

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

2800 CLAYDESTA NATIONAL BANK BUILDING

POST OFFICE BOX 3580

MIDLAND, TEXAS 79702

(915) 683-4691

700 TEXAS AMERICAN BANK BUILDING

POST OFFICE BOX 9238

AMARILLO, TEXAS 79105

(806) 372-5569

700 UNITED BANK PLAZA

POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88202

(505) 622-6510

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY JR.
OWEN M. LOPEZ
DOUGLAS L. LUNSFORD
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD A. SIMMS
RICHARD R. WILFONG*
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWETT*
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*

ALBERT L. PITTS
THOMAS M. HNASKO
JOHN D. CHAMBERS*
THOMAS D. HAINES, JR.
FRANK J. H. MCCALLUM*
GREGORY J. NIBERT
DAVID T. MARKETTE*
FRED W. SCHWENDIMANN
JAMES R. MADAMS*
JAMES M. HUDSON
MACDONNELL GORDON
REBECCA NICHOLS JOHNSON
PAUL P. NEWTON
WILLIAM P. JOHNSON
KAREN M. RICHARDSON*
ELLEN S. CASEY
JAMES C. BROCKMANN
SUSAN L. NIESER*
MARK A. WILSON*
GREGORY S. WHEELER
ANDREW J. CLOUTIER*

OF COUNSEL
O. M. CALOUN
MACK EASLEY
JOE W. WOOD
STEPHEN L. ELLIOTT

CLARENCE E. HINKLE (1901-1985)
W. E. BONDJRANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1915-1987)

*NOT LICENSED IN NEW MEXICO

May 3, 1988

Conservation Division

9387

Florene Davidson
New Mexico Oil Conservation Division
State Land Office Building
Santa Fe, New Mexico 87501

HAND DELIVERED

Dear Florene:

Enclosed is an application by Exxon Corporation for downhole commingling, hydrocarbon storage authority, and relief from the reporting requirements of Division Rule 1131. The original has been mailed to you, but we want to file this copy so that the case may be put on the docket for the May 25, 1988 Examiner hearing.

Very truly yours,

HINKLE, COX, EATON,
COFFIELD & HENSLEY

James Bruce
James Bruce

JGB:jr

EXXON COMPANY, U.S.A.

POST OFFICE BOX 1600 • MIDLAND, TEXAS 79702-1600

PRODUCTION DEPARTMENT
SOUTHWESTERN DIVISION

May 2, 1988

Carl Howell

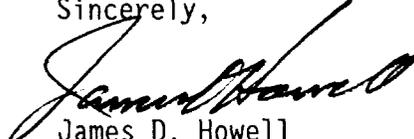
Request for Downhole Commingling
and Hydrocarbon Storage Authority
Happy Valley Fed. Comm. No. 1
N/2 Sec. 28, T-22-S, R-26-E
Eddy County, New Mexico

New Mexico Oil Conservation Division
P. O. Box 2088
Santa Fe, NM 87501

Attention: Mr. Michael E. Stogner

Exxon Corporation requests an exception to Rule 303-A of the Division Rules and Regulations to permit downhole commingling of Happy Valley (Morrow) production with the Happy Valley (Strawn) in the captioned wellbore. In addition, we request approval to use the small Strawn reservoir for hydrocarbon storage pursuant to Section 70-6-1 et seq. of the New Mexico Statutes, Annotated and exemption from the reporting requirements of Rule 1131. By copy of this letter all offset operators and the Bureau of Land Management have been notified of this application. Please set this application for hearing on May 25, 1988.

Sincerely,


James D. Howell

JDH:jr
Attachments
Certified Mail - w/attachments

c: Mr. James Bruce - Santa Fe, NM
Offset Operators
District II - NMOCD, Artesia, NM
Bureau of Land Management, Carlsbad, NM
2 copies to addressee

Offset Operators
Happy Valley Federal Com. #1
N/2 Sec. 28, T23S, R26E,
Eddy County, NM

Amoco Production Company
P. O. Box 3092
Houston, TX 77253
Attn: Proration Section

Arco Oil & Gas Company
P. O. Box 1610
Midland, TX 79702

Chevron U.S.A., Inc.
15 Smith Road
Midland, TX 79705

Cities Service Oil & Gas Corporation
P. O. Box 300
Tulsa, OK 74102

Enron Oil & Gas Company (HNG)
508 W. Wall St., Ste 900
Midland, TX 79701

Read & Stevens, Inc.
P. O. Box 1518
314 Security National Bank Bldg.
Roswell, NM 88201

TXO Production Corporation
900 Wilco Bldg.
415 W. Wall St.
Midland, TX 79701

Attachment 1

Happy Valley Fed. Comm. #1
Downhole Commingling - Data Required

To obtain approval for downhole commingling, we have enclosed the following data pursuant to Rule 303 (C) (2) (a through j):

1. Exxon's name and address:

Exxon Corporation
P. O. Box 1600
Midland, TX 79702

2. Lease name, well number, well location, and name of pools to be commingled:

Happy Valley Fed. Comm. #1, Unit G, Section 28, T-22-S, R-26-E, Eddy County, New Mexico. Pools to be commingled: Happy Valley (Morrow) and Happy Valley (Strawn).

3. A plat of the area showing the acreage dedicated to the well and the ownership of all offsetting leases:

Attached.

4. A 24-hour productivity test on Division Form C-116 showing the amount of oil, gas, and water produced from each zone:

The Strawn Form C-122 is attached. Since completion, the well has produced 523,000 mcf through 2/88 and is now essentially depleted. The Morrow has not been perforated.

5. A production decline curve for both zones showing that for a period of at least one year a steady rate of decline has been established for each zone which will permit a reasonable allocation of the commingled production to each zone for statistical purposes:

A plot of P/z vs. cumulative production for the Strawn indicates no remaining reserves unless compression is installed. Compression would add approximately 130,000,000 scf from the Strawn. All additional reserves should be attributed to the Morrow.

6. A current bottom hole pressure for each zone capable of flowing:

The measured BHP in the Strawn in the Strawn on December 22, 1987 was 1118 psia.

7. A description of the fluid characteristics of each zone showing that the fluids will not be incompatible in the wellbore:

See attached hydrocarbon analyses from the Strawn in the Happy Valley Fed. Com. #1 and the Morrow in the Happy Valley Fed. Com. "B" #1. Exxon

does not anticipate any problem with formation damage from commingling the formation waters; neither completion produces significant amounts of liquids.

8. A computation showing that the value of the commingled production will not be less than the sum of the values of the individual streams:

The gas from both zones would be under the same gas contract. Value is based on btu content, therefore; the value of the commingled production will not be less than the values of the individual streams.

9. A formula for the allocation of production to each of the commingled zones and a description of the factors or data used in determining such a formula:

Production should be allocated as follows, based upon the ratio of remaining gas reserves:

Happy Valley (Strawn) 0.13 BCF - 4%
Happy Valley (Morrow) 3.1 BCF - 96%

All liquids should be attributed to the Strawn; the Morrow produces no liquids.

10. A statement that all offset operators and, in case of a well on Federal land, the United States Geological Survey, has been notified in writing of the proposed commingling:

All offset operators (list attached) and the BLM in Carlsbad have been notified by copy of this application.

OIL CONSERVATION DIVISION

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT

P.O. BOX 2082
SANTA FE, NEW MEXICO 87501

Form C-122
Revised 10-1-78

MULTIPOINT AND ONE POINT BACK PRESSURE TEST FOR GAS WELL

Type Test <input checked="" type="checkbox"/> Initial <input type="checkbox"/> Annual <input type="checkbox"/> Special				Test Date 7/17/85	
Company EXXON CO. U.S.A.			Correction NONE		
Pool			Formation STRAWN		Unit
Completion Date 7/13/85		Total Depth 11,846		Plug Back TD 11,800	Elevation 3358
Farm or Lease Name HAPPY VALLEY FED. COMM.					
Coq. Size 5	Wt. 20.8	d 4.156	Set At 11,838	Perforations: From 10,294 To 10,338	
Well No. 1					
Tbg. Size 2 7/8	Wt. 6.5	d 2.441	Set At 10,213	Perforations: From OPEN To END	
Unit G	Sec. 28	Twp. 22S	Rye. 26E		
Type Well - Single - Drandhead - G.G. or G.O. Multiple SINGLE				Packer Set At 10,213	
Producing Thru Tbg.			Reservoir Temp. °F 176 @ 10,213		Mean Annual Temp. °F 60
			Baro. Press. - P _g 13.2		State NEW MEXICO
L 10,213	H 10,213	G _g .6287	% CO ₂ .461	% N ₂ .314	% H ₂ S
Prover		Meter Run 4.026		Taps Flg.	

FLOW DATA						TUBING DATA		CASING DATA		Duration of Flow
NO.	Prover Line Size	X	Orifice Size	Press. p.s.i.g.	Diff. h _w	Temp. °F	Press. p.s.i.g.	Temp. °F	Press. p.s.i.g.	
SI							3680			
1.	4.026 X 2.500			500	5.5	98	3640	98		
2.	4.026 X 2.500			510	17	93	3589	83		
3.	4.026 X 2.500			525	41	80	3474	87		
4.	4.026 X 2.500			530	78	73	3285	87		
5.										

RATE OF FLOW CALCULATIONS							
NO.	Coefficient (24 Hour)	$\sqrt{h_w P_m}$	Pressure P _m	Flow Temp. Factor Ft.	Gravity Factor Fg	Super Compress. Factor, Fpv	Rate of Flow O. Mcfd
1	32.64	53.13	513.2	.9653	1.261	1.039	2193
2	32.64	94.31	523.2	.9697	1.261	1.041	3918
3	32.64	148.55	538.2	.9813	1.261	1.046	6276
4	32.64	205.84	543.2	.9877	1.261	1.049	8778
5							

NO.	P _r	Temp. °R	T _r	Z	Gas Liquid Hydrocarbon Ratio	88.188	Mcf/bbl.
1	.76	558	1.52	.927	A.P.I. Gravity of Liquid Hydrocarbons	53.5 @ 60	Deg.
2	.78	553	1.50	.922	Specific Gravity Separator Gas	.629	XXXXXX
3	.80	540	1.47	.914	Specific Gravity Flowing Fluid	XXXXX	G-MIX. 663
4	.81	533	1.45	.909	Critical Pressure	670	P.S.I.A. 670
5					Critical Temperature	368	R 378

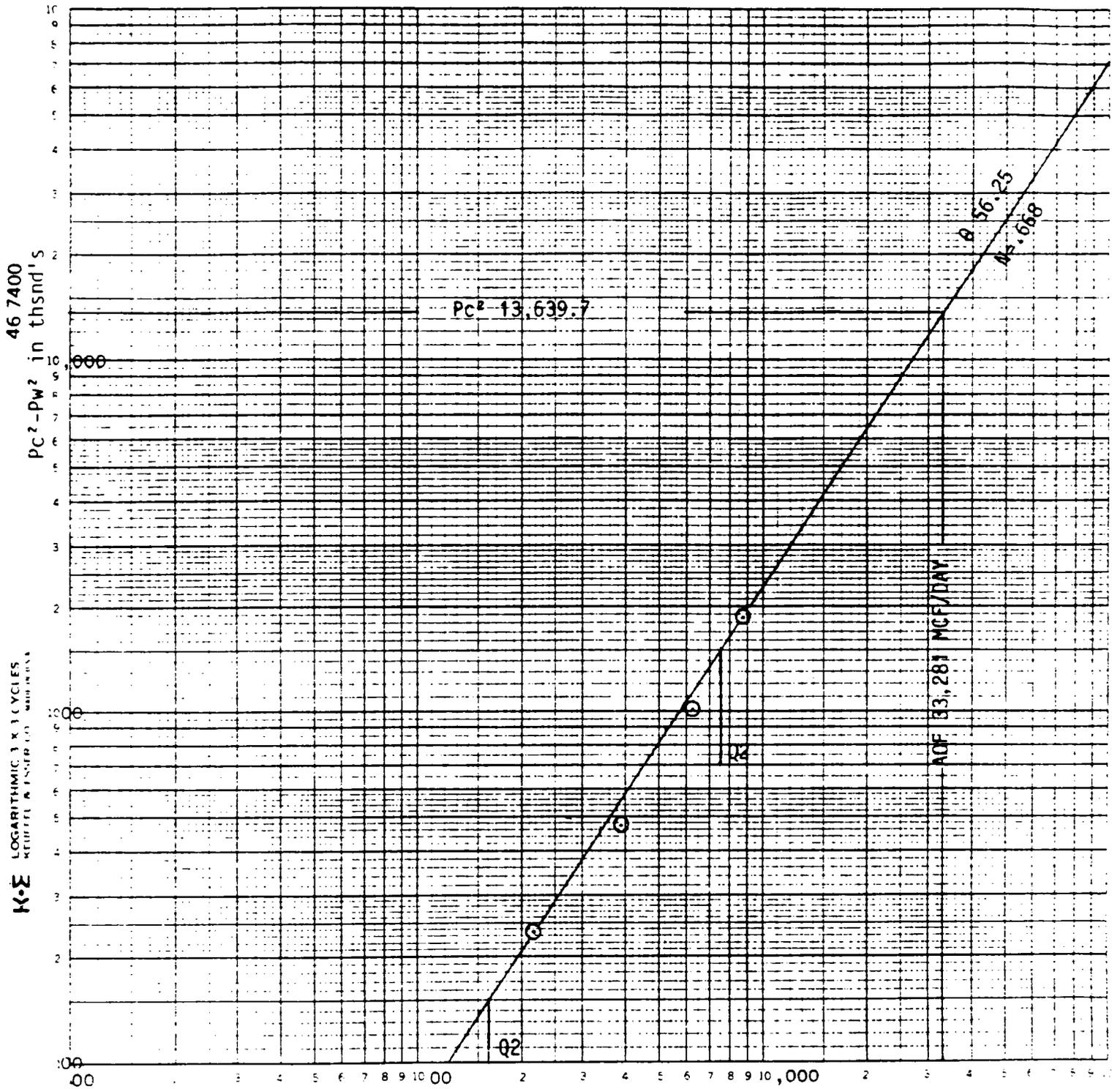
P _c	3693.2	P _c ²	13,639.7	(1) $\frac{P_c^2}{P_c^2 - P_w^2} = 7.3533$	(2) $\left[\frac{P_c^2}{P_c^2 - P_w^2} \right]^n = 3.7915$
NO.	P ₁ ²	P _w	P _w ²	P _c ² - P _w ²	
1		3661.3	13405.1	234.6	
2		3628.8	13168.2	471.5	
3		3554.1	12631.6	1008.9	
4		3432.9	11784.8	1854.9	
5					

Absolute Open Flow 33.281 Mcfd @ 15.025 Angle of Slope @ 56.25 Slope, n .668

Remarks: 10 bbls OF CONDENSATE PRODUCED DURING TEST

Approved By Division	Conducted By: DUKE SERVICES, INC.	Calculated By: R. RESTON	Checked By:
----------------------	--------------------------------------	-----------------------------	-------------

COMPANY: EXXON COMPANY U S A
 LEASE: HAPPY VALLEY FED. LUMM. #1
 COUNTY: EDDY
 DATE: 7/17/85



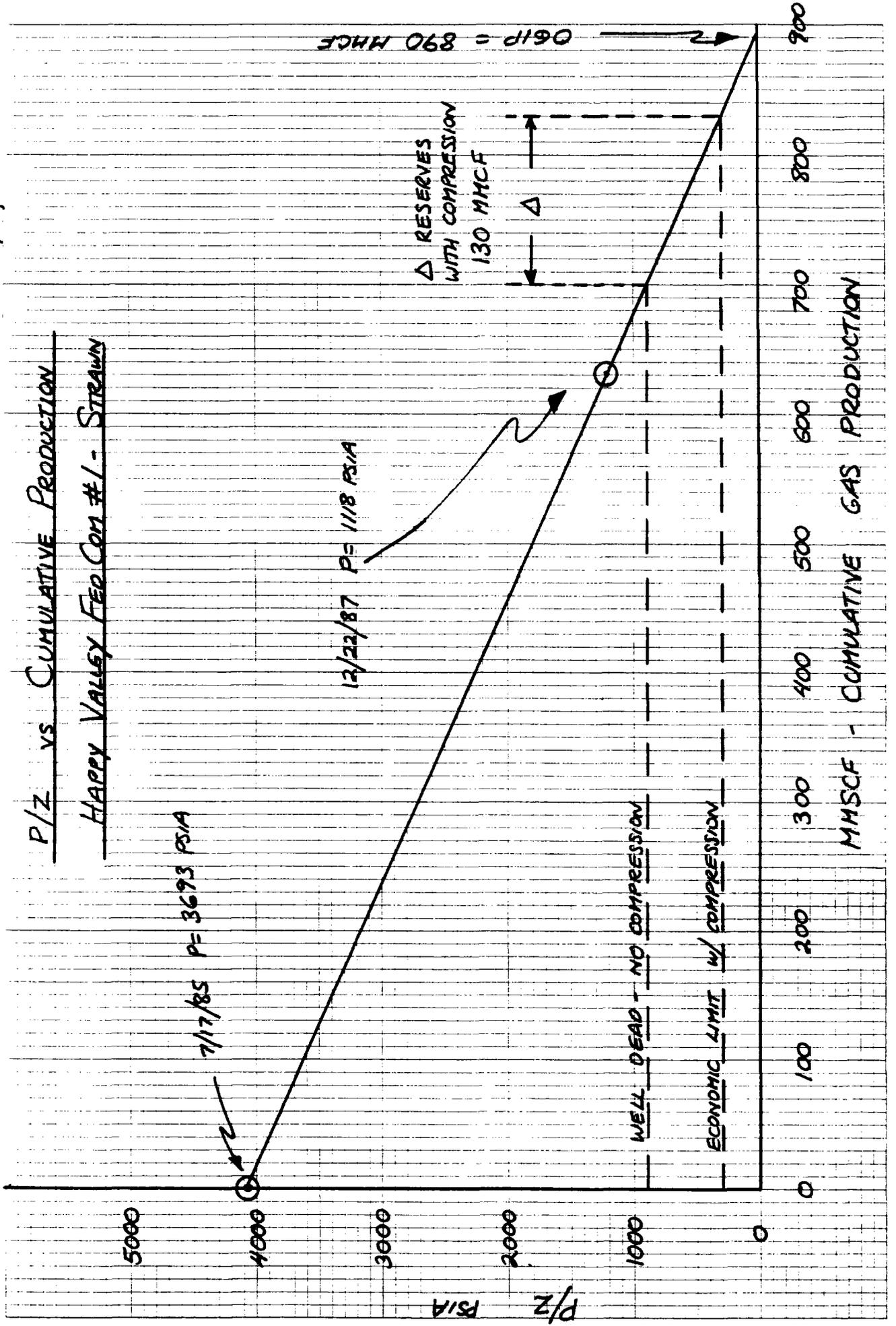
Q=MCF/DAY

$Q1 = 7,500 = \text{LOG } 3.875061$
 $Q2 = 1,611 = \text{LOG } 3.207061$
 $N = \frac{\quad}{.668000}$

$CAOF = 8778 \frac{(13,639.7)}{1854.9} = 33,281 \text{ MCF/D}$

LCS 4/22/88

P/Z vs CUMULATIVE PRODUCTION
HAPPY VALLEY FLD COM #1 - STRAWN



**NEW-TEX
LAB**

PHONE 505/393-3561

P. O. BOX 1161

611 W. SNYDER

HOBBS, NEW MEXICO 88240

*JUN 86
FILE*

ANALYSIS CERTIFICATE

CLIENT: EXXON CO USA ANALYSIS NUMBER: 8983
ADDRESS: 1700 W BROADWAY DATE OF RUN: 02 25 86
CITY, STATE: ANDREWS, TX 79714 DATE SECURED: 02 24 86

SAMPLE IDENT: HAPPY VALLEY FEDEAL COM "B" #1 MORROW
SAMPLING PRESS: SAMPLING TEMP:

REMARKS: H₂S - None Detected

***** GAS ANALYSIS *****

	MOLE PERCENT	GAL/MCF
NITROGEN	0.159	
CARBON DIOXIDE	1.080	
METHANE	95.987	
ETHANE	2.321	0.619
PROPANE	0.349	0.096
ISO-BUTANE	0.042	0.014
NORMAL BUTANE	0.062	0.019
TOTAL	100.000	0.748

PROPANE GPM: 0.10 BUTANES GPM: 0.03
ETHANE GPM: 0.62 PENTANES PLUS GPM: 0.00

SPECIFIC GRAV (CALC): 0.5812
MOLE WEIGHT: 16.83

HHV-BTU/CU FT	PRESSURE (PSIA)	WET	DRY
	14.596	1005	1023
	14.650	1002	1019
	14.730	1007	1025
	14.735	1007	1025

DEANE SIMPSON

NEW-TEX LAB

PHONE 505/383-3661

P. O. BOX 1161

611 W. SNYDER

HOBBS, NEW MEXICO 88240

ANALYSIS CERTIFICATE

CLIENT: DUKE SERVICES INC
ADDRESS: 1306 W BROADWAY
CITY, STATE: HOBBS NM 88240

ANALYSIS NUMBER: 7565
DATE OF RUN: 07/15/85
DATE SECURED: 07/14/85

SAMPLE IDENT: EXXON CO USA - HAPPY VALLEY FED COMM #1
SAMPLING PRESS: SAMPLING TEMP:

STRAWN

***** GAS ANALYSIS *****

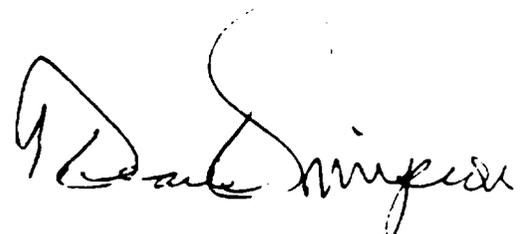
	MOLE PERCENT	GAL/ MCF
NITROGEN	0.314	
CARBON DIOXIDE	0.461	
METHANE	90.285	
ETHANE	5.789	1.544
PROPANE	1.785	0.490
ISO-BUTANE	0.402	0.131
NORMAL BUTANE	0.443	0.139
ISO-PENTANE	0.201	0.074
NORMAL PENTANE	0.109	0.039
HEXANES	0.211	0.087
TOTAL	100.000	2.504

PROPANE GPM: 0.49 BUTANES GPM: 0.27
ETHANE GPM: 1.54 PENTANES PLUS GPM: 0.20

SPECIFIC GRAV (CALC): 0.6287
MOLE WEIGHT: 18.21

HHV-BTU/CU FT	PRESSURE (PSIA)	WET	DRY
	14.696	1090	1110
	14.650	1087	1106
	14.730	1093	1112
	14.735	1093	1112

DEANE SIMPSON



CASE 9376: (Continued from May 11, 1988, Examiner Hearing)

Application of Newburg Producing Company to amend Division Order No. R-8605 and the assignment of an oil allowable retroactive to April 1, 1988, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8605, dated March 8, 1988, by changing the non-standard oil proration unit to include Lots 3 and 4 of Section 19, Township 16 South, Range 37 East, to be dedicated to its Soledad "ISM" Well No. 1 located at an unorthodox location 1000 feet from the South and West lines of said Section 19 thereby forming a non-standard oil spacing and proration unit consisting of 100.81 acres. Applicant also seeks the assignment of an oil allowable for said well to be made retroactive to April 1, 1988 based on the new acreage factor. Said well is located approximately 4.25 miles southeast of Lovington, New Mexico.

CASE 9353: (Continued from April 27, 1988, Examiner Hearing)

Application of Road & Stevens, Inc. 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 North and East lines (Unit A) of Section 19, Township 19 South, Range 29 East, Undesignated Turkey Track-Morrow Gas Pool or Undesignated West Parkway-Morrow Gas Pool, the E/2 of said Section 19 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for either pool. Said location is approximately 7.5 miles southeast by east of the old Illinois Camp.

CASE 9366: (Readvertised)

Application of Exxon Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 990 feet from the South line and 330 feet from the East line (Unit P) of Section 9, Township 17 South, Range 37 East, Undesignated Shipp-Strawn Pool, the S/2 SE/4 of said Section 9 to be dedicated to the well forming a standard 80-acre oil spacing and proration unit for said pool. Said location is approximately 3.8 miles northwest by north of Humble City, New Mexico.

CASE 9387: Application of Exxon Corporation for an unorthodox gas well location, downhole commingling, hydrocarbon storage authority, and relief from the reporting requirements of Division General Rule 1131, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Happy Valley-Morrow Gas Pool with the Undesignated Northeast Sheep Draw-Strawn Gas Pool in the wellbore of its Happy Valley "B" Federal Com Well No. 1 located at a previously approved unorthodox gas well location for the Morrow zone (NSL-2152) 1471 feet from the South line and 1908 feet from the West line (Unit K) of Section 23, Township 22 South, Range 26 East. Applicant further requests approval to utilize the Strawn zone in said well for storage of gas from the Morrow zone and an exemption from the reporting requirements of Division General Rule 1131. Said well is located approximately 1 mile northwest by west of the Carlsbad City Dump.

CASE 9362: (Continued from April 27, 1988, Examiner Hearing)

Application of Meridian Oil Inc. for the extension of the vertical limits of the Cedar Hill-Fruitland Basal Coal Pool and the concomitant contraction of the Mount Nebo-Fruitland Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the vertical limits of the Cedar Hill-Fruitland Basal Coal Pool to include any and all coal zones of the Fruitland formation, from approximately 2,579 feet to 2,878 feet, in Sections 3 through 6, Township 31 North, Range 10 West, and Sections 19 through 22 and 27 through 34, Township 37 North, Range 10 West. Applicant also seeks the concomitant contraction of said zones from the Mount Nebo-Fruitland Pool. Said area consists of 16 square miles in the form of a square centered approximately 5.5 miles east by north of Cedar Hill, New Mexico.

CASE 9388: Application of Curtis J. Little Oil and Gas 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 a depth of approximately 8,300 feet underlying the SE/4 of Section 1, Township 25 North, Range 3 West, to form a standard 160-acre, more or less, gas spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 160-acre spacing to be dedicated to a well to be drilled at a standard gas 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 unit is located approximately one quarter mile south of the Ojito Post Office.

CASE 9389: Application of Robert N. Enfield for compulsory pooling and an unorthodox gas well location, 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 Devonian formation underlying the NW/4 of Section 29, Township 7 South, Range 31 East, to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical limits or the W/2 of said Section 29 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical limits, both aforementioned units to be dedicated to its E. McCombs Well No. 1 drilled at an unorthodox gas well location (for a 320-acre dedication) 1650 feet from the North line and 990 feet from the West line (Unit E) of said Section 29. 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 units are located approximately 11 miles south by west of Kenna, New Mexico.

*June 22, 1988
Happy Valley Federal
Comm Well No. 1*

CASE 9390: Application of Robert N. Enfield for pool creation and special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of gas from the Devonian formation comprising the W/2 of Section 29, Township 7 South, Range 31 East, and for the promulgation of special rules and regulations for said pool including a provision for 160-acre spacing and proration units and designated well locations. Said area is located approximately 11 miles south by west of Kenna, New Mexico.

CASE 9391: Application of Foran 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 formation underlying the E/2 SE/4 of Section 7, Township 16 South, Range 37 East, forming a standard 80-acre oil spacing and proration unit for the Northeast Lovington-Pennsylvanian Pool, to be dedicated to a well to be drilled at a standard oil well location in the NE/4 SE/4 (Unit I) of said Section 7. 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 unit is approximately 4 miles east by south of the junction of U.S. Highway 82 and New Mexico State 18 in Lovington, New Mexico.

CASE 9392: Application of Foran Oil Company for compulsory pooling and non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to either the base of the Morrow formation or to a depth of 13,000 feet, whichever is deeper, underlying the SE/4, E/2 SW/4, and Lots 3 and 4 of Section 30, Township 21 South, Range 35 East, forming a 312.05-acre, more or less, non-standard gas spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 320-acre spacing, and the SE/4 of said Section 30 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 160-acre gas well spacing, both aforementioned units to be dedicated to a well to be drilled at a standard gas 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 area is approximately 2.5 miles south of the junction of New Mexico State Road 176 and County Road 32.

CASE 9393: Application of Tenneco Oil Company for exceptions to Rule 2(b) of the special rules governing the Blanco-Mesaverde Pool, infill well findings, and five unorthodox gas well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 2(b) of the special rules and regulations for the Blanco-Mesaverde Pool as promulgated by Division Order No. R-8170, as amended, allowing a third well to be drilled and produced within 16 certain proration units, each well to be drilled within the quarter section that contains the original well in the unit, five of which are unorthodox (as listed below), and for an effective and efficient finding on each well, pursuant to F.E.R.C. Rule 271.305.

1. 1720' FSL & 1610' FWL, Section 28, T30N, R8W
2. 1620' FSL & 1005' FWL, Section 27, T30N, R8W
3. 300' FNL & 1230' FEL, Section 27, T30N, R8W
4. 2160' FNL & 395' FEL, Section 3, T31N, R11W
5. 1125' FNL & 1828' FEL, Section 27, T29N, R8W

CASE 9394: 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 a gas pool for Wolfcamp production and designated as the Sulphate Draw-Wolfcamp Gas Pool. The discovery well is the Enron Oil and Gas Harkey 35 State Well No. 1 located in Unit J of Section 35, Township 24 South, Range 27 East, NMFM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMFM
Section 35: E/2

(b) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMFM
Section 11: NW/4

(c) EXTEND the Benson-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMFM
Section 11: SE/4

(d) EXTEND the Benson-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMFM
Section 4: E/2

CASE 9409: (Readvertised)

Application of Conoco Inc. for an unorthodox oil well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1550 feet from the North line and 2460 feet from the West line (Unit F) of Section 19, Township 26 South, Range 37 East, Scarborough Yates-Seven Rivers Pool, to be simultaneously dedicated to the existing 40-acre proration unit consisting of the SE/4 NW/4 of said Section 19 to the above-described well and to its Eaves A. Well No. 4 located 1980 feet from the North line and 1650 feet from the West line of said Section 19. Said unit is approximately 2 miles north of Mile Corner 8 on the Texas/New Mexico State line.

CASE 8822: (Reopened)

In the matter of Case No. 8822 being reopened pursuant to the provisions of Division Order No. R-8188-A, which promulgated temporary special rules and regulations for the Northeast Ojito Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, including a provision for 160-acre spacing units. Operators in the subject pool may appear and show cause why the Northeast Ojito Gallup-Dakota Oil Pool should not be developed on standard statewide 40-acre proration unit.

CASE 9418: Application of Inexco Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location to be drilled 1200 feet from the North line and 500 feet from the West line (Unit D) of Section 17, Township 16 South, Range 36 East, Undesignated West Lovington-Pennsylvanian Pool, the NW/4 NW/4 of said Section 17 to be dedicated to said well. Said location is approximately 2 miles west-northwest of Lovington, New Mexico.

CASE 9387: (Readvertised)

Application of Exxon Corporation for an unorthodox gas well location, downhole commingling, hydrocarbon storage authority, and relief from the reporting requirements of Division General Rule 1131, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Happy Valley-Morrow Gas Pool with the Northeast Sheep Draw-Strawn Gas Pool in the wellbore of its Happy Valley Federal Com Well No. 1 located at a previously approved unorthodox gas well location for the Morrow zone (NSL-2910) 1780 feet from the North line and 1830 feet from the East line (Unit G) of Section 28, Township 22 South, Range 26 East. Applicant further requests approval to utilize the Strawn zone in said well for storage of gas from the Morrow zone and an exemption from the reporting requirements of Division General Rule 1131. Said well is located approximately 1.25 miles northwest by north of the Carlsbad City Dump.

CASE 9389: (Continued from May 25, 1988, Examiner hearing)

Application of Robert N. Enfield for compulsory pooling and an unorthodox gas well location, 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 Devonian formation underlying the NW/4 of Section 29, Township 7 South, Range 31 East, to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical limits or the W/2 of said Section 29 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical limits, both aforementioned units to be dedicated to its E. McCombs Well No. 1 drilled at an unorthodox gas well location (for a 320-acre dedication) 1650 feet from the North line and 990 feet from the West line (Unit E) of said Section 29. 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 units are located approximately 11 miles south by west of Kenna, New Mexico.

CASE 9353: (Continued from June 8, 1988, Examiner Hearing)

Application of Read & Stevens, Inc. 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 North and East lines (Unit A) of Section 19, Township 19 South, Range 29 East, Undesignated Turkey Track-Morrow Gas Pool or Undesignated West Parkway-Morrow Gas Pool, the E/2 of said Section 19 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for either pool. Said location is approximately 7.5 miles southeast by east of the old Illinois Camp.

CASE 9397: (Readvertised)

Application of Petrus Oil Company, L. P. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1650 feet from the South line and 1310 feet from the West line (Unit L) of Section 11, Township 17 South, Range 33 East, Undesignated Samnal-Queen Pool, the NW/4 SW/4 of said Section 11 to be dedicated to said well. Said location is approximately 7 miles east of Maljamar, New Mexico.

CASE 9394 (Reopened and Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order extending a certain pool in Chaves County, New Mexico.

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 21: S/2 NE/4 and NW/4 NE/4