

CASE 9638: (Continued and Readvertised)

Application of Meridian Oil, Inc. to amend Division Order No. R-8882, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8882 by changing the unorthodox coal gas well location approved in said Order for its Stanolind Gas Com Well No. 300 to a new location 790 feet from the North line and 1605 feet from the East line (Unit B) of Section 16, Township 30 North, Range 8 West. Said location is approximately 2.25 miles east-northeast of Archuleta, New Mexico.

CASE 9639: (Continued from March 29, 1989, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 (equivalent) of Section 23, Township 31 North, Range 10 West, forming a standard 313.78-acre gas spacing and proration unit for said pool, to be dedicated to its Atlantic "D" Com Well No. 205 to be drilled at a standard coal gas well location in the NW/4 of said Section 23. 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 location is approximately 9 miles northeast of Aztec, New Mexico.

CASE 9640: (Continued from March 29, 1989, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 (equivalent) of Section 21, Township 31 North, Range 10 West, forming a standard 310.38-acre gas spacing and proration unit for said pool, to be dedicated to its Lambe Com Well No. 200 to be drilled at a standard coal gas well location in the NE/4 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 location is approximately 7.5 miles northeast by east of Aztec, New Mexico.

CASE 9641: (Continued from March 29, 1989, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 (equivalent) of Section 23, Township 31 North, Range 10 West, forming a standard 315.75-acre gas spacing and proration unit for said pool, to be dedicated to its Atlantic "B" Com Well No. 205 to be drilled at a standard coal gas well location in the SW/4 of said Section 23. 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 location is approximately 9 miles northeast of Aztec, New Mexico.

CASE 9648: (Continued from April 12, 1989, Examiner Hearing.)

Application of Meridian Oil, Inc. to amend Division Order No. R-8868, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8868 to include authorization for a non-standard coal gas well location for the subject well of said order to be drilled 2200 feet from the North line and 1360 feet from the East line (Unit G) of Section 36, Township 30 North, Range 6 West, Basin-Fruitland Coal (Gas) Pool, Lots 1, 2, 3 and 4 and the W/2 E/2 of said Section 36 to be dedicated to said well forming a non-standard 230.24-acre spacing and proration unit for said pool. Said location is approximately 5.5 miles northwest by north of Gobernador, New Mexico.

CASE 9649: (Continued from April 12, 1989, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox coal gas well location 790 feet from the North line and 1,165 feet from the West line (Unit D) of Section 16, Township 30 North, Range 8 West, Basin-Fruitland Coal Gas Pool, the W/2 of said Section 16 to be dedicated forming a standard 320-acre gas spacing and proration unit for said pool. Said location is approximately 4.25 miles west by north of the Navajo Reservoir Dam.

CASE 9659: Application of Texaco Producing Inc. to amend Division Order No. R-8810; Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Division Order No. R-8810 by including authorization to surface commingle Northeast Lovington-Pennsylvanian Pool production with production from the Lovington Grayburg-San Andres Pool and the Lovington-Abo Pool, all from the State "P" Lease located in Section 32, Township 16 South, Range 37 East, into a common tank battery. Said lease is located approximately 7 miles north-northwest of Humble City, New Mexico.

ockets Nos. 14-89 and 15-89 are tentatively set for May 10 and May 24, 1989. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 26, 1989

**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, or Victor T. Lyon, Alternate Examiners:

CASE 9652: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the West of Eden Unit Area comprising 8320.72 acres, more or less, of State and Federal lands in portions of Townships 7 and 8 South, Range 23 East. Said unit is located approximately 18 miles north-northwest of Roswell, New Mexico.

CASE 9653: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Middle Creek State Unit Area comprising 14,920.73 acres, more or less, of State and Fee lands in a portion of Townships 8 and 9 South, Range 23 East. Said unit is located approximately 13 miles north-northwest of Roswell, New Mexico.

CASE 9654: Application of Yates Petroleum Corporation for a unit agreement, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Todd Unit Area comprising 960 acres, more or less, of State and Federal lands in the E/2 of Section 17 and all of Section 18, Township 7 South, Range 35 East. Said unit is located approximately 5 miles north-northwest of Milnesand, New Mexico.

CASE 9655: Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East Apple State Unit Area comprising 5,919.52 acres, more or less, of State and Fee lands in Townships 25 and 26 South, Range 28 East. Said unit is located approximately 14 miles south of Loving, New Mexico.

CASE 9656: Application of McClellan Oil Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Roswell State Unit Area comprising 11,653.01 acres, more or less, of State lands in a portion of Township 9 South, Range 24 East. Said unit is located approximately 10 miles north of Roswell, New Mexico.

CASE 9657: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the West Pecos Slope-Abo Gas Pool underlying the SW/4 of Section 28, Township 7 South, Range 23 East, forming a standard 160-acre oil and gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing. 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 location is approximately 3.5 miles west of Mile Post No. 130 on U.S. Highway 285 north of Roswell, New Mexico.

CASE 9612: (Reopened and Readvertised)

Application of Pennzoil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 1650 feet from the North line and 330 feet from the East line (Unit H) of Section 21, Township 16 South, Range 37 East, Undesignated Northeast Lovington-Pennsylvanian Pool, the E/2 NE/4 of said Section 21 to be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool. Said location is approximately 5.25 miles east-southeast of Lovington, New Mexico.

CASE 9643: (Continued and Readvertised)

Application of Steve Sell for directional drilling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to directionally drill its Shafer Federal Com Well No. 1 from a surface location 1327 feet from the South line and 1145 feet from the West line (Unit L) of Section 35, Township 21 South, Range 24 East, in a northwesterly direction, to a depth sufficient to test the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin-Morrow Gas Pool at an unorthodox gas well location in the NW/4 SW/4 which shall not be any closer to the South line of said Section 35 than 1600 feet nor any closer to the West line of said Section 35 than 800 feet. All of said Section 35 is to be dedicated to the well to form a standard 640-acre gas spacing and proration unit for both pools. This unit is located approximately 14 miles west of Carlsbad, New Mexico.

CASE 9658: Application of Parker & Parsley Petroleum Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the Undesignated South Loving-Delaware Pool in the perforated interval from approximately 3,500 feet to 4,800 feet in its Pardue Farms 23-D Well No. 8 to be drilled 2,069 feet from the North line and 632 feet from the East line (Unit H) of Section 27, Township 23 South, Range 28 East. Said well is located approximately 2 miles southeast by east of Loving, New Mexico.

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

March 31, 1989

*CASE FILE
9659*

Texaco USA
P.O. Box 728
Hobbs, New Mexico 88240

ATTN: J. A. Schaffer

RE: Request for Approval of Surface Commingle
Texaco Producing Inc.'s State Lease B-7897-1
Lovington Grayburg-San Andres, Lovington-Abo,
Lovington Penn, NE Pools
W2NW4, S2 Section 32, T-16-S, R-37-E
Lea County, New Mexico

Gentlemen:

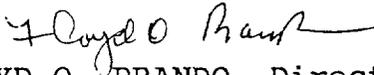
Reference is made to your application letter, dated March 7, 1989, wherein you request approval to Surface Commingle production from State "P" Well No. 14 with production from the already commingled State "P" Wells Nos. 3, 4, and 13. These wells are all located on State Lease B-7897-1, Section 32, T-16-S, R-37-E, Lea County, New Mexico.

Approval is hereby granted to commingle the oil produced from the wells as described above. Any deviation from the substance of your request will be sufficient grounds for rescinding our approval. Our approval is subject to like approval by the New Mexico Oil Conservation Division.

Please do not hesitate to contact us if we can be of any further help.

Very truly yours,

W.R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY: 
FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

enclosure

cc: OCD - Santa Fe, New Mexico
Oil and Gas Accounting Division
State Lease B-7897-1s

State of New Mexico



W.R. HUMPHRIES
COMMISSIONER



Commissioner of Public Lands

P.O. BOX 1148
SANTA FE, NEW MEXICO 87504-1148

March 16, 1989

Texaco Producing, Inc.
P.O. Box 728
Hobbs, New Mexico 88240

ATTN: J.A. Schaffer

RE: Surface Commingling Permit Application
Texaco Producing Inc.'s State "P" Lease
Lovington Grayburg-San Andres, Lovington Abo,
Lovington Penn, NE Pools
Lea County, New Mexico

Gentlemen:

We received your letter, dated March 7, 1989, in which you requested approval for Lease Commingling in the above described pools in Lea County, New Mexico. Because we have not received all of the information required under State Land Office Rule 1.055, we must reserve approval at this time. For your information, we have enclosed a copy of Rule 1.055 and have marked the information which you omitted. As soon as this information is received, we can begin processing your application.

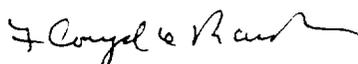
We have received your application fee of thirty dollars (\$30.00).

If you have any questions, please call Susan Howarth at (505) 827-5749.

Very truly yours,

WILLIAM R. HUMPHRIES
COMMISSIONER OF PUBLIC LANDS

BY:


FLOYD O. PRANDO, Director
Oil and Gas Division
(505) 827-5744

encl

cc: OCD - Santa Fe, New Mexico

WHR/smh

STATE LAND OFFICE RULE 1.055

COMMINGLING AND OFF LEASE STORAGE OF OIL AND GAS
ON STATE TRUST LANDS

1.055 Application for Permission to Commingle or Off Lease Store Production. Applications for permission to commingle or off lease store production shall be directed to the Commissioner and shall include:

- _____ A. Formal application stating the type of permission desired and the reason therefor, accompanied by an application fee of thirty dollars (\$30.00).
- * B. Plat showing the location of leases, wells, flow lines and common tankage. All plats and diagrams should differentiate between surface and underground pipe.
- * C. A list of the involved leases arranged by their State Land Office Lease Number, their legal description, and including state beneficiaries.
- * D. A designation of the pool from which each well produces.
- * E. An economic analysis of proposed operation showing profit or loss to the State of New Mexico.
- * F. Schematic diagram of entire system from production manifold to pipeline connection showing position of all components of flow stream.
- * G. Detail drawing(s) of any component which is specifically fabricated; i.e., not commercially available.
- * H. Description of the operating sequence explaining the complete operation.
- * I. Any other pertinent data that will assist the Commissioner in deciding upon the application.

* We have NOT received this information as of March 16, 1989
(New Mexico State Land Office - Oil and Gas Division.) Smith