

Dockets Nos. 18-91 and 19-91 are tentatively set for June 27, 1991 and July 11, 1991. Applications for hearing must be filed at least 23 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - THURSDAY - JUNE 13, 1991**

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

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

**CASE 10320:** Application of McKay Oil Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the April State Unit Agreement for an area comprising 22,298.45 acres, more or less, of State and Fee lands in portions of Townships 3 and 4, South, Range 20 East, which is located approximately 10 miles west-northwest of Mesa, New Mexico.

**CASE 10321:** Application of McKay Oil Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Charollette State Unit Agreement for an area comprising 12,655.25 acres, more or less, of State lands in portions of Township 5 South, Range 20 East, which is located approximately 13 miles southwest of Mesa, New Mexico.

**CASE 10280:** (Continued from May 30, 1991, Examiner Hearing.)

Application of Knox Industries Inc. for special pool rules, Lea and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Milnesand-Abo Pool, including a provision for 80-acre spacing and designated well location requirements. Said pool is located in portions of Sections 33 and 34, Township 8 South, Range 35 East, and Section 3, Township 9 South, Range 35 East, straddling the Roosevelt/Lea County line approximately 4 miles north by west of Crossroads, New Mexico.

**CASE 9789:** (Reopened)

In the matter of Case 9789 being reopened pursuant to the provisions of Division Order No. R-9085, which order promulgated special rules and regulations for the Badland Hills-Mancos Oil Pool in Rio Arriba County, New Mexico, including provisions for 640-acre spacing and proration units and designated well location requirements. Operators in said pool may appear and show cause why the Badland Hills-Mancos Oil Pool should not be abolished and/or the special rules and regulations promulgated herein should not be rescinded.

**CASE 10310:** (Continued from May 30, 1991, Examiner Hearing.)

Application of Amoco Production Company for surface commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks exceptions to Division (General) Rules 303.A. and 309.A. for the surface commingling of North Loving-Morrow Gas Pool production from its Brantley Gas Com Well No. 1 located in Unit K of Section 22, Township 23 South, Range 28 East with East Loving-Delaware Pool production from wells on its Brantley and McClary Leases and its Jasso Unit, all in the S/2 of said Section 22, which is located approximately 1 mile east of Loving, New Mexico.

**CASE 10322:** Application of Nearburg Producing Company 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 Pennsylvanian formation underlying the SE/4 NE/4 (Unit H) of Section 24, Township 8 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 40-acre spacing which presently includes but is not necessarily limited to the Undesignated West Milnesand-Pennsylvanian Pool, said 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 unit is located approximately 2.5 miles north of the point common to Lea, Roosevelt, and Chaves Counties.

DOCKET: COMMISSION HEARING - WEDNESDAY - JUNE 12, 1991

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

(The Land Commissioner's designee for this hearing will be Jami Bailey)

CASE 9931: (De Novo) (Continued from May 9, 1991, Commission Hearing.)

Application of Arco Oil & Gas Company for pressure maintenance expansion and an unorthodox gas injection well, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Empire-Abo Unit Pressure Maintenance Project, authorized by Division Order No. R-4549, as amended, by converting its Empire-Abo Unit "J" Well No. 10, located 2310 feet from the North and West lines (Unit F) of Section 3 and Empire Abo Unit "J" Well No. 13, located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 2, both in Township 18 South, Range 27 East, Empire-Abo Pool, Empire-Abo Unit Area, from producing oil wells to gas injection wells. Applicant further seeks an exception to Rule 7A of the Special Rules and Regulations for the Empire-Abo Unit Pressure Maintenance Project, as promulgated by said Order No. R-4549, as amended, for the "J" Well No. 13 which is located at an unorthodox gas injection well location. Both wells are located in an area approximately 4.25 miles south-southeast of Riverside, New Mexico. Upon application of Arco Oil & Gas Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 10251: (De Novo) (Contined from May 9, 1991, Commission Hearing.)

Application of Kaiser-Francis Oil Company for a pool creation, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of gas from the Delaware formation comprising the SE/4 of Section 8, Township 21 South, Range 26 East. Said area is located approximately 7 miles northwest of Carlsbad, New Mexico. Upon application of Kaiser-Francis Oil Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 10266: (De Novo)

Application of Fina Oil and Chemical Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests below a depth of 10,907 feet underlying the E/2 of Section 28, Township 16 South, Range 34 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 South Kemitz Atoka-Morrow Gas Pool. Said unit is 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 7 miles northwest by north of Buckeye, New Mexico. Upon application of Marathon Oil Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 10226: (De Novo)

Application of Bird Creek Resources for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations for the East Loving-Delaware Pool including a provision for a limiting gas-oil ratio of 5000 cubic feet of gas per barrel of oil. Said pool is located in Township 23 South, Range 28 East, being approximately 2 miles east of Loving, New Mexico. Upon application of Bird Creek Resources, this case will be heard De Novo pursuant to the provisions of Rule 1220.

✓ CASE 9955: (De Novo)

Application of Sunco Trucking Water Disposal for a permit to construct and operate a commercial wastewater evaporation pond, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization, pursuant to Division General Rule 711, to construct a synthetically double lined wastewater evaporation pool equipped with proper leak detection for the purpose of commercially disposing of nonhazardous wastewater associated with the completion and production operations of oil and gas wells. Said pond is to be located in the SW/4 NW/4 (Unit E) of Section 2, Township 29 North, Range 12 West, which is approximately 2.75 miles south by east of Flora Vista, New Mexico. Upon application of Harold W. Horner and Doris J. Horner, this case will be heard De Novo pursuant to the provisions of Rule 1220.