

CASE 9462: (Continued from August 17, 1988, Examiner Hearing.)

Application of El Paso Natural Gas Company for an unorthodox gas well location and a non-standard gas proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 1190 feet from the North line and 690 feet from the East line (Unit B) of Section 13, Township 30 North, Range 6 West, La Jara-Fruitland Pool, Lots 1 and 2 and the W/2 NE/4 of said Section 13 to be dedicated to said well forming a 113.86-acre non-standard gas spacing and proration unit for said pool. Said location is approximately 11 miles east by north of the Navajo Reservoir Dam.

CASE 9463: (Continued from August 17, 1988, Examiner Hearing.)

Application of El Paso Natural Gas Company for a non-standard gas proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for a non-standard 113.69-acre spacing and proration unit comprising Lots 1 and 2 and the W/2 NE/4 of Section 12, Township 30 North, Range 6 West, La Jara-Fruitland Pool, to be drilled at a standard gas well location 1850 feet from the North line and 790 feet from the East line (Unit G) of said Section 12. Said location is approximately 11.5 miles east by north of the Navajo Reservoir Dam.

CASE 9464: (Continued from August 17, 1988, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox gas well location and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 1660 feet from the North line and 1320 feet from the West line (Unit F) of Section 18, Township 30 North, Range 8 West, Undesignated Blanco-Fruitland Pool, Lots 1 and 2 and the E/2 NW/4 of said Section 18 to be dedicated to said well, forming a non-standard 111.66-acre gas spacing and proration unit for said pool. Said location is approximately 6 miles west by north of the Navajo Reservoir Dam.

CASE 9473: (Continued from August 31, 1988, Examiner Hearing.)

Application of Meridian Oil, Inc. for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 100.25-acre, more or less, non-standard gas spacing and proration unit for production from the Undesignated Blanco-Fruitland Pool comprising Lots 6 and 7 and the E/2 SW/4 of Section 6, Township 30 North, Range 9 West. Said unit is to be dedicated to a well to be drilled at a standard gas well location 1890 feet from the South line and 1043 feet from the West line (Unit K) of said Section 6, which is located approximately 9 miles east of Artec, New Mexico.

CASE 9474: (Continued from August 31, 1988, Examiner Hearing.)

Application of Meridian Oil, Inc. for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 100.55-acre, more or less, non-standard gas spacing and proration unit for Undesignated Blanco-Fruitland Pool production comprising Lots 3 and 4 and the E/2 SW/4 of Section 7, Township 30 North, Range 9 West. Said unit is to be dedicated to a well to be drilled at a standard gas well location 1595 feet from the South line and 855 feet from the West line (Unit K) of said Section 7, which is located approximately 9 miles east of Artec, New Mexico.

CASE 9359: (Continued from July 6, 1988, Examiner Hearing.)

Application of Dugan Production Corporation for a non-standard oil proration unit, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the Special Rules and Regulations for the Rio Puerco-Mancos Oil Pool as promulgated by Division Order No. R-7471, as amended, to form a 160-acre non-standard oil spacing and proration unit for said pool comprising the NW/4 of Section 25, Township 21 North, Range 4 West, to be dedicated to the existing Husky Federal Well No. 2 located at a standard location 990 feet from the North and West lines (Unit D) of said Section 25. Said well is located approximately 3.25 miles south of Milepost 75 on New Mexico Highway No. 44.

CASE 9458: (Continued from August 31, 1988, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bell Canyon, Cherry Canyon, and Brushy Canyon Formations (Delaware Mountain Group) underlying the NW/4 SW/4 (Unit L) of Section 27, Township 26 South, Range 29 East, forming a standard statewide 40-acre oil 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. Said unit is located approximately 3/4 mile north of where the Pecos River crosses the Texas/New Mexico Stateline.

CASE 9486: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, 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 Filaree Dome-Delaware Pool. The discovery well is the Primary Fuels PFI Amoco 19 Federal Well No. 2 located in Unit K of Section 19, Township 22 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM  
Section 19: SW/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the South Lusk-Delaware Pool. The discovery well is the Siete Oil and Gas Corporation Nugget State Well No. 1 located in Unit A of Section 36, Township 19 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM  
Section 36: NE/4

(c) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and designated as the Miller Lake-Abo Gas Pool. The discovery well is the MorOilCo, Inc. O'Brien Well No. 1 located in Unit C of Section 25, Township 7 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 29 EAST, NMPM  
Section 25: NW/4

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Pierce Crossing-Wolfcamp Pool. The discovery well is the Enron Oil and Gas Company Queen Lake 20 Federal Well No. 1 located in Unit E of Section 20, Township 24 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM  
Section 20: W/2

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Wooten Ranch-Atoka Gas Pool. The discovery well is the BTA Oil Producers 8710 JV-P Tank Well No. 1 located in Unit P of Section 33, Township 23 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM  
Section 33: S/2

(f) ABOLISH the Buffalo Valley-Morrow Gas Pool in Chaves County, New Mexico, and extend the Buffalo Valley-Pennsylvanian Gas Pool to include said abolished acreage.

(g) EXTEND the Atoka Glorieta-Yaso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 25: SE/4 and S/2 SW/4

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

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM  
Section 28: SE/4

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

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM  
Section 11: W/2  
Section 14: N/2  
Section 15: E/2

(j) EXTEND the Four Ranch-Wolfcamp Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM  
Section 14: E/2  
Section 25: N/2  
Section 26: N/2

- CASE 9463: Application of El Paso Natural Gas Company for a non-standard gas proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for a non-standard 113.69-acre gas spacing and proration unit comprising Lots 1 and 2 and the W/2 NE/4 of Section 12, Township 30 North, Range 6 West, La Jara-Fruitland Pool, to be dedicated to a well to be drilled at a standard gas well location 1850 feet from the North line and 790 feet from the East line (Unit G) of said Section 12. Said location is approximately 11.5 miles east by north of the Navajo Reservoir Dam.
- CASE 9464: Application of Meridian Oil, Inc. for an unorthodox gas well location and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 1660 feet from the North line and 1320 feet from the West line (Unit F) of Section 18, Township 30 North, Range 8 West, Undesignated Blanco-Fruitland Pool, Lots 1 and 2 and the E/2 NW/4 of said Section 18 to be dedicated to said well, forming a non-standard 111.66-acre gas spacing and proration unit for said pool. Said location is approximately 6 miles west by north of the Navajo Reservoir Dam.
- CASE 9465: Application of Meridian Oil Inc. for a horizontal drain hole pilot project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its Corbin State Well No. 1, surface location 1980 feet from the North and West lines of Section 16, Township 18 South, Range 33 East, Undesignated South Corbin-Bone Spring Pool, and plug back to approximately 11,320 feet and thence to drill a short radius curve and thence to drill horizontally in a westerly direction approximately 660 feet. The terminus of the bottomhole location will be unorthodox no closer than 1380 feet from the West line of said Section 16. The proposed horizontal section will be located in said pool at a depth of approximately 11,320 feet and will be totally contained within a standard 80-acre oil proration unit being the S/2 NW/4 of said Section 16. Said location is approximately 8.5 miles southeast of Maljamar, New Mexico.
- CASE 9439: (Continued from July 20, 1988, Examiner Hearing.)
- Application of Union Pacific Resources Company for pool extension and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to extend the horizontal limits of the Vada-Devonian Pool to include the NW/4 of Section 35, Township 10 South, Range 33 East, and for the promulgation of temporary special rules and regulations for said pool including a provision for 80-acre spacing and proration units, designated well locations, and a poolwide exception to Division Rule 111 allowing for directional drilling or well deviations of more than 5 degrees in any 500-foot interval. Said pool area is located approximately 9.75 miles N 82° E of Caprock, New Mexico.
- CASE 9440: (Continued from July 20, 1988, Examiner Hearing.)
- Application of Union Pacific Resources Company for directional drilling and an unorthodox (subsurface) oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to plug back its State 26 Well No. 2, surface location 1910 feet from the South line and 1980 feet from the East line (Unit J), to 9,900 feet and then commence drilling directionally to penetrate the top of the Undesignated Vada-Devonian Pool at a true vertical depth of approximately 12,900 feet and within a 150-foot radius of an unorthodox subsurface location 1910 feet from the South line and 2580 feet from the East line (Unit J) of Section 26, Township 10 South, Range 33 East, with the N/2 SE/4 of said section being dedicated to said well, forming a standard 80-acre oil spacing and proration unit for said pool. Said location is approximately 10.25 miles N 80° E of Caprock, New Mexico
- CASE 9436: (Readvertised)
- Application of Nearburg Producing Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 1340 feet from the South line and 660 feet from the West line (Unit L) of Section 8, Township 19 South, Range 26 East, Undesignated West Four Mile Draw-Morrow Gas Pool, the S/2 of said Section 8 to be dedicated to said well. This location is approximately 3.5 miles northwest of Lakewood, New Mexico.
- CASE 9466: Application of Nearburg Producing Company for a non-standard gas proration unit and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 990 feet from the North and East lines (Unit A) of Section 12, Township 19 South, Range 25 East, to test the Morrow formation, Undesignated Boyd-Morrow Gas Pool, the N/2 of said Section 12 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for said formation. In the alternative, applicant seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of said Section 12 to be dedicated to said well. Said location is approximately 3.75 miles west of Lakewood, New Mexico.
- CASE 9467: Application of Nearburg Producing Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 400 feet from the North and East lines (Unit A) of Section 25, Township 16 South, Range 36 East, to test the Strawn formation, Undesignated Northeast Lovington-Pennsylvanian Pool, the N/2 NE/4 of said Section 25 to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said formation. Said location is approximately four miles southeast of Lovington, New Mexico.

CASE 9468: Application of Nearburg Producing Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the the above-styled cause, seeks approval for an unorthodox oil well location 400 feet from the North line and 2240 feet from the East line (Unit B) of Section 30, Township 16 South, Range 37 East, to test the Strawn formation, Northeast Lovington-Pennsylvanian Pool, the N/2 NE/4 of said Section 30 to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said formation. Said location is approximately 4.5 miles southeast of Lovington, New Mexico.

CASE 9469: Application of Nearburg Producing Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 400 feet from the North line and 2560 feet from the West line (Unit C) of Section 30, Township 16 South, Range 37 East, to test the Strawn formation, Undesignated Northeast Lovington-Pennsylvanian Pool, the E/2 NW/4 of said Section 30 to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said formation. Said location is approximately 4.5 miles southeast of Lovington, New Mexico.

CASE 9446: (Continued from August 3, 1988, Examiner Hearing.)

Application of Arco Oil and Gas Company 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 Bone Spring formation underlying the NW/4 SE/4 (Unit J) of Section 32, Township 17 South, Range 31 East, Undesignated North Shugart-Bone Spring Pool, to form a standard statewide 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 the applicant as operator of the well and a charge for risk involved in drilling said well. Said location is approximately 1.75 miles south of Milepost No. 138.2 on U.S. Highway 82.

CASE 9447: (Continued from August 3, 1988, Examiner Hearing.)

Application of Arco Oil and Gas Company 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 Bone Spring formation underlying the SE/4 SE/4 (Unit P) of Section 32, Township 17 South, Range 31 East, Undesignated North Shugart-Bone Spring Pool, to form a standard statewide 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 the applicant as operator of the well and a charge for risk involved in drilling said well. Said location is approximately 2 miles south of Milepost No. 138.5 on U.S. Highway 82.

\*\*\*\*\*  
\*\*\*\*\*

Docket No. 25-88

DOCKET: COMMISSION HEARING - THURSDAY - AUGUST 18, 1988

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

CASE 9404: (De Novo)

Application of Nearburg Producing Company for a non-standard oil proration unit and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 330 feet from the North and West lines (Unit D) of Section 30, Township 16 South, Range 37 East, Undesignated Northeast Lovington-Pennsylvanian Pool, said well to be dedicated to Lots 1 and 2 of said Section 30 thereby forming a 100.49-acre non-standard oil proration and spacing unit for said pool. Said location is approximately 4.3 miles southeast of Lovington, New Mexico. Upon application of Nearburg Producing Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.