

Dockets Nos. 30-77 and 31-77 are tentatively set for hearing on September 28 and October 12, 1977. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 14, 1977

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1977, from fifteen prorated pools in Lea, Eddy, Chaves, and Roosevelt Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1977, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 6016: (Continued from August 31, 1977 Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Land Oil Company, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Garner Well No. 1 located in Unit D of Section 23, Township 14 South, Range 25 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 5981: (Continued from July 6, 1977 Examiner Hearing)

Application of W. A. Moncrief, Jr., for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of an oil pool for Upper-Pennsylvanian production for his State Well No. 1 located in Unit E of Section 26, Township 16 South, Range 33 East, Lea County, New Mexico, and the promulgation of special rules therefor, including a provision for 80-acre spacing.

CASE 5983: (Continued from July 20, 1977 Examiner Hearing)

Application of Yates Petroleum Corporation for the amendment of Order No. R-5445, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5445 to provide for a 200 percent risk factor for drilling the unit well rather than 20 percent. Said order pooled the N/2 of Section 19, Township 20 South, Range 25 East, Eddy County, New Mexico.

CASE 6024: Application of Read & Stevens, Inc., for two unorthodox gas well locations, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its R & J Federal Well No. 1 located in the center of Unit A of Section 20, Township 12 South, Range 31 East, and its Jackson Well No. 1, located in the center of Unit I of Section 25, Township 12 South, Range 30 East, Southeast Chaves-Queen Gas Area, Chaves County, New Mexico, the E/2 of said Section 20 and the S/2 of said Section 25, respectively, to be dedicated to the wells.

CASE 6025: Application of Roger C. Hanks for a special gas-oil ratio limitation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the establishment of a special gas-oil ratio limitation of 4000 cubic feet of gas per barrel of oil for the North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico, retroactive to August 22, 1977.

CASE 6026: Application of William G. Rabe and Alice P. Rabe for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the NE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

CASE 6027: Application of Great Lakes Chemical Corporation for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas proration unit comprising the SE/4 of Section 25, Township 27 North, Range 8 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

CASE 6028: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Luzon Unit Area comprising 5117 acres, more or less, of Federal and fee lands in Township 24 South, Ranges 35 and 36 East, Lea County, New Mexico.

CASE 6029: Application of Phillips Petroleum Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Tubb, Drinkard, East Brunson-McKee, and East Brunson-Ellenburger production in the wellbore of its Sims Well No. 6 located in Unit M of Section 24, Township 22 South, Range 37 East, Lea County, New Mexico.

CASE 6030: Application of Bureson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SE/4 SE/4 of Section 4, Township 25 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to be dedicated to its re-entered Smith Well No. 1 located in Unit P of said Section 4, or in the alternative, to a well to be drilled at a standard location thereon. Also to be considered will be the cost of re-entering and recompleting or of drilling and completing the unit well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in recompleting or drilling said well.

CASE 6032: Application of Bureson & Huff for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the SW/4 SW/4 of Section 21, Township 25 South, Range 37 East, Langlie-Mattix Pool, Lea County, New Mexico, to be dedicated to its re-entered Lanehart Well No. 1-Y located in Unit M of said Section 21, or, in the alternative, to a well to be drilled at a standard location thereon. Also to be considered will be the cost of re-entering and recompleting or of drilling and completing the unit well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in recompleting or drilling said well.

CASE 6031: Application of Rex Alcorn for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the E/2 SW/4 of Section 35, Township 16 South, Range 37 East, West Knowles-Drinkard Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the South line and 1980 feet from the West line of said Section 35. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6033: Application of Basin Fuels, Inc., for salt water disposal, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Mesaverde formation through the perforated interval from 1948 feet to 2755 feet in its Slick Well No. 1 located in Unit O of Section 7, Township 20 North, Range 5 West, Franciscan Lake-Mesaverde Pool, McKinley County, New Mexico.

CASE 6034: Application of Flag-Redfern Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the perforated interval from 4941 feet to 5022 feet in its Bilbrey "51" Well No. 1 located in Unit A of Section 23, Township 9 South, Range 37 East, Sawyer-San Andres Pool, Lea County, New Mexico.

CASE 6035: Application of Southern Union Supply Co., for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the San Andres formation underlying the N/2 NE/4 of Section 30, Township 9 South, Range 33 East, Flying M-San Andres Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6017: (Continued from August 31, 1977 Examiner Hearing)

Application of E. L. Latham, Jr. and Roy G. Barton, Jr., for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying the E/2 NE/4 of Section 30, Township 9 South, Range 33 East, Flying M-San Andres Pool, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6036: Application of E. L. Latham, Jr., and Roy G. Barton, Jr., for compulsory pooling of a standard or a non-standard oil proration unit and an unorthodox location, or in the alternative, 40-acre spacing, Lea County, New Mexico. Applicants, in the above-styled cause, seek an order pooling all mineral interests in the Flying M-San Andres Pool underlying the E/2 NE/4 of Section 30, Township 9 South, Range 33 East, Lea County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location for said pool within 200 feet of the center of the NE/4 NE/4 of said Section 30, or an order pooling only the NE/4 NE/4 of Section 30 to form a non-standard 40-acre unit to be dedicated to the aforesaid well. In the alternative, applicants seek the amendment of the Flying M-San Andres Pool Rules to provide for 40-acre spacing, and seek an order pooling the aforesaid NE/4 NE/4 of Section 30 as a standard unit for said pool to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling