

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

Case 8769  
RECEIVED

APPLICATION OF HOWARD OLSEN  
TO REOPEN CASE NOS. 8668 and  
8769, LEA COUNTY, NEW MEXICO.

AUG 17 1987

OIL CONSERVATION DIVISION

APPLICATION

Howard Olsen, in support of his Application to Reopen Case Nos. 8668 and 8769, would show that:

1. The Division has continuing jurisdiction over Case Nos. 8668 and 8769 pursuant to its retention of jurisdiction as stated in the orders issued therein.

CASE NO. 8668  
ORDER NO. R-8031

2. Doyle Hartman applied in Case No. 8668 for an order force pooling all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying all of Section 23, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico. Applicant herein was one of the mineral interest owners who Doyle Hartman sought to force pool. The Division entered Order No. R-8031 on September 27, 1985 granting the application.

3. Order No. R-8031 required, among other things, that:

PROVIDED FURTHER THAT,

. . . (3) After the effective date of this order and within 90 days prior to commencing said well, the operator shall furnish the Division and each known working interest owner in the subject unit an itemized schedule of estimated well costs. . . .

(5) The operator shall furnish the Division and each known working interest owner an

itemized schedule of actual well costs within 90 days following completion of the well; if no objection to the actual well costs is received by the Division and the Division has not objected within 45 days following receipt of said schedule, the actual well costs shall be the reasonable costs; provided however, if there is an objection to the actual well costs within said 45-day period the Division will determine reasonable well costs after public notice and hearing. . . .

The well contemplated by Order No. R-8031 was spudded on September 10, 1985 and completed on October 4, 1985.

4. Despite the express requirements of Order No. R-8031, specifically set forth in Paragraph 4 above, Applicant did not receive an itemized schedule of estimated well costs following the effective date of Order No. R-8031, and prior to the commencement of the well, as contemplated by the Order. Furthermore, following the completion of the well, Applicant did not receive an itemized schedule of actual well costs as required by the Order.

✓  
CASE NO. 8769  
ORDER NO. R-8091

5. Doyle Hartman applied in Case No. 8769 for an order force pooling all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying all of Section 26, Township 25 South, Range 37 East, N.M.P.M., Lea County, New Mexico. Applicant herein was one of the mineral interest owners who Doyle Hartman sought to force pool. The Division enters Order No. R-8091 on December 6, 1985 granting the application.

6. Order No. R-8091 required, among other things, that:

PROVIDED FURTHER THAT,

. . . (2) After the effective date of this order and within 90 days prior to commencing said well, the operator shall furnish the Division and each known working interest owner in the subject unit an itemized schedule of estimated well costs. . . .

(5) The operator shall furnish the Division and each known working interest owner an itemized schedule of actual well costs within 90 days following completion of the well; if no objection to the actual well costs is received by the Division and the Division has not objected within 45 days following receipt of said schedule, the actual well costs shall be the reasonable well costs; provided however, if there is an objection to actual well costs within said 45-day period, the Division will determine reasonable well costs after public notice and hearing. . . .

The well contemplated by Order No. R-8091 was spudded on December 10, 1985 and completed on January 5, 1986.

7. Despite the express requirements of Order No. R-8091, specifically set forth above, Applicant did not receive an itemized schedule of estimated well costs following the effective date of Order No. R-8091, and prior to the commencement of the well, as stated by the Order. Following the completion of the well, Applicant did not receive an itemized schedule of actual well costs as required by the Order.

WHEREFORE, Applicant, Howard Olsen, requests that the Division:

(a) Reopen Case Nos. 8868 and 8769 to determine whether Doyle Hartman has complied with the express requirements of Order Nos. R-8031 and R-8091 entered therein.

(b) Order complete compliance with Order Nos. R-8031 and R-8091.

(c) In the alternative to Request (b)<sup>7</sup> above, order that Order Nos. R-8031 and R-8091 be withdrawn in their entirety.

(d) Issue such Orders as may be necessary to protect Applicant's interests in the subject property and to achieve justice as the Division may deem appropriate.

HINKLE, COX, EATON, COFFIELD & HENSLEY

By:

---

Harold L. Hensley, Jr.  
Michael F. Millerick  
P.O. Box 10  
Roswell, NM 88201  
(505) 622-6510

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

700 UNITED BANK PLAZA

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AUG 17 1987

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SANTA FE

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T. CALDER EZZELL, JR.  
WILLIAM B. BURFORD  
RICHARD E. OLSON  
RICHARD A. SIMMS  
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JAMES J. WECHSLER  
NANCY S. CUSACK  
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JAMES BRUCE  
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OF COUNSEL  
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O. M. CALHOUN  
MACK EASLEY  
JOE W. WOOD  
STEPHEN L. ELLIOTT

CLARENCE E. HINKLE (505) 682-8810  
W. E. BONDURANT, JR. (505) 682-8810  
ROBERT A. STONE (505) 682-8810

\*NOT LICENSED IN NEW MEXICO\*

August 14, 1987

Ms. Florene Davidson  
Oil Conservation Division  
P.O. Box 2088  
Santa Fe, NM 87504

RE: Application of Howard Olsen to Reopen Case Nos.  
8668 and 8769, Lea County, New Mexico

Dear Ms. Davidson:

Please find enclosed the signed Acceptance of Service by Robert H. Strand on behalf of Doyle Hartman in the above-referenced matter.

If you should have any questions, please do not hesitate to call me.

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

  
Michael F. Millerick

drh  
Enclosure  
cc: Robert H. Strand

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

APPLICATION OF HOWARD OLSEN  
TO REOPEN CASE NOS. 8668 and  
8769, LEA COUNTY, NEW MEXICO

ACCEPTANCE OF SERVICE

— COMES NOW, ATWOOD, MALONE, MANN & TURNER (Robert H. Strand)  
and hereby accepts service of the Application on behalf of  
Defendant, Doyle Hartman.

ATWOOD, MALONE, MANN & TURNER

By: 

Robert H. Strand  
P.O. Box 700  
Roswell, NM 88201  
(505) 622-6221

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

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1700 TEXAS AMERICAN BANK BUILDING  
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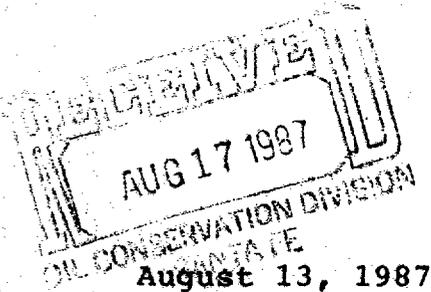
218 MONTEZUMA  
POST OFFICE BOX 2086  
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GREGORY J. NIBERT  
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JOE W. WOOD  
STEPHEN L. ELLIOTT

CLARENCE E. HINKLE 1965-1988  
W. E. BONDURANT, JR. 1965-1981  
ROBERT A. STONE 1965-1981



August 13, 1987

\*NOT LICENSED IN NEW MEXICO

Mr. Robert H. Strand  
Atwood, Malone, Mann & Turner  
P.O. Box 700  
Roswell, NM 88201

RE: Howard Olsen v. Doyle Hartman

Dear Mr. Strand:

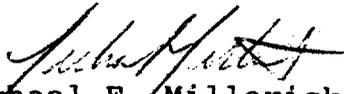
Enclosed please find Plaintiff's Application filed with the Oil Conservation Division. Hearing on this matter has been set for October 7, 1987. Also please find enclosed a copy of the Complaint for Accounting and Summons, CV-87-806-J filed in the Lea County District Court in this matter.

I would ask that you sign the Acceptance of Service and Acceptance of Service/Entry of Appearance that are also enclosed and return them to me so that I may file them.

Please do not hesitate to call me should you have any questions.

Very truly yours,

HINKLE, COX, EATON, COFFIELD & HENSLEY

  
Michael F. Millerick

MFM/drh  
Enclosures

cc: Robert H. Strand (certified)  
✓Florene Davidson, O.C.D.

FIFTH JUDICIAL DISTRICT COURT  
COUNTY OF LEA  
STATE OF NEW MEXICO

HOWARD OLSEN,  
Plaintiff,  
vs.  
DOYLE HARTMAN,  
Defendant.

)  
)  
)  
) NO. \_\_\_\_\_  
)  
)  
)

ACCEPTANCE OF SERVICE  
ENTRY OF APPEARANCE

COMES NOW, ATWOOD, MALONE, MANN & TURNER (Robert H. Strand) and hereby enters their appearance and accept service of the Complaint for Accounting on behalf of Defendant, Doyle Hartman, reserving 30 days from the date hereof to file its Answer.

ATWOOD, MALONE, MANN & TURNER

By: \_\_\_\_\_  
Robert H. Strand  
P.O. Box 700  
Roswell, NM 88201  
(505) 622-6221

5th JUDICIAL DISTRICT COURT  
COUNTY OF LEA  
STATE OF NEW MEXICO

HOWARD OLSEN,

Plaintiff,

vs.

DOYLE HARTMAN,

Defendant.

SUMMONS

TO

Doyle Hartman  
c/o Robert H. Strand  
Defendant(s). Greeting:

You are hereby directed to serve a pleading or motion in response to the Complaint within 30 days after service of the Summons, and file the same, all as provided by law.

You are notified that, unless you so serve and file a responsive pleading or motion, the Plaintiff(s) will apply to the Court for the relief demanded in the Complaint.

Attorney or Attorneys For Plaintiff: HINKLE, COX, EATON, COFFIELD & HENSLEY  
Address: Harold H. Hensley; Michael F. Millerick  
P.O. Box 10  
Roswell, NM 88201

WITNESS the Honorable Johnson, District Judges of Said Court of the State of New Mexico and Seal of the District Court of Said County, this 12th day of August, 19 87

(SEAL)

**ROBERT G. LONGRIE**

CLERK OF THE DISTRICT COURT

By: Kevin Triplett  
Deputy

NOTE

This summons does not require you to see, telephone or write to the District Judge of the Court at this time.

It does require you or your attorney to file your legal defense to this case in writing with the Clerk of the District Court within 30 days after the summons is legally served on you. If you do not do this, the party suing may get a Court Judgment by default against you.



operating agreement between the parties. Prior to 1984, two wells were drilled on the subject leasehold. The Carlson No. 2 well was drilled on Section 26, Township 25 South, Range 37 East, and the Carlson No. 3 well was drilled in Section 23, Township 25 South, Range 37 East.

3. By virtue of an assignment from Sun Exploration and Production Company effective June 1, 1984, Defendant became the owner of an undivided working interest in the subject oil and gas leasehold referred to above. Prior to the above-referenced assignment, Sun Exploration Production Company was the operator for the Carlson No. 2 well and the Carlson No. 3 well. Following said assignment, Defendant assumed responsibility for the conduct of operations on behalf of all interest owners for the Carlson No. 2 well and the Carlson No. 3 well. To date, no operating agreement has been entered into between Defendant, Plaintiff, and upon information and belief, other working interest owners for the subject property.

4. Following Defendants' assumption of operating responsibilities in conjunction with its assigned undivided working interest in the subject leasehold, Defendants thereafter sent invoices to Plaintiff for operating expenses, inclusive of overhead costs, arising out of his operation of the Carlson No. 2 well and the Carlson No. 3 well.

5. Upon receipt of the invoices referred to in Paragraph 5 above, Plaintiff noticed a substantial increase in costs, inclusive of overhead costs, for the operation of the Carlson No 2 well and the Carlson No. 3 well. Thereafter, Plaintiff, through

his duly authorized representatives, has on several occasions requested that Defendant account to Plaintiff and justify his requests for payment of any and all expenses related to the Carlson No. 2 well and the Carlson No. 3 wells.

6. Although Plaintiff has made repeated demand upon Defendant to provide Plaintiff an accounting in order that Plaintiff can be assured of the reasonableness, necessity, and accuracy of each and every charge for which Defendant is asking Plaintiff to make payment, Defendant has refused Plaintiff's demand and has failed to render any account to Plaintiff as to expenses incurred by Defendant in his operation of the Carlson No. 2 well and the Carlson No. 3 well.

WHEREFORE, Plaintiff prays that:

1. The Court order an accounting to be made by Defendant to ascertain, in detail, the expenses generated by Defendant in his operation of the Carlson No. 2 well and the Carlson No. 3 well.

2. The Court determine and indicate to the parties the reasonableness of, and the necessity for, each of the expenses incurred by Defendant in his operation of the Carlson No. 2 well and the Carlson No. 3 well.

3. The Court order that Defendant pay to Plaintiff all costs incurred by Plaintiff in pursuing this action.

4. The Court make any and all orders it considers just in the premises.

HINKLE, COX, EATON, COFFIELD & HENSLEY

By:

*Harold Hensley*

Harold L. Hensley, Jr.  
Michael F. Millerick  
P. O. Box 10  
Roswell, New Mexico 88201  
(505) 622-6510

ATTORNEYS FOR PLAINTIFF

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

APPLICATION OF HOWARD OLSEN  
TO REOPEN CASE NOS. 8668 and  
8769, LEA COUNTY, NEW MEXICO

ACCEPTANCE OF SERVICE

COMES NOW, ATWOOD, MALONE, MANN & TURNER (Robert H. Strand)  
and hereby accepts service of the Application on behalf of  
Defendant, Doyle Hartman.

ATWOOD, MALONE, MANN & TURNER

By:

\_\_\_\_\_  
Robert H. Strand  
P.O. Box 700  
Roswell, NM 88201  
(505) 622-6221

percent penalty to be assessed as a charge for the risk involved in the drilling of said well, \$5,000.00 per month while drilling and \$500.00 per month while producing to be fixed as reasonable charges, and that the applicant be named operator of said well and unit. Said location is approximately 6.5 miles east-southeast of Lovington, New Mexico. IF THERE ARE NO OBJECTIONS THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 9209: Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn and Atoka formations underlying the W/2 SW/4 of Section 27, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian Pools, forming a standard 80-acre oil spacing and proration unit, to be dedicated to a well to be drilled at a standard oil 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 7 miles southeast of Lovington, New Mexico.

CASE 9210: Application of Pelto Oil Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purposes of establishing a secondary recovery project, all mineral interests in the Twin Lakes-San Andres Associated Pool underlying 4863.82 acres, more or less, of State and Fee lands in either all or portions of the following described lands: Sections 25, 26, 35, and 36, Township 8 South, Range 28 East; Sections 30, 31, and 32, Township 8 South, Range 29 East; Sections 1, 2, and 12, Township 9 South, Range 28 East; and Sections 5, 6, 7, 8, and 18, Township 9 South, Range 29 East. The center of said area is approximately 9 miles south of Elkins, New Mexico. Said unit is to be designated the Twin Lakes-San Andres Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in well and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 9211: Application of Pelto Oil Company for a water flood project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the San Andres formation in its proposed Twin Lakes-San Andres Unit Area (Division Case No. 9210) underlying portions of Township 8 and 9 South, Ranges 28 and 29 East, Twin Lakes-San Andres Associated Pool. Said area is centered approximately 9 miles south of Elkins, New Mexico.

CASE 9168: (Continued from August 12, 1987, Examiner Hearing)

Application of J.(James) A. Davidson for a determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as an interested owner in the Marathon Oil Company Benson Well No. 1 located 330 feet from the South line and 990 feet from the East line (Unit P) of Section 14, Township 16 South, Range 38 East (located approximately 2 1/2 miles south of the old Hobbs Army Air Corps Auxiliary Airfield No. 1 on State Highway No. 132), which was drilled pursuant to the compulsory pooling provisions of Division Order No. R-8282, as amended, seeks an order ascertaining the reasonableness of actual well costs for the subject well.

CASE 8668: (Reopened) (This case will be continued to October 7, 1987.)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 8769: (Reopened) (This case will be continued to October 7, 1987.)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 9212: In the matter of the hearing called by the Oil Conservation Division called on its own motion for an order creating and extending certain pools in Chaves and Lea Counties, New Mexico:

(a) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and

designated as the Oasis-Abo Gas Pool. The discovery well is the Tom Brown, Inc. Middlebrook "3" Well No. 1 located in Unit K of Section 3, Township 10 South, Range 30 East, NMM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 30 EAST, NMM  
Section 3: SW/4

- (b) EXTEND the North Hume-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15, SOUTH, RANGE 33 EAST, NMPM  
Section 36: SW/4

- (c) EXTEND the Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25, SOUTH, RANGE 34 EAST, NMPM  
Section 3: NE/4

- (d) EXTEND the Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24, SOUTH, RANGE 34 EAST, NMPM  
Section 27: W/2  
Section 28: N/2

TOWNSHIP 25, SOUTH, RANGE 34 EAST, NMPM  
Section 4: S/2  
Section 9: N/2

- (e) EXTEND the Reeves-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18, SOUTH, RANGE 35 EAST, NMPM  
Section 11: SE/4  
Section 14: NE/4

- (f) EXTEND the San Simon-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22, SOUTH, RANGE 35 EAST, NMPM  
Section 4: NE/4

- (g) EXTEND the Shipp-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16, SOUTH, RANGE 37 EAST, NMPM  
Section 33: SE/4

- (h) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18, SOUTH, RANGE 32 EAST, NMPM  
Section 11: NE/4

CASE 9124: (Readvertised)

Application of Rocanville Corporation for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1, located 1100 feet from the North line and 990 feet from the East line (Unit A) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9168: (Continued from September 9, 1987, Examiner Hearing)

Application of J. (James) A. Davidson for a determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as an interested owner in the Marathon Oil Company Benson Well No. 1 located 330 feet from the South line and 990 feet from the East line (Unit P) of Section 14, Township 16 South, Range 38 East (located approximately 2 1/2 miles south of the old Hobbs Army Air Corps Auxiliary Airfield No. 1 on State Highway No. 132), which was drilled pursuant to the compulsory pooling provisions of Division Order No. R-8282, as amended, seeks an order ascertaining the reasonableness of actual well costs for the subject well.

CASE 8668: (Reopened) (Continued from September 9, 1987, Examiner Hearing)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

*SF Hobbs*

CASE 3769: (Reopened) (Continued from September 9, 1987, Examiner Hearing)

In the matter of Case No. 3769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 3769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

\*\*\*\*\*  
Docket No. 31-87

DOCKET: COMMISSION HEARING - THURSDAY - OCTOBER 15, 1987

OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL  
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 9134: (Continued from September 24, 1987, Commission Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of Rule 1207(a)7 regarding notice to royalty interest owners.

CASE 8224: (Continued from September 23, 1987, Examiner Hearing)

Application of Robert N. Enfield for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 990 feet from the East line (Unit H) of Section 7, Township 19 South, Range 27 East, Undesignated McMillan-Upper Pennsylvanian Pool (which is approximately 4.5 miles northeast of Lakewood, New Mexico), the N/2 of said Section 7 to be dedicated to the well.

CASE 8874: (Reopened)

In the matter of Case 8874 being reopened pursuant to the provisions of Division Order No. R-639-C, which order reclassified the Crosby-Devonian Gas Pool in Lea County as an associated pool. Interested parties may appear and show cause why the Crosby-Devonian Associated Pool should not be reclassified as a gas pool to be governed by the rules set forth by Division Orders Nos. R-639, as amended, and R-8170, as amended.

CASE 8802: (Reopened)

In the matter of Case 8802 being reopened pursuant to the provisions of Division Order No. R-8181-B, which order promulgated temporary special rules and regulations for the South Corbin-Wolfcamp Pool in Lea County, including a provision for 80-acre spacing units. Interested parties may appear and show cause why said pool should not be developed on 40-acre spacing units.

CASE 9235: Application of Conoco Inc. for an exception to Division Order No. R-3221, as amended, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Division Order No. R-3221, as amended, to permit the disposal of water produced in conjunction with the production of oil and gas from its Buffalo Federal Lease into an unlined pit located in the NW/4 SW/4 of Section 18, Township 18 South, Range 32 East. Said area is located on the Lea County side of the Lea/Eddy County line approximately 3.75 miles south of Mile Post No. 4 located on New Mexico Highway 529.

CASE 9202: (Continued from September 23, 1987, Examiner Hearing)

Application of Meridian Oil Inc. 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 Devonian formation underlying the NE/4 NE/4 (Unit A) of Section 35, Township 18 South, Range 35 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil 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 one mile north from the junction of New Mexico Highways Nos. 3 and 329.

CASE 9123: (Continued from September 9, 1987, Examiner Hearing)

Application of Curtis J. Little for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1-E, located 1850 feet from the South line and 800 feet from the East line (Unit I) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9701: 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 Morrow formation underlying the E/2 of Section 22, Township 20 South, Range 24 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool and the Undesignated Foster Ranch-Morrow Gas Pool), said 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 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 well location is approximately 9 miles west-southwest of Seven Rivers, New Mexico.

CASE 9675: (Continued from the June 21, 1989, Examiner Bearing.)

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 Abo formation, underlying the NW/4 of Section 20, Township 6 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 160-acre spacing (which includes but is not necessarily limited to the Pecos Slope-Abo Gas Pool) and the NE/4 NW/4 of said Section 20 to form a standard 40-acre oil spacing and proration unit for all formations and/or pools developed on statewide 40-acre spacing. Both aforementioned units are to be dedicated to a well to be drilled at a standard location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 20. Also to be considered will be the cost of drilling and completing said well and the allocation of 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 well location is approximately 8.5 miles east of Milepost No. 137 of U.S. Highway 285.

CASE 8668: (Reopened) (Continued and Advertised)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 8769: (Reopened) (Continued and Advertised)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

Docket 21-89

**DOCKET: COMMISSION HEARING - THURSDAY - JULY 20, 1989**

**9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO**

CASE 9611: (De Novo) (Continued from June 15, 1989, Commission Hearing.)

Application of The Petroleum Corporation of Delaware for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 1, Township 20 South, Range 29 East, Undesignated East Burton Flat-Morrow Gas Pool, the S/2 of said Section 1 to be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool. Said location is approximately 3.5 miles west of the Eddy Potash Inc. Mine and Refinery. Upon application of The Petroleum Corporation of Delaware, this case will be heard DeNovo pursuant to the provisions of Rule 1220.

CASE 9619: (De Novo) (Continued from June 15, 1989, Commission Hearing.)

Application of Santa Fe Exploration Company for an unorthodox gas well location, dual completion and compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin Morrow-Gas Pool, underlying all of Section 8, Township 21 South, Range 23 East, forming a standard 640-acre gas spacing and proration unit for both pools. Production from both zones is to be from a dually completed well to be drilled at an unorthodox gas well location 660 feet from the

South and East lines (Unit P) 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 location is approximately 3.75 miles west-northwest of the Marathon Oil Company Indian Basin Gas Plant. Upon application of Marathon Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9661: (De Novo) (This Case will be continued to August 17, 1989.) (Continued from June 15, 1989, Commission Hearing.)

Application of Hixon Development Company for an unorthodox oil well location and simultaneous dedication, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 330 feet from the South line and 2310 feet from the West line (Unit N) of Section 35, Township 25 North, Range 3 West, West Lindrith Gallup-Dakota Oil Pool, the SW/4 of said Section 35, forming a 160-acre oil spacing and proration unit for said pool, to be simultaneously dedicated to the above described well and to the existing Missy Well No. 2 located 1650 feet from the South and West lines (Unit K) of said Section 35. Said location is approximately 3 miles northwest by west of Lindrith, New Mexico. Upon application of Hixon Development Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9617: (De Novo) (Continued from June 15, 1989, Commission Hearing.)

Application of Curry and Thornton for an unorthodox oil well location and a non-standard proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 1980 feet from the South line and 2475 feet from the West line (Unit K) of Section 9, Township 14 South, Range 29 East, Undesignated North King Camp-Devonian Pool, the E/2 W/2 of said Section 9 to be dedicated to a well forming a non-standard 160-acre oil spacing and proration unit for said pool. Said location is approximately 17 miles east of Hagerman, New Mexico. Upon application of Santa Fe Exploration Company and Curry and Thornton, this case will be heard De Novo pursuant to the provisions of Rule 1220.

from the surface to the top of the Wolfcamp formation underlying Lots 3, 4, and 5, and the SE/4 NW/4 (NW/4 equivalent) of said Section 6, forming a 162.03-acre gas spacing and proration unit for any all formations and/or pools developed on 160-acre spacing. Both units are to be dedicated to a single well to be drilled at a standard location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 6. 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 well location is approximately 1/2 mile north of Mile Post No. 76 on U.S. Highway 62/180.

CASE 9710: Application of Mallon Oil Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced water into the Brushy Canyon formation in the perforated interval from approximately 5593 feet to 5636 feet in its Amoco Federal Well No. 1 located 1665 feet from the South line and 330 feet from the East line (Unit I) of Section 27, Township 26 South, Range 29 East, Brushy Draw-Delaware Pool. Said well is located approximately 3/4 of a mile north of Mile Corner No. 53 located on the New Mexico/Texas Stateline.

CASE 8668: (Reopened) (Continued from July 12, 1989, Examiner Hearing.)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 8769: (Reopened) (Continued from July 12, 1989, Examiner Hearing.)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 9711: 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 Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Ingle Wells-Delaware Pool. The discovery well is the Texaco, Inc. Todd 2 State Well No. 1 located in Unit P of Section 2, Township 24 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM  
Section 2: NW/4

- (b) EXTEND the Burton Flat-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 4: E/2

- (c) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 9: W/2

- (d) EXTEND the East Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM  
Section 11: S/2  
Section 12: S/2

- (e) EXTEND the East Burton Flat-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM  
Section 17: E/2

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

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM  
Section 2: S/2

- (g) EXTEND the Collins Ranch-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM  
Section 34: W/2
- (h) EXTEND the Comanche Springs-PrePermian Gas Pool in Chaves County, New Mexico, to include therein:  
TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM  
Section 36: W/2
- (i) EXTEND the Diablo-San Andres Pool in Chaves County, New Mexico, to include therein:  
TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM  
Section 27: NE/4  
Section 28: NE/4
- (j) EXTEND the Poor Ranch-PrePermian Gas Pool in Chaves County, New Mexico, to include therein:  
TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM  
Section 35: E/2  
TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM  
Section 1: N/2
- (k) EXTEND the Poor Ranch-Wolfcamp Gas Pool in Chaves County, New Mexico, to include therein:  
TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM  
Section 35: E/2
- (l) EXTEND the Indian Basin-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM  
Section 21: All
- (m) EXTEND the East Loving-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 27: SE/4
- (n) EXTEND the Palmillo-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 19: NE/4
- (o) EXTEND the Parkway-Delaware Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 36: SW/4
- (p) EXTEND the Red Lake Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM  
Section 26: N/2
- (q) EXTEND the Seven Rivers-Yeso Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM  
Section 26: NW/4  
Section 27: E/2
- (r) EXTEND the North Shugart-Bone Spring Pool in Eddy County, New Mexico, to include therein:  
TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM  
Section 7: NW/4

CASE 8769: (Reopened) (Continued from July 26, 1989, Examiner Hearing.)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 9707: (Continued from July 26, 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 for its Heizer Well No. 100 to be drilled 1430 feet from the North line and 2250 feet from the East line (Unit G) of Section 15, Township 32 North, Range 10 West, Basin-Fruitland Coal (Gas) Pool, Lots 1, 2, 3, and 4 and the W/2 E/2 (E/2 equivalent) of said Section 15 to be dedicated to said well forming a standard 311.43-acre gas spacing and proration unit for said pool. Said location is approximately 1 mile south of the Colorado/New Mexico Stateline on U.S. Highway 550.

Docket 24-89

DOCKET: COMMISSION HEARING - THURSDAY - AUGUST 17, 1989

9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO

CASE 9611: (De Novo) (Continued from July 20, 1989, Commission Hearing.)

Application of The Petroleum Corporation of Delaware for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 1, Township 20 South, Range 29 East, Undesignated East Burton Flat-Morrow Gas Pool, the S/2 of said Section 1 to be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool. Said location is approximately 3.5 miles west of the Eddy Potash Inc. Mine and Refinery. Upon application of The Petroleum Corporation of Delaware, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9617: (De Novo) (Continued from July 20, 1989, Commission Hearing.)

Application of Curry and Thornton for an unorthodox oil well location and a non-standard proration unit, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 1980 feet from the South line and 2475 feet from the West line (Unit K) of Section 9, Township 14 South, Range 29 East, Undesignated North King Camp-Devonian Pool, the E/2 W/2 of said Section 9 to be dedicated to a well forming a non-standard 160-acre oil spacing and proration unit for said pool. Said location is approximately 17 miles east of Hagerman, New Mexico. Upon application of Santa Fe Exploration Company and Curry and Thornton, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9670: (De Novo)

Application of Stevens Operating Corporation to amend Division Order No. R-8917, directional drilling and an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8917 to allow for re-entry of the currently plugged and abandoned Philtex Honolulu Federal Well No. 1 located 1980 feet from the South and West lines (Unit K) of Section 9, Township 14 South, Range 29 East, NMPM, North King Camp-Devonian Pool, in lieu of drilling a new well at the unorthodox location approved by said order. Applicant further seeks approval to directionally drill said Philtex Honolulu Federal Well No. 1 to a depth of approximately 9894 feet, and to bottom said well at an unorthodox bottomhole location 500 feet west of a point 1980 feet from the South line and 2475 feet from the West line of said Section 9. A 160-acre non-standard proration unit consisting of the E/2 W/2 of said Section 9 (Approved By Order No. R-8917) is to be dedicated to the above described well. Said location is approximately 17 miles east of Hagerman, New Mexico. Upon application of Santa Fe Exploration Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9697: (Continued from July 12, 1989, Examiner Hearing.)

Application of Santa Fe Exploration Company for amendment of the special rules and regulations for the North King Camp-Devonian Pool, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to amend Rule 6 of the Special Rules and Regulations for the North King Camp-Devonian Pool as promulgated by Division Order No. R-8806 by establishing a special depth bracket allowable of 350 barrels of oil per day for the pool (pursuant to General Rule 505[d]). Said pool presently comprises the SE/4 of Section 9, Township 14 South, Range 29 East and is located approximately 17 miles east of Hagerman, New Mexico.

CASE 9709: (Continued from July 26, 1989, Examiner Hearing.)

Application of Pacific Enterprises Oil Company for compulsory pooling, Lea 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 Lots 1 thru 5, the SE/4 NW/4, and the S/2 NE/4 (N/2 equivalent) of Section 6, Township 20 South, Range 34 East, forming a 322.03-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated Quail Ridge-Morrow Gas Pool and the Undesignated Teas-Pennsylvanian Gas Pool). Applicant also seeks an order pooling all mineral interests from the surface to the top of the Wolfcamp formation underlying Lots 3, 4, and 5, and the SE/4 NW/ (NW/4 equivalent) of said Section 6, forming a 162.03-acre gas spacing and proration unit for any all formations and/or pools developed on 160-acre spacing. Both units are to be dedicated to a single well to be drilled at a standard location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 6. 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 well location is approximately 1/2 mile north of Mile Post No. 76 on U.S. Highway 62/180.

CASE 9719: (This Case will be dismissed.)

Application of Mallon Oil 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 Brushy Draw-Delaware Pool through the perforated interval from approximately 5593 feet to 5636 feet in its Amoco Federal Well No. 1 located 1665 feet from the South line and 330 feet from the East line (Unit I) of Section 27, Township 26 South, Range 29 East, which is located approximately 3/4 of a mile north of Mile Corner No. 53 located on the Texas/New Mexico Stateline.

CASE 9720: Application of Steve Sell for directional drilling, an unorthodox gas well location, non-standard gas proration unit, and to amend Order No. R-8928, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8928 (which authorized the applicant 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, to a bottomhole unorthodox gas well location in the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and Undesignated Indian Basin-Morrow Gas Pool being no closer than 1600 feet from the South line and 800 feet from the West line of Section 35, all of Section 35 to be dedicated to the well forming a 654.47-acre gas proration unit for both pools) by allowing the Shafer Federal Com Well No. 1 to be plugged back to the vertical portion of the wellbore, kicking-off in an east-southeasterly direction, and directionally drilling to a new unorthodox bottomhole location to a depth sufficient to test the Morrow formation within 200 feet of a point 900 feet from the South line and 2500 feet from the East line (Unit O) of said Section 35. Applicant further requests that this well be properly classified as a wildcat well in the Pennsylvanian formations and subject to the Statewide General Rules for such a test. The subject well is to be dedicated to Lots 1 through 6 and the W/2 SW/4 of said Section 35 forming a non-standard 334.47-acre gas spacing and proration unit. This well is located approximately 14 miles west of Carlsbad, New Mexico.

CASE 9721: Application of Marathon Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Blanco-Mesaverde Pool and Basin-Dakota Pool within the wellbore of its Jicarilla Apache Well No. 13E located 1850 feet from the North line and 930 feet from the West line (Unit E) of Section 33, Township 26 North, Range 5 West. Said well is located approximately 11 miles west of the Southern Union Gas Company Ojito Camp.

CASE 9722: Application of Marathon Oil Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Blanco-Mesaverde Pool and Basin-Dakota Pool within the wellbore of its Jicarilla Apache Well No. 14E located 1850 feet from the North line and 1685 feet from the West line (Unit F) of Section 34, Township 26 North, Range 5 West. Said well is located approximately 9.5 miles west of the Southern Union Gas Company Ojito Camp.

CASE 9723: Application of Beach Exploration, Inc. for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its Exxon "A" Federal Well No. 3 to be drilled 2410 feet from the North line and 1932 feet from the West line (Unit F) of Section 18, Township 16 South, Range 29 East, Undesignated High Lonesome-Queen Pool, the SE/4 NW/4 of said Section 18 to be dedicated to said well. The proposed well site is located approximately 10.5 miles northwest of Loco Hills, New Mexico.

CASE 8668: (Reopened) (Continued from July 26, 1989, Examiner Hearing.)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 8769: (Continued from August 9, 1989, Examiner Hearing.) (Reopened.)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 40-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said well is located approximately 4 miles east of Jal, New Mexico.

*Upon application of Doyle Hartman, this case will be held in abeyance pursuant to the provisions of Rule 200.*