Page 3 of 5 Examiner Hearing - Wednesday - March 4, 1987

- CASE 9098: Application of Union Texas Petroleum Corporation for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, 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 certain existing 160acre, more or less, non-standard gas proration units either in the Basin-Dakota or Blanco-Mesaverde Pool, located in Townships 24 and 25 North, Ranges 3 and 5 West, Rio Arriba County, and Township 31 North, Range 12 West, San Juan County.
- CASE 9099: Application of William C. Russell 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 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 certain existing 160-acre, more or less, non-standard gas proration units in the Blanco-Mesaverde Pool, located in Township 27 North, Range 8 West.
- CASE 9100: Application of C & E Operators, Inc. 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 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 certain existing 160-acre, more or less, non-standard gas proration units in the Blanco-Mesaverde Pool, located in Township 30 North, Range 11 West.
- CLASE 9101: Application of Dugan Production Corporation for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan and Rio Arriba Counties, New Mexico. Applicant, in the above-styled cause, 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 certain existing 160acre, more or less, non-standard gas proration units in the Basin-Dakota Pool, located in Township 24 North, Range 5 West, Rio Arriba County, and in Townships 27 and 28 North, Ranges 10 and 13 West, San Juan County.
- <u>CA3E 9103</u>: Application of National Cooperative Refinery Association for hardship gas well classification, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal 11-20-34 Well No. 1 located 1980 feet from the North line and 2130 feet from the West line (Unit F) of Section 11, Township 20 South, Range 34 East, Lea-Pennsylvanian Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- <u>CASE 9102</u>: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, assigning a discovery allowable, and extending certain pools in Eddy and Lea Counties, New Mexico:
 - (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Southwest Austin-Wolfcamp Pool. The discovery well is the Harvey E. Yates Company Goodrich Com Well No. 1 located in Unit F of Section 11, Township 15 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM Section 11: NW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the North Hume-Wolfcamp Pool. Further, assign approximately 30,165 barrels of discovery allowable to the discovery well, the Santa Fe Energy Operating Partners L. P. N. H. 5 Federal Well No. 1, located in Unit G of Section 5, Township 16 South, Range 34 East, NMPM. Said pool would comprise:

 $\frac{\text{TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM}}{\text{Section 5:} \quad \text{Lots 1, 2, 7, and 8}}$

(c) EXTEND the North Air Strip-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM Section 14: NW/4

(d) EXTEND the Central Corbin-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 3: NW/4

Page 4 of 5 Examiner Hearing - Wednesday - March 4, 1987

Docket No. 7-87

(e) EXTEND the West Grama Ridge-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM Section 5: 5/2

(f) EXTEND the West Knowles-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM Section 33: W/2

(g) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

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

(h) EXTEND the East Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM Section 19: SE/4

(i) EXTEND the Querecho Plains-Upper Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 23: NW/4

(j) EXTEND the South Sand Dunes-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM Section 29: SW/4 Section 30: SE/4 Section 32: N/2

(k) EXTEND the North Sanmal-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM Section 8: N/2 and SE/4

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM Section 3: NW/4

(m) EXTEND the Shugart Yates-Seven Rivers-Queen-Grayburg Pool in Eddy and Lea Counties, New Mexico, to include therein:

> TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 18: SW/4

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

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM Section 13: N/2

Docket No. 8-87

DOCKET: COMMISSION HEARING - THURSDAY - MARCH 5, 1987

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

CLSE 2015: (Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion for the adoption of new Rules 315, 413, and 903 to establish a gas priority production schedule. The Division seeks adoption of a hierarchy of classes of gas production in times of severely restricted demand for gas from New Mexico wells. Also to be considered will be the application of such rules to purchasers with marketing affiliates.