

Dockets Nos. 20-89 and 21-89 are tentatively set for July 12 and July 26, 1989. Applications for hearing must be filed at least 22 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 21, 1989**

**8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO**

The following cases will be heard before David R. Catanach, Examiner, or Michael E. Stogner, or Victor T. Lyon, Alternate Examiners:

**CASE 9688:** Application of Yates Petroleum Corporation for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Desana Unit Area comprising 1280 acres, more or less, of State and Federal lands in all or portions of Sections 8, 17, and 18, Township 18 South, Range 24 East. Said unit area is located approximately 8.5 miles east-southeast of Hope, New Mexico.

**CASE 9689:** Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East Four Lakes State Unit Area comprising 12,178.27 acres, more or less, of State lands in portions of Townships 11 and 12 South, Ranges 34 and 35 East. Said unit area is located approximately 10 miles northwest of Tatum, New Mexico.

**CASE 9690:** Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Drover State Unit Area comprising 4880.00 acres, more or less, of State lands in all or portions of Sections 8, 9, 16, 17, 18, 20, 21, 22, 27, and 28, Township 13 South, Range 32 East. Said unit area is located approximately 15 miles south of Caprock, New Mexico.

**CASE 9691:** Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Splits State Unit Area comprising 2,549.36 acres, more or less, of State lands in Sections 13 and 24, Township 22 South, Range 34 East and Sections 19 and 30, Township 22 South, Range 35 East. Said unit area is located approximately 15.5 miles west-southwest of Eunice, New Mexico.

**CASE 9675:** (Continued from the June 7, 1989, Examiner Hearing.)

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 8413:** (Continued from June 7, 1989, Examiner Hearing.)

Application of Union Texas Petroleum for exemption from the New Mexico Natural Gas Pricing Act. (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota, Tapecito-Pictured Cliffs, Blanco-Mesaverde, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, and Astec-Pictured Cliffs Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office.

**CASE 9109:** (Continued from May 24, 1989, Examiner Hearing.)

In the matter of Case 9109 being reopened pursuant to the provisions of Division Orders Nos. R-6129-A and R-8446, whereby the Benson-Strawn Pool was redesignated as a gas pool and developed on statewide 320-acre gas spacing units, Eddy County. Operators in the subject pool may appear and show cause why the Benson-Strawn Gas Pool should not be redesignated as an oil pool and the special rules and regulations reinstituted as promulgated by said Order No. R-6129-A.

**CASE 9663:** (Continued from June 7, 1989, Examiner Hearing.)

Application of The Petroleum Corporation of Delaware for downhole commingling, the amendment of Division Order No. R-7269, and the amendment of Division Administrative Order NSP-1290, Eddy County, New Mexico. Applicant, in the above-styled cause, and as operator of the Superior Federal Well No. 6 located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 6, Township 20 South, Range 29 East, seeks to downhole commingle production from the Undesignated East Burton Flat-Atoka Gas Pool and the East Burton Flat-Morrow Gas Pool. Applicant also seeks to permit such commingled production to be produced through tubing and the production of gas from the East Burton Flat-Strawn Gas Pool through the casing-tubing annulus of said well and that Division Order No. R-7269 be amended accordingly. Applicant

further seeks to amend Division Administrative Order No. NSP-1290, dated April 28, 1982; which authorized a 299.84-acre, more or less, gas spacing and proration unit for the East Burton Flat-Strawn Gas Pool comprising Lots 6 and 7, the E/2 SW/4, and the SE/4 of said Section 6 for said well; to include both the Undesignated East Burton Flat-Atoka Gas Pool and the East Burton Flat-Morrow Gas Pool. Applicant also requests that any such order issued in this case be made effective retroactively to May 1987. Said well is located approximately 7.5 miles northwest of the junction of New Mexico Highway No. 31 North and U.S. Highway 62/180.