Page 2 of 6 Examiner Hearing - Wednesday - October 31, 1984

- <u>CASE 8392</u>: Application of Moroilco Incorporated for salt water disposal, Eddy 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 interval from 2,888 feet to 3,000 feet in its Guajalote "A" State Well No. 1 located in Section 5, Township 19 South, Range 29 East.
- <u>CASE 8393</u>: Application of Fluid Waste, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bone Spring formation in its Dorstate Well No. 1 located in Section 27, Township 25 South, Range 28 East.
- CASE 8383: (Continued from October 17, 1984, Examiner Hearing)

Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33. Township 16 South, Range 37 East, 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.

- CASE 8394: Application of Pennzoil Company for compulsory pooling and an unorthodox location, 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 Pennsylvanian formation underlying the W/2 of Section 1, Township 17 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 1320 feet from the North line and 1980 feet from the West line of said Section 1. 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.
- <u>CASE 8395</u>: Application of Merrion Oil & Gas Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gallup and Dakota formations underlying the S/2 of Section 24, Township 24 North, Range 2 West, 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.
- CASE 8217: (Continued from October 17, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

- <u>CASE 8396</u>: 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 Cisco and Canyon production and designated as the North Anderson Ranch-Cisco Canyon Pool. The discovery well is the H. L. Brown, Jr. State 32 Well No. 1 located in Unit P of Section 32, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM Section 32: SE/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM Section 2: Lots 1, 2, 7, and 8

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Pitchfork Ranch-Atoka Gas Pool. The discovery well is the HNG Oil Company Madera Ridge 25 Federal Com Well No. 1 located in Unit L of Section 25, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

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TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 25: W/2
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Docket Nos. 43-84 and 44-84 are tentatively set for November 14 and 28, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 31, 1984

8 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 Gilbert P. Quintana, Alternate Examiner:

- CASE 8386: Application of Pelto Oil Company for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pinon Unit Area comprising 50,000 acres, more or less, of State, Federal and Fee lands in Townships 13 and 14 North, Ranges 8 and 9 East.
- CASE 8387: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Arroyo Del Macho Unit Area comprising 25,214.78 acres, more or less, of State, Federal and Fee lands in Townships 4, 5, and 6 South, Ranges 21 and 22 East.
- CASE 8388: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Five Mile Draw Unit Area comprising 6,457.74 acres, more or less, of State, Federal and Fee lands in Townships 4, 6, and 7 South, Ranges 23 and 24 East.
- <u>CASE 8389</u>: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Huggins Draw Unit Area comprising 29,351.91 acres, more or less, of State, Federal and Fee lands in Townships 4 and 5 South, Ranges 22, 23, and 24 East.
- <u>CASE 8390</u>: 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 top of the Wolfcamp formation through the base of the Morrow formation underlying the E/2 of Section 11, Township 19 South, Range 23 East, 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.
- CASE 8226: (Continued from October 17, 1984, Examiner Hearing)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8359: (Continued from October 17, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.

CASE 8360: (Continued from October 17, 1984, Examiner Hearing)

Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.

CASE 8361: (Continued from October 17, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.

CASE 8391: Application of Stevens Operating Corporation for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 2310 feet from the South line and 1760 feet from the East line of Section 19, Township 8 South, Range 29 East, to test the Fusselman formation, the S/2 of said Section 19 to be dedicated to the well.

- <u>CASE 2381</u>: Application of Anagarko Production Company for waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Ballard Grayburg-San Ancres waterflood Unit, Loco Hills Pool, by converting 8 wells located in Sections 5, 6, and 8, and drilling two new injection wells to be drilled at unorthodox locations in the SW/4 NW/4 and the SW/4 SW/4 of Section 4, all in Township 18 South, Range 29 East.
- <u>CASE 3382</u>: Application of TXO Production Company for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Pioneer Federal Com well No. 1 located 1980 feet from the North line and 1740 feet from the East line (Unit G) of Section 19, Township 21 South, Range 27 East, to produce oil and gas from the Lanuerta-Wolfcamp Pool through a string of tubing and gas from the Burton Flat-Morrow Gas Pool through the casing-tubing annulus.
- CASE 3383: Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling alimineral interests in the Orickard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 Soutr, Range 37 East, to be cedicated 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.
- <u>CASE 8384</u>: Application of J. M. Huber Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the South and West lines of Section 32, Township 12 South, Range 36 East, Tatum-Wolfcamp Pool, the S/2 SW/4 of said Section 32 to be dedicated to the well.
- CASE 8217: (Continued from October 3, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 25 located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8337: (Continued from October 3, 1984, Examiner Hearing)

Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

- <u>CASE 8385</u>: 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 Eddy and Chaves Counties, New Mexico:
  - (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Avalon-Lower Bone Spring Pool. The discovery well is the Exxon Yates C Federal Well No. 22 located in Unit E of Section 4, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21\_SOUTH, RANGE 27 EAST, NMPM

Section 4: Lots 3, 4, 5, 6, 11 & 12

(b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Forty Niner Ridge-Delaware Pool. The discovery well is the Getty Oil Company Forty Niner Ridge Unit Well No. 1 located in Unit J of Section 16, Township 23 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM

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Section 16: SE/4

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- CASE 8392: Application of Moroilco Incorporated for salt water disposal, Eddy 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 interval from 2,888 feet to 3,000 feet in its Guajalote "A" State Well No. 1 located in Section 5, Township 19 South, Range 29 East.
- <u>CASE 8393</u>: Application of Fluid Waste, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bone Spring formation in its Dorstate Well No. 1 located in Section 27, Township 25 South, Range 28 East.
- CASE 8383: (Continued from October 17, 1984, Examiner Hearing)

Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 South, Range 37 East, 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.

- CASE 8394: Application of Pennzoil Company for compulsory pooling and an unorthodox location, 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 Pennsylvanian formation underlying the W/2 of Section 1, Township 17 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 1320 feet from the North line and 1980 feet from the West line of said Section 1. 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.
- CASE 8395: Application of Merrion Oil & Gas Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gallup and Dakota formations underlying the S/2 of Section 24, Township 24 North, Range 2 West, 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.
- CASE 8217: (Continued from October 17, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

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  - (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Cisco and Canyon production and designated as the North Anderson Ranch-Cisco Canyon Pool. The discovery well is the H. L. Brown, Jr. State 32 Well No. 1 located in Unit P of Section 32, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM Section 32: SE/4 TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM

Section 2: Lots 1, 2, 7, and 8

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Pitchfork Ranch-Atoka Gas Pool. The discovery well is the HNG Oil Company Madera Ridge 25 Federal Com Well No. 1 located in Unit L of Section 25, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

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TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 25: W/2
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