

Dockets Nos. 33-85 and 34-85 are tentatively set for November 6 and November 21, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 23, 1985

8:00 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 Catanach, Alternate Examiner:

CASE 5777: (Continued from August 28, 1985, Examiner Hearing)

In the matter of Case 5777 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-5316 which order created the Horse Back-Pennsylvanian Gas Pool in Lea County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.

CASE 8730: Application of Ray Westall for salt water disposal, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers formation in the perforated and open-hole interval from approximately 2420 feet to 2581 feet in the Texas Crude Oil Co. Tennessee Federal Well No. 1 located 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 21, Township 19 South, Range 31 East, North Hackberry Yates-Seven Rivers Pool.

CASE 9731: Application of Amerada Hess Corporation for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the Wolfcamp through Atoka formations underlying the N/2 SE/4 of Section 10, 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 8711: (Continued and Readvertised)

Application of Yates Petroleum Corporation for compulsory pooling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the PreCambrian formation underlying the S/2 of Section 27, Township 2 South, Range 29 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 8719: (Continued and Readvertised)

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 from the surface to the base of the Strawn formation underlying the SE/4 NE/4 of Section 4, Township 17 South, Range 37 East, to form a standard 40-acre oil spacing unit, to be dedicated to a well to be drilled at a standard location thereon. IN THE ALTERNATIVE, the applicant seeks an order pooling all mineral interests from the surface to the top of the Strawn formation underlying the SE/4 NE/4 of said Section 4, forming a standard 40-acre oil spacing unit and all mineral interests in the Strawn formation underlying the E/2 NE/4 of said Section 4, forming a standard 80-acre oil spacing unit, both units to be dedicated to a well to be drilled at a standard location thereon. Also to be considered, in either case, 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 8732: Application of Earle M. Craig, Jr. Corporation for compulsory pooling, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Phantom Draw-Wolfcamp Gas Pool underlying the S/2 of Section 18, Township 26 South, Range 31 East, to be dedicated to a well to be drilled at a previously approved unorthodox gas well location 660 feet from the South and East lines 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.

- CASE 8733: Application of Earle M. Craig, Jr. 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 in the Wolfcamp formation 1980 feet from the North line and 1580 feet from the East line of Section 25, Township 26 South, Range 30 East, a 320-acre standard gas spacing and proration unit consisting of the N/2 of said Section 25 to be dedicated to the well.
- CASE 8734: Application of Amoco Production Company for pool reclassification, pool extension, and special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the Hogback-Pennsylvanian Gas Pool to an oil pool and the extension of the horizontal limits of the proposed Hogback-Pennsylvanian Oil Pool in portions of Sections 7, 8, 29, and 30, Township 29 North, Range 16 West, and Sections 12, 13, and 24, Township 29 North, Range 17 West. Applicant further seeks the promulgation of special pool rules therefor including a provision for 160-acre spacing units, designated well locations, exemption from a gas-oil ratio limitation factor, exception to Division General Rule 306 to allow the venting of casinghead gas, and the assignment of a special depth bracket allowable for each spacing unit within the pool.
- CASE 8712: (Continued from September 25, 1985, Examiner Hearing)
- Application Kimbell Oil Company of Texas for HARSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Salazar Well No. 4-E located 1630 feet from the North line and 1460 feet from the West line (Unit F) of Section 34, Township 25 North, Range 6 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8735: Application of Southland Royalty Company 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 to the base of the Morrow formation underlying the W/2 of Section 26, Township 19 South, Range 28 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 8736: Application of Southland Royalty 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 Dakota formation underlying the N/2 of Section 13, Township 25 North, Range 2 West, Basin-Dakota Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling 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 8737: Application of Southland Royalty Company 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 top of the Wolfcamp formation underlying the SW/4 of Section 30, Township 15 South, Range 28 East, and all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of said Section 30, 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 8721: (Continued from October 9, 1985, Examiner Hearing)
- Application of Inexco Oil 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 Atoka formation underlying the W/2 NW/4 of Section 13, Township 17 South, Range 37 East, to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre units, 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 8689: (Continued from September 25, 1985, Examiner Hearing)
- Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying a previously approved 120-acre non-standard proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to its Justis Christmas Gas Com Well No. 1 located 2225 feet from the North line and 790 feet from the West line of said Section 20. 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.