252 and 258 to injection in the Eunice Monument South Unit (EMSU). These wells are designed to improve recovery efficiency of the waterflood patterns and enhance production of the EMSU secondary recovery project. The wells are located in the following locations: No. 210 - Section 4, Unit K, Township 21 South, Range 36 East; No. 252 - Section 5, Unit I, Township 21 South, Range 36 East; No. 222 - Section 6, Unit O, Township 21 South, Range 36 East; No. 252 - Section 6, Unit W, Township 21 South, Range 36 East; No. 258 - Section 4, Unit U, Township 21 South, Range 36 East. Water will be injected into the unitized interval of the Eunice Monument Grayburg-San Andres Pool which has an upper limit of 100 feet below mean sea level or the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation. Injection will occur at an expected maximum pressure rate of 1500 barrels of water per day and an expected maximum pressure of 750 pounds per square inch. This area is approximately one mile west-southwest of Oil Center, New Mexico.

**CASE 12571:** Continued from January 11, 2001, Examiner Hearing.

**Application of BWB Partners I for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, but excluding the Wolfcamp formation, in the following described spacing and proration units in Section 23, Township 20 South, Range 35 East: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the West Osudo-Morrow Gas Pool or West Osudo-Atoka Gas Pool; and the NE/4 for all formations and/or pools developed on 160-acre gas spacing