

22: (Continued from October 9, 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 from the surface to the base of the Jalmat Gas Pool underlying the SE/4 of Section 25 and the NE/4 NE/4 of Section 36, Township 24 South, Range 36 East, to be dedicated to a well to be drilled 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.

38: Application of Chama Petroleum Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Cisco formation in the perforated interval from 8023 feet to 8136 feet in its Lanning Well No. 1 located 1980 feet from the South and West lines (Unit G) of Section 4, Township 19 South, Range 26 East.

39: Application of Chama Petroleum Company to rescind Division Order No. R-7637, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to rescind Division Order No. R-7637 which authorized the disposal of produced water into the "C" and "D" zones of the Cisco Canyon formation through the Dagger Draw Salt Water Disposal Well located 1495 feet from the North line and 225 feet from the West line of Section 22, Township 19 South, Range 25 East, Undesignated North Dagger Draw-Upper Pennsylvanian Pool, in which Anadarko Production Company is the operator.

740: 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 North Hay Hollow - Bone Spring Pool. The discovery well is Woods & Locker Inc., Amoco Federal Well No. 1 located in Unit A of Section 26, Township 25 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 27 EAST, NMPM

Section 26: NE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Hay Hollow-Morrow Gas Pool. The discovery well is H.N.G. Oil Co., Hay Hollow 25 State No. 1 located in Unit G of Section 25, Township 25 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 27 EAST, NMPM

Section 25: N/2

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the East Hess - Morrow Gas Pool. The discovery well is Cities Service Co., Federal AC Well No. 1 located in Unit K of Section 35, Township 23 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 23 EAST, NMPM

Section 35: W/2

- (d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North Malaga - Bone Spring Pool. The discovery well is Macdox Energy Corp., Malaga Well No. 1 located in Unit G of Section 3, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 3: NE/4

- (e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Outpost - Delaware Pool. The discovery well is Sura Energy, Connie C Well No. 1 located in Unit G of Section 25, Township 19 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 25: NE/4

- (f) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Penn production and designated as the Race Track - Penn Gas Pool. The discovery well is Tenneco Oil Co., Plains SL 19 Well No. 1 located in Unit B of Section 19, Township 10 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM

Section 19: E/2

- (g) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the San Lorenzo - Bone Spring Pool. The discovery well is MYCO Industries, Inc., State 15 Well No. 1 located in Unit L, of Section 15, Township 25 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM

Section 15: SW/4

- (h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Northeast Sheep Draw - Strawn Gas Pool. The discovery well is Exxon Corp., Happy Valley Federal Com Well No. 1 located in Unit G of Section 28, Township 22 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 28: N/2

- (i) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Turkey Track - Wolfcamp Pool. The discovery well is Tenneco Oil Co., State HL 2 Well No. 1-Y located in Unit F of Section 2, Township 19 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 2: NW/4

- (j) EXTEND the Aid-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 13: W/2

- (k) EXTEND the Atoka-Glorieta/Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM

Section 23: N/2 SE/4 and NE/4

- (l) EXTEND the Brown-Queen/Grayburg Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM

Section 27: E/2

- (m) EXTEND the Brushy Draw-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 15: W/2

Section 22: W/2

CASE 8745: Application of Benson-Montin-Greer Drilling Corporation for authority to conduct a long term Reservoir Pressure Study, Mancos Formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to conduct a long term reservoir pressure study among certain Mancos Formation wells that are located in Section 6, Township 25 North, Range 1 West and Sections 1 and 2 of Township 25 North, Range 2 West, including the granting of a special temporary allowable, accumulation of underproduction and exceptions for Division Rules 503, 505, and 306.

CASE 8746: (This case will be continued to December 18, 1985.)

Application of Jack J. Grynberg 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 S/2 of Section 25, Township 18 South, Range 26 East, to form a standard 320-acre gas spacing and proration unit 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 8735: (Continued from October 23, 1985, Examiner Hearing)

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 2, 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: (Continued from October 23, 1985, Examiner Hearing)

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: (Continued from October 23, 1985, Examiner Hearing)

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 8689: (Continued from October 23, 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.

CASE 8739: (Continued from October 23, 1985, Examiner Hearing)

Application of Chama Petroleum Company to rescind Division Order No. R-7637, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to rescind Division Order No. R-7637 which authorized the disposal of produced water into the "C" and "D" zones of the Cisco Canyon formation through the Dagger Draw Salt Water Disposal Well located 1495 feet from the North line and 225 feet from the West line of Section 22, Township 19 South, Range 25 East, Undesignated North Dagger Draw-Upper Pennsylvanian Pool, in which Anadarko Production Company is the operator.

Dockets Nos. 35-85 and 36-85 are tentatively set for November 21 and December 4, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 6, 1985

9 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 8741: (This case will be continued to November 21, 1985.)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Rapid Company, Inc., American Employers' Insurance Co. and all other interested parties to appear and show cause why the following wells in Lea County should not be plugged and abandoned in accordance with a Division-approved plugging program:

Punch No. 1	Unit J	Sec. 11, T-12-S, R-34-E
Ranger Lake No. 1	Unit N	Sec. 11, T-12-S, R-34-E
Ranger Lake No. 3	Unit N	Sec. 11, T-12-S, R-34-E
Texas Pacific AH State No. 1	Unit F	Sec. 14, T-12-S, R-34-E
Ranger Lake SWD No. 1	Unit H	Sec. 15, T-12-S, R-34-E

CASE 8673: (Continued from October 9, 1985, Examiner Hearing)

Application of Chevron USA Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Trooper Unit Area comprising 2,880 acres, more or less, of State lands in Township 11 South, Range 35 East.

CASE 8712: (Continued from October 23, 1985, Examiner Hearing)

Application of Kimbell Oil Company of Texas for HARDSHIP 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 8742: Application of Reeves Drilling & Petroleum Corporation 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 Gallup Sandstone formation in the open-hole interval from approximately 2465 feet to 2615 feet in the Malco Copple Well No. 2 located 360 feet from the North line and 1650 feet from the West line of Section 5, Township 30 North, Range 15 West, Verde-Gallup Oil Pool.

CASE 8743: Application of H. L. Brown, Jr. for salt water disposal, Roosevelt 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 approximately 4030 feet to 4535 feet in its Saunders "A" Well No. 1 located 1650 feet from the North and West lines of Section 5, Township 8 South, Range 37 East, Bluit-San Andres Gas Pool.

CASE 8635: (Continued from September 11, 1985, Examiner Hearing)

Application of Energy Reserves Group, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Fusselman formation in the perforated interval from 8150 feet to 8220 feet in its McClellan Well No. 1 located 2000 feet from the South line and 1900 feet from the West line of Section 10, Township 6 South, Range 33 East.

CASE 8731: (Continued and Readvertised)

Application of Amerada Hess Corporation for compulsory pooling and an unorthodox well location, 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 an unorthodox location 1700 feet from the South line and 2300 feet from the East line of said Section 10. 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 8744: Application of Union Texas Petroleum Corporation for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks blanket approval for the downhole commingling of Otero-Gallup and Basin-Dakota production in the wellbore of all existing wells and all wells subsequently to be drilled in the Jicarilla "L" and "N" Leases in Townships 24 and 25 North, Range 5 West.