

Dockets Nos. 4-92 and 5-92 are tentatively set for February 6, 1992 and February 20, 1992. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 23, 1992
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, Alternate Examiner:

CASE 10437: Application of the Mark Clark d/b/a Desert States Energy, Inc. for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 920 feet from the South line and 1310 feet from the East line (Unit P) of Section 13, Township 11 South, Range 27 East, to test the Chisum-Devonian Pool, the SE/4 SE/4 of said Section 13 to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for said pool. Said unit is located approximately 4.5 miles south of U. S. Highway 380 at mile market No. 175.

CASE 10434: (Continued from January 9, 1992, Examiner Hearing.)

Application of Hal J. Rasmussen Operating, Inc. for pool reclassification and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order reclassifying the Wilson Yates-Seven Rivers Pool, located in Township 21 South, Ranges 34 and 35 East, as an associated pool to be governed by the General Rules and Regulations for Associated Pools in Southeast New Mexico, as promulgated by Division Order No. R-5353, as amended. Applicant further seeks special provisions to provide for 160-acre gas and 40-acre oil proration units, a special gas/oil ratio limitation of 10,000 cubic feet of gas per barrel of oil, and any other provisions which may be applicable in this instance. Said pool is located approximately 15 miles west of Eunice, New Mexico.

CASE 10407: (Continued from December 19, 1991, Examiner Hearing.)

Application of Great Lakes Chemical Corporation for an exception to Division Order No. R-333-I and the Reassignment of Retroactive Gas Allowables, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the retroactive reassignment of gas allowables to the following six wells located in Township 27 North, Range 8 West, Blanco-Mesaverde Pool, said allowable for each well to be based on delinquent deliverability tests. The applicant further requests an exception to the provisions of Division Order No. R-333-I whereby each well would be exempt from any late penalties on allowables caused by failure to submit deliverability well test data in a specified time:

- Graham Well No. 1 (Unit A) Section 4
- Graham Well No. 1A (Unit P) Section 4
- Graham Well No. 3 (Unit J) Section 3
- Hammond Well No. 5 (Unit F) Section 35
- Hammond Well No. 55 (Unit B) Section 26
- Hammond Well No. 55 A (Unit D) Section 26

CASE 10421: (Continued from December 19, 1991, Examiner Hearing.)

Application of Union Oil Company of California d/b/a UNOCAL for designation of a tight formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Blanco-Mesaverde Pool underlying portions of Townships 26 and 27 North, Ranges 6 and 7 West, containing 20,642.7 acres, more or less, as a "Tight Formation" pursuant to Section 107 of the Natural Gas Policy Act of 1978 and 18 C.F.R. Section 271.701-705. Said area is located 22 miles southeast by east of Blanco, New Mexico.

CASE 10422: (Continued from January 9, 1992, 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 from the surface to the base of the Canyon formation underlying the SE/4 of Section 8, Township 19 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations spaced on 160-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location in the NW/4 SE/4 (Unit J) of said Section 8. 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 8.5 miles southwest by west of Dayton, New Mexico.

Dockets Nos. 35-91 and 36-91 are tentatively set for December 5, 1991 and December 19, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 21, 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, Alternate Examiner:

CASE 10401: (Reopened and Readvertised)

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 the S/2 S/2 of Section 10 and all of 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 10412: Application of MW Petroleum Corporation /Apache Corporation to amend Division Order No. R-9487-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9487-A, dated, which authorized the drilling of a well at an unorthodox gas well location 2049 feet from the North line and 480 feet from the West line (Unit E) of Section 12, Township 22 South, Range 23 East, NMPM, Indian Basin-Upper Pennsylvanian Gas Pool. Applicant specifically seeks to amend the gas allowable acreage factor assigned to the well by said order. All of Section 12 is dedicated to the subject well forming a standard 640-acre gas spacing and proration unit for said pool. Said unit is located approximately 20 miles West of Carlsbad, New Mexico.

CASE 10372: (Continued from October 17, 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.

(Continued from October 31, 1991, Examiner Hearing.)

Application of Great Lakes Chemical Corporation for an exception to Division Order No. R-333-I and the Reassignment of Retroactive Gas Allowables, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the retroactive reassignment of gas allowables to the following six wells located in Township 27 North, Range 8 West, Blanco-Mesaverde Pool, said allowable for each well to be based on delinquent deliverability tests. The applicant further requests an exception to the provisions of Division Order No. R-333-I whereby each well would be exempt from any late penalties on allowables caused by failure to submit deliverability well test data in a specified time:

- Graham Well No. 1 (Unit A) Section 4
- Graham Well No. 1A (Unit P) Section 4
- Graham Well No. 3 (Unit J) Section 3
- Hammond Well No. 5 (Unit F) Section 35
- Hammond Well No. 55 (Unit B) Section 26
- Hammond Well No. 55 A (Unit I) Section 26

CASE 8352: (Reopened and Readvertised)

In the matter of Case 8352 being reopened pursuant to the provisions of Division Order No. R-7737-A, which order established temporary special pool rules and regulations for the West Bravo Dome Carbon Dioxide Gas Area in Harding County, including a provision for 640-acre spacing units. Because production history from wells in the subject area is still not available and since there is no apparent basis for making any permanent decision on said pool rules at this time, Oxy USA Inc., has further requested, IN THE ABSENCE OF OBJECTION, that the current pool rules, including 640-acre spacing, be continued for a period of two years following the date of first production.

CASE 10391: (Continued from November 7, 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 10413: **Application of Merrion Oil & Gas Corporation to revise the special rules and regulations for the Snake Eyes-Dakota "D" Gas Pool and for an unorthodox gas well location, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks to amend Division Order No. R-4343, which authorized 320-acre spacing units and limited well location requirements in the Snake Eyes-Dakota "D" Gas Pool, by either permitting the drilling of an optional second well on an existing 320-acre spacing unit without notice and hearing, provided that the second well would not be drilled in the quarter section of the unit which does not contain a well OR, IN THE ALTERNATIVE, to reestablish 160-acre spacing in said pool. In either instance the applicant further seeks to allow well locations to be no closer than 330 feet from the outer boundary of a spacing unit nor 330 feet from any quarter/quarter section line or subdivision inner boundary. Said pool is comprised of Sections 17 and 20, Township 21 South, Range 8 West, which is located approximately 15 miles south by east of Nageesi, New Mexico. In conjunction to the proposed rule changes the applicant seeks approval for an unorthodox gas well location for the existing Santa Fe "20" Well No. 3 located 2220 feet from the North line and 990 feet from the East line (Unit H) of said Section 20.

CASE 10370: (Continued from October 31, 1991, Examiner Hearing.)

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 10414: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Lea and Roosevelt Counties, New Mexico.

- a. CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Crazy Horse-Delaware Pool. The discovery well is the Anadarko Petroleum Corporation Exxon Federal Well No. 1 located in Unit E of Section 19, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM

Section 19: NW/4

- b. CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Yates-Seven Rivers production and designated as the Southwest House Yates-Seven Rivers Gas Pool. The discovery well is the Seay Exploration Inc. Corrigan Well No. 1 located in Unit H of Section 14, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 14: NE/4

- c. CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the South Lusk-Bone Spring Pool. The discovery well is the Texaco Exploration & Production Inc. New Mexico CR State Well No. 1 located in Unit D of Section 32, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 32: NW/4

CASE 10406: Application of Amoco Production Company 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 South Mattix Unit comprising all of Section 15 and the NE 4, E 2 NW/4, N/2 SE/4, and the SE/4 SE/4 of Section 22, Township 24 South, Range 37 East, by the injection of water into the Fowler-Upper Yeso Pool, through seven certain injection wells to either be drilled or converted. Said project area is located approximately seven miles north-northeast of Jal, New Mexico.

CASE 10370: (Readvertised and continued from September 19, 1991, Examiner Hearing.)

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 8352: (Reopened)

In the matter of Case 8352 being reopened pursuant to the provisions of Division Order No. R-7737-A, which order established temporary special pool rules and regulations for the West Bravo Dome Carbon Dioxide Gas Area in Harding County, including a provision for 640-acre spacing units. All interested parties may appear and show cause why the West Bravo Dome Carbon Dioxide Gas Area should not be developed on less than 640-acre spacing and proration units.

Application of Great Lakes Chemical Corporation for an exception to Division Order No. R-333-I and the Reassignment of Retroactive Gas Allowables, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the retroactive reassignment of gas allowables to the following six wells located in Township 27 North, Range 8 West, Blanco-Mesaverde Pool, said allowable for each well to be based on delinquent deliverability tests. The applicant further requests an exception to the provisions of Division Order No. R-333-I whereby each well would be exempt from any late penalties on allowables caused by failure to submit deliverability well test data in a specified time:

- Graham Well No. 1 (Unit A) Section 4
- Graham Well No. 1A (Unit P) Section 4
- Graham Well No. 3 (Unit J) Section 3
- Hammond Well No. 5 (Unit F) Section 35
- Hammond Well No. 55 (Unit B) Section 26
- Hammond Well No. 55 A (Unit D) Section 26

CASE 10386: (Reopened)

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. This matter is being reopened at this time to consider additional testimony regarding an assignment of overriding royalty interest within the subject area.

CASE 10363: (Reopened)

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 unit is located approximately 8 miles west-southwest of Seven Rivers, New Mexico. This matter is being reopened at this time to consider additional testimony regarding an assignment of overriding royalty interest within the subject area.

Dockets Nos. 32-91 and 33-91 are tentatively set for November 7, 1991 and November 21, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 31, 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, Alternate Examiner:

CASE 10404: Application of Chevron U. S. A. to amend Division Order No. R-1084-B, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-1084-B, dated May 23, 1991, which authorized a 440-acre non-standard gas spacing and proration unit in the Eumont Gas Pool comprising the SW/4 of Section 1 and the NE/4, N/2 NW/4 and SE/4 NW/4 of Section 12, both in Township 22 South, Range 36 East; to be simultaneously dedicated to its H. T. Mattern (NCT-E) Well Nos. 10 and 11 located in Unit N of Section 1 and Unit B of Section 12, respectively. At this time the applicant requests to delete the NW/4 NW/4 of said Section 12 from the proration unit reducing the acreage to 400 acres for both Eumont Gas wells. Said unit area is located approximately 4 miles west-southwest of Eunice, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 10405: Application of Amerada Hess Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Division Order No. R-69-D, which order, in part, promulgated "Special Operating Procedures" for the Bagley Siluro-Devonian Pool. At this time the applicant seeks authorization for an unorthodox oil well location to be drilled 1830 feet from the North line and 1980 feet from the East line (Unit G) of Section 2, Township 12 South, Range 33 East, said well to be dedicated to a previously approved 80-acre non-standard oil spacing and proration unit comprising the SW/4 NE/4 and NW/4 SE/4 of said Section 2 (Order No. R-69-D). Said unit is located approximately 9.5 miles southeast by east of Caprock, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 10391: (Continued from October 17, 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 10251: (Reopened and Readvertised)

In the matter of Case 10251 being reopened upon the application of Kaiser-Francis Oil Company for the creation of a new pool for the production of gas from the Delaware formation comprising the SE/4 of Section 8, Township 21 South, Range 26 East, Eddy County, which is located approximately 7 miles northwest of Carlsbad, New Mexico.

CASE 10400: (Continued from October 17, 1991, Examiner Hearing.)

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 10395: (Readvertised and Continued from October 17, 1991, Examiner Hearing.)

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.

Dockets Nos. 1-92 and 2-92 are tentatively set for January 9, 1992 and January 23, 1992. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - DECEMBER 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 Michael E. Stogner, Examiner or David R. Catnach, Alternate Examiner:

CASE 10407: (Continued from November 21, 1991, Examiner Hearing. This case will be continued to January 23, 1991.)

Application of Great Lakes Chemical Corporation for an exception to Division Order No. R-333-I and the Reassignment of Retroactive Gas Allowables, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the retroactive reassignment of gas allowables to the following six wells located in Township 27 North, Range 8 West, Blanco-Mesaverde Pool, said allowable for each well to be based on delinquent deliverability tests. The applicant further requests an exception to the provisions of Division Order No. R-333-I whereby each well would be exempt from any late penalties on allowables caused by failure to submit deliverability well test data in a specified time:

- Graham Well No. 1 (Unit A) Section 4
- Graham Well No. 1A (Unit P) Section 4
- Graham Well No. 3 (Unit J) Section 3
- Hammond Well No. 5 (Unit F) Section 35
- Hammond Well No. 55 (Unit B) Section 26
- Hammond Well No. 55 A (Unit D) Section 26

CASE 10417: (Continued from December 5, 1991, Examiner Hearing.)

Application of Coquina Oil Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 990 feet from the North and East lines (Unit A) of Section 34, Township 19 South, Range 25 East, the N/2 of said Section 34 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for any and all formations from the surface to the base of the Morrow formation spaced on 320 acres, which presently includes but is not necessarily limited to the Undesignated Dagger Draw-Strawn Gas Pool, North Cemetery Atoka Gas Pool and Cemetery-Morrow Gas Pool.

CASE 10424: Application of Citation Oil & Gas Corporation for downhole commingling, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle oil production from the South Hospah Upper Sand Oil Pool and the South Hospah Lower Sand Oil Pool within the wellbores of those wells located in the N/2 and N/2 S/2 of Section 12 and the SE/4 NE/4 and NE/4 SE/4 of Section 11, Township 17 North, Range 9 West. Said area is located 6 miles south of Whitehorse, New Mexico.

CASE 10372: (Continued from November 21, 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 10426: Application of BTA Oil Producers for simultaneous dedication and to amend Division Order No. R-9009, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9009 whereby the Maxus "B" 8026 JV-P Well No. 2 located at a standard gas well location 990 feet from the South line and 1980 feet from the West line (Unit N) of Section 34, Township 22 South, Range 34 East, would be allowed to produce at a restricted flow rate from the Antelope Ridge-Atoka Gas Pool. Further, the applicant seeks an exception to Division General Rule 104.C(2) to allow for the simultaneous dedication of the existing 320-acre gas spacing and proration unit comprising the S/2 of said Section 34 to the No. 2 well and to the Maxus "B" 8026 JV-P Well No. 1 located at a previously approved unorthodox gas well location (Division Order No. R-8331) 660 feet from the South and East lines (Unit P) of said Section 34. Said unit is located approximately 20 miles west southwest of Eunice, New Mexico.

CASE 10427: Application of Mewbourne Oil Company for compulsory pooling, an unorthodox gas well location and non-standard gas proration units, 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 6, Township 18 South, Range 28 East, and in the following manner: Lots 3 through 7, SE/4 NW/4 and E/2 SW/4 (W/2 equivalent) forming a non-standard 334.98-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 Empire Pennsylvanian Gas Pool and the Undesignated North-Illinois Camp-Morrow Gas Pool and Lots 6 and 7 and the E/2 SW/4 (SW/4 equivalent) forming a non-standard 167.36-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre gas spacing within said vertical extent. Said units are to be dedicated to a single well to be drilled 990 feet from the South line and 730 feet from the West line (Unit M) of said Section 6 which is a standard location for zones spaced on 160 acres but unorthodox for zones spaced on 320 acres. 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 5 miles north of the Old Illinois Field Camp.

CASE 10415: (Continued from December 5, 1991, Examiner Hearing.)

Application of Samuel Gary, Jr. and Associates for a horizontal directional drilling pilot project, special operating rules therefor, an unorthodox surface oil well location, an exception to the pool's gas/oil ratio limitation factor, simultaneous dedication and possibly a non-standard oil proration unit, 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 drilling vertically from an unorthodox surface location 330 feet from the South line and 1650 feet from the West line (Unit N) of Section 4, Township 20 North, Range 2 West, to a depth of approximately 3250 feet, kick-off in a northerly direction, build angle to approximately 83 degrees and then drill horizontally for approximately 3850 feet. The applicant is proposing to establish a window in the W/2 equivalent of said Section 4 whereby a horizontal displacement of said well's producing interval will be no closer than 660 feet from the W/2 outer boundary. Further, the applicant seeks the adoption of special operating provisions within the pilot project area including a special Gas-Oil Ratio of 1000 to 1 and the flexibility to dedicate up to the 597.28 acres comprising all of said Section 4. Also to be included is the simultaneous dedication of the proposed well with the existing Johnson "4" Well No. 14 located 860 feet from the South line and 1650 feet from the West line (Unit N) which has dedicated to it the S/2 of said Section 4. The subject area is located approximately 5.5 miles west-southwest of Cuba, New Mexico.

CASE 10416: (Continued from December 5, 1991, Examiner Hearing.)

Application of Presidio Exploration, Inc. for an unorthodox gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Division General Rule 104.C. (2) to allow for the simultaneous dedication of East Burton Flat-Strawn Gas Pool production from the Superior Federal Well No. 9 located at a standard gas well location 1830 feet from the North line and 1980 feet from the East line (Unit G) of Section 1, Township 20 South, Range 29 East, and to a well to be drilled at an unorthodox gas well location 1300 feet from the North and West lines (Unit D) of said Section 1. Lots 1 through 4 and the S/2 N/2 (N/2 equivalent) of said Section 1 is to be the designated spacing unit for both wells comprising 321.20 acres. Said unit is located 15 miles southeast of Loco Hills, New Mexico.

CASE 10429: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to deepen its existing Albert "AJH" Well No. 1 located 660 feet from the North and East lines (Unit A) of Section 21, Township 20 South, Range 24 East, and complete said well as an unorthodox gas well location in the Foster Ranch-Morrow Gas Pool. The E/2 of said Section 21 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said well is located approximately 10 miles west by south of Seven Rivers, New Mexico.

CASE 10422: (Continued from December 5, 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 from the surface to the base of the Canyon formation underlying the SE/4 of Section 8, Township 19 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations spaced on 160-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location in the NW/4 SE/4 (Unit J) of said Section 8. 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 8.5 miles southwest by west of Dayton, New Mexico.