

Dockets Nos. 27-91 and 28-91 are tentatively set for September 19, 1991 and October 3, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 5, 1991**

**8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,  
SANTA FE, NEW MEXICO**

The following cases will be heard before Michael E. Stogner, Examiner or David R. Catanach, or Jim Morrow, Alternate Examiners:

**CASE 10280:** (Continued from August 22, 1991, Examiner Hearing.)

Application of Knox Industries Inc. for special pool rules, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Milnesand-Abo Pool, including a provision for 80-acre spacing and designated well location requirements. Said pool is located in portions of Sections 33 and 34, Township 8 South, Range 35 East, and Section 3, Township 9 South, Range 35 East, straddling the Roosevelt/Lea County line approximately 4 miles north by west of Crossroads, New Mexico.

 Application of Thomas Ray Sivley for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its Federal Silver Lease Well No. 2 to be drilled 1400 feet from the South line and 1600 feet from the East line (Unit J) of Section 28, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, an existing 40-acre oil spacing and proration unit comprising the NW/4 SE/4 of said Section 28 is to be dedicated to said well. Said unit is located approximately 5 miles south of U.S. Highway 62/180 at mile marker No. 78.

**CASE 10380:** Application of Anschutz Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Devonian formation, underlying the E/2 SW/4 of Section 18, Township 17 South, Range 39 East, forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 80-acre spacing, which presently includes only the South Knowles-Devonian Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location in the NE/4 SW/4 of said Section 18. 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 2.5 miles east-southeast of the community of Knowles, New Mexico.

**CASE 10365:** (Continued from August 8, 1991, Examiner Hearing.)

Application of Harvey E. Yates Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Grayburg formation underlying the NW/4 NE/4 (Unit B) of Section 32, Township 18 South, Range 33 East, forming 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 Buffalo-Yates Pool and Undesignated Buffalo-Queen 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 operator of the well and a charge for risk involved in drilling said well. Said well is located approximately 11 miles south-southeast of Maljamar, New Mexico.

**CASE 10381:** Application of Yates Petroleum Corporation for a pressure maintenance project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on its Woodpecker "SY" State Lease comprising the N/2 of Section 21, Township 14 South, Range 33 East, by the injection of water into the Saunders-Permo Upper Pennsylvanian Pool, through 5 producing wells to be converted to injection. Said project area is located approximately 2.75 miles north-northwest of Warren Petroleum Company's Saunders Gas Plant.

**CASE 10363:** (Continued from August 22, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool underlying the W/2 of Section 25, Township 20 South, Range 24 East, forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is 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, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said well is located approximately 8 miles west-southwest of Seven Rivers, New Mexico.

CASE 10372: (Continued from August 22, 1991, Examiner Hearing.)

Application of Parker & Parsley Development Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the S/2 equivalent of Section 33, Township 31 North, Range 4 West, forming a standard 320-acre, more or less, spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes only the Basin-Fruitland Coal Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 of said Section 33. 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 15 miles west-southwest of Dulce, New Mexico.

CASE 10374: (Continued from August 22, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. 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 Lots 1 and 2, NE/4, and E/2 NW/4 (N/2 equivalent) of Section 7, Township 24 South, Range 29 East, forming a 319.36-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated Malaga-Atoka Gas Pool, Undesignated Malaga-Morrow Gas Pool, and Undesignated Cedar Canyon-Morrow Gas Pool. Said unit is 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, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 3 miles east-northeast of Malaga, New Mexico.

CASE 10352: (Continued from August 22, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. 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 W/2 of Section 36, Township 20 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated North Turkey Track-Cisco Gas Pool, Undesignated Palmillo Draw-Strawn Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location in the NW/4 SW/4 of said 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 unit is located approximately 12 miles southwest of Loco Hills, New Mexico.

CASE 10353: (Continued from August 22, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. for compulsory pooling, Lea 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 W/2 of Section 20, Township 22 South, Range 33 West, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated East Red Tank-Atoka Gas Pool and Undesignated Bootleg Ridge-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 11.25 miles northeast by north of the Lea/Eddy County line on State Highway No. 128.

Dockets Nos. 28-91 and 29-91 are tentatively set for October 3, 1991 and October 17, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 19, 1991**

**8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,  
SANTA FE, NEW MEXICO**

The following cases will be heard before David R. Catanach, Examiner or Jim Morrow, or Michael E. Stogner, Alternate Examiners:

**CASE 10383:** Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Moonshine State Unit Agreement for an area comprising 4,800 acres, more or less, of State and Fee lands in portions of Townships 18 and 19 South, Range 36 East, which is located in an area surrounding Arkansas Junction, New Mexico.

**CASE 9140:** Application of Scurlock Permian Corporation, formerly Permian Corporation, to reopen Case 9140 for the purpose of rescinding Division Order No. R-8481, which authorized a commercial salt water disposal facility in the NW/4 of Section 2, Township 23 South, Range 29 East, Eddy County, New Mexico. **IN THE ABSENCE OF OBJECTION, SAID REQUEST TO RESCIND DIVISION ORDER NO. R-8481 SHALL BE GRANTED.**

**CASE 10280:** (Continued from September 5, 1991, Examiner Hearing.)

Application of Knox Industries Inc. for special pool rules, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Milnesand-Abo Pool, including a provision for 80-acre spacing and designated well location requirements. Said pool is located in portions of Sections 33 and 34, Township 8 South, Range 35 East, and Section 3, Township 9 South, Range 35 East, straddling the Roosevelt/Lea County line approximately 4 miles north by west of Crossroads, New Mexico.

**CASE 10379:** (Continued from September 5, 1991, Examiner Hearing.)

Application of Thomas Ray Sivley for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its Federal Silver Lease Well No. 2 to be drilled 1400 feet from the South line and 1600 feet from the East line (Unit J) of Section 28, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, an existing 40-acre oil spacing and proration unit comprising the NW/4 SE/4 of said Section 28 is to be dedicated to said well. Said unit is located approximately 5 miles south of U.S. Highway 62/180 at mile marker No. 78.

**CASE 10370:** (Readvertised)

Application of Coleman Oil and Gas, Inc. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Point Lookout interval of the Blanco-Mesaverde Pool in the perforated interval from approximately 4380 feet to 4480 feet in its Sunco Disposal Well No. 1 to be drilled 1595 feet from the North line and 1005 feet from the West line (Unit E) of Section 2, Township 29 North, Range 12 West. Said location is approximately 2.5 miles south by east of Flora Vista, New Mexico.

**CASE 10360:** (Continued from August 22, 1991, Examiner Hearing.)

Application of Bird Creek Resources, Inc. 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 or to a depth of 6300 feet, whichever is deeper, underlying the NW/4 NW/4 (Unit D) of Section 22, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the East Loving-Delaware Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location 990 feet from the North line and 760 feet from the West line of said Section 22. 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 well is located approximately 1 mile northeast of Loving, New Mexico.

**CASE 10384:** Application of Bird Creek Resources, Inc. 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 or 6300 feet, whichever is deeper, underlying the SE/4 NE/4 (Unit H) of Section 22, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the East Loving-Delaware 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 operator of the well and a charge for risk involved in drilling said well. Said well is located approximately 2 miles east by north of Loving, New Mexico.

**CASE 10385:** Application of Bird Creek Resources, Inc. 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 or 6300 feet, whichever is deeper, underlying the NW/4 NE/4 (Unit B) of Section 22, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, which presently includes but is not necessarily limited to the East Loving-Delaware 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 operator of the well and a charge for risk involved in drilling said well. Said well is located approximately 1.5 miles east-northeast of Loving, New Mexico.

**CASE 10386:** Application of McKay Oil Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool underlying the N/2 of Section 25, Township 20 South, Range 24 East, forming a standard 320-acre oil or gas spacing and proration unit for said pool. Said unit is 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, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 8 miles west-southwest of Seven Rivers, New Mexico.

**CASE 10372:** (Continued from September 5, 1991, Examiner Hearing.)

Application of Parker & Parsley Development Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the S/2 equivalent of Section 33, Township 31 North, Range 4 West, forming a standard 320-acre, more or less, spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes only the Basin-Fruitland Coal Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 of said Section 33. 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 15 miles west-southwest of Dulce, New Mexico.

**CASE 10352:** (Continued from September 5, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. 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 W/2 of Section 36, Township 20 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated North Turkey Track-Cisco Gas Pool, Undesignated Palmillo Draw-Strawn Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location in the NW/4 SW/4 of said 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 unit is located approximately 12 miles southwest of Loco Hills, New Mexico.

**CASE 10387:** Application of Stevens Operating Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its McClellan Federal Well No. 5 to be drilled 1650 feet from the South line and 330 feet from the West line (Unit L) of Section 27, Township 13 South, Range 29 East, Undesignated South Lone Wolf-Devonian Pool, the SW/4 of said Section 27 to be dedicated to said well forming a standard 160-acre oil spacing and proration unit for said pool. Said unit is located approximately 18 miles east by north of Hagerman, New Mexico.

Dockets Nos. 31-91 and 32-91 are tentatively set for October 31, 1991 and November 7, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 17, 1991**

**8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,  
SANTA FE, NEW MEXICO**

The following cases will be heard before David R. Catanach, Examiner or Michael E. Stogner, Alternate Examiner:

**CASE 10379:** (Continued from September 19, 1991, Examiner Hearing. This case will be dismissed.)

Application of Thomas Ray Sivley for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for its Federal Silver Lease Well No. 2 to be drilled 1400 feet from the South line and 1600 feet from the East line (Unit J) of Section 28, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, an existing 40-acre oil spacing and proration unit comprising the NW/4 SE/4 of said Section 28 is to be dedicated to said well. Said unit is located approximately 5 miles south of U. S. Highway 62/180 at mile marker No. 78.

**CASE 10399:** Application of Meridian Oil, Inc. for a high angle/horizontal directional drilling pilot project, special operating rules therefor, non-standard oil proration unit, special project allowable and increase in gas-oil ratio, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the Rio Puerco-Mancos Oil Pool by commencing its San Isidro Wash Well No. 1 at a standard surface oil well location tentatively selected in the NW/4 NW/4 (Unit D) of Section 21, Township 20 North, Range 3 West, drill vertically to a depth of approximately 3,000 feet, kick-off in a southeasterly direction, build angle up to approximately 80 degrees and then drill horizontally for approximately 4,000 feet. Applicant, further seeks the adoption of special operating provisions and rules within the pilot project area including a special project allowable of up to 640 BOPD with a GOR of 1,000 to 1, and an unorthodox well location exception. Applicant further seeks the flexibility to dedicate the N/2 of said Section 21 to the well as a standard 320-acre spacing unit or, in the alternative, the approval of all of Section 21 as a 640-acre non-standard spacing unit. Applicant proposes to keep the horizontal displacement of said well's producing interval within the allowed 660 foot setback from the outer sides of the assigned spacing unit. Said unit is located approximately 12 miles west-southwest of Cuba, New Mexico.

**CASE 10391:** (Continued from October 3, 1991, Examiner Hearing.)

Application of Bird Creek Resources, Inc. 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 Bone Spring formation or 8300 feet, whichever is deeper, underlying the N/2 NE/4 of Section 21, Township 23 South, Range 28 East, forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within said vertical extent, which presently includes only the Undesignated South Culebra Bluff-Bone Spring Pool. Said unit is to be dedicated to its Barkham Well No. 3 to be drilled at a standard oil well location in the NE/4 NE/4 (Unit A) of said Section 21. 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 0.5 miles northeast of Loving, New Mexico.

**CASE 10395:** (Readvertised)

Application of Hal J. Rasmussen Operating, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Jalmat Pool in the perforated interval from approximately 3260 feet to 3269 feet in its Mobil State Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 16, Township 23 South, Range 36 East. Said location is approximately 13.5 miles north-northwest of Jal, New Mexico.

**CASE 10394:** (Continued from October 3, 1991, Examiner Hearing.)

Application of Nearburg Producing 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 Bone Spring formation underlying the NE/4 SE/4 (Unit I) of Section 31, Township 24 South, Range 29 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent. 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 operator of the well and a charge for risk involved in drilling said well. Said well is located approximately 4.5 miles southeast of Malaga, New Mexico.

CASE 10400: Application of Stevens Operating Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated intervals from 2766 feet to 3130 feet and the open hole interval from 3205 feet to 3300 feet in the previously plugged and abandoned McClellan Oil Corporation North King Camp Unit Well No. 8 located 1980 feet from the South line and 660 feet from the East line (Unit D), Section 27, Township 13 South, Range 29 East. Said location is approximately 18.5 miles east by north of Hagerman, New Mexico.

CASE 10352: (Continued from October 3, 1991, Examiner Hearing.)

Application of Collins & Ware, Inc. 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 W/2 of Section 36, Township 20 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated North Turkey Track-Cisco Gas Pool, Undesignated Palmillo Draw-Strawn Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas well location in the NW/4 SW/4 of said 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 unit is located approximately 12 miles southwest of Loco Hills, New Mexico.

CASE 10372: (Continued from October 3, 1991, Examiner Hearing.)

Application of Parker & Parsley Development Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the S/2 equivalent of Section 33, Township 31 North, Range 4 West, forming a standard 320-acre, more or less, spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes only the Basin-Fruitland Coal Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 of said Section 33. 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 15 miles west-southwest of Dulce, New Mexico.

CASE 10401: Application of Texaco Exploration & Production, Inc. for a secondary recovery project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to institute either a pressure maintenance or waterflood pilot project, whichever is deemed applicable pursuant to Division General Rule 701 on its New Mexico State "AT" and New Mexico State "AN" Leases comprising Sections 15 and 22, Township 14 South, Range 33 East, by the injection of water into the Saunders-Permo Upper Pennsylvanian Pool through four certain producing wells to be converted to injection. Said project area is located approximately 3 miles north-northwest of Warren Petroleum Company's Saunders Gas Plant.

CASE 10402: (This case will be dismissed.)

Application of Mewbourne Oil Company for compulsory pooling and an unorthodox gas well location, 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 area in Section 33, Township 22 South, Range 26 East, and in the following manner: the N/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Sheep Draw-Strawn Gas Pool, Undesignated Northeast Sheep Draw-Strawn Gas Pool, Undesignated South Carlsbad-Atoka Gas Pool, Undesignated South Carlsbad-Morrow Gas Pool, and the Undesignated Happy Valley-Morrow Gas Pool, and the NE/4 forming 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 660 feet from the North line and 2,310 feet from the East line (Unit B) of said Section 33, which is a standard location for 320-acre spacing and unorthodox for 160-acre spacing. 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 well is located approximately 2 miles west-northwest of the Cavern City (Carlsbad) Airport.