

EXAMINER HEARING - THURSDAY - JANUARY 24, 1991

CASE 10221: Application of Conoco Inc. for the amendment of Order No. R-4691, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-4691, as amended, which promulgated special pool rules for the North Dagger Draw-Upper Pennsylvanian Pool located in Townships 19 and 20 South, Ranges 24 and 25 East. Applicant seeks the establishment of a special depth bracket allowable for a standard 160-acre oil spacing and proration unit in said pool of 700 barrels of oil per day. Said pool is located approximately 9 miles west of Lakewood, New Mexico.

CASE 10203: (Continued from January 10, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 14, Township 19 South, Range 24 East, to test both the Undesignated Penasco Draw-Permo Pennsylvanian Gas Pool and Boyd-Morrow Gas Pool, the N/2 of said Section 14 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for both zones. The proposed well site is located approximately 14.5 miles southeast of Hope, New Mexico.

CASE 10222: Application of Yates Petroleum Corporation to amend the special rules and regulations for the South Dagger Draw-Upper Pennsylvanian Associated Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-5353-L, which promulgated special pool rules for the South Dagger Draw-Upper Pennsylvanian Associated Pool located in Sections 11, 14, 22, 23, 26 and 35, Township 20 South, Range 24 East. Applicant seeks the establishment of a special depth bracket allowable for a standard 320-acre oil spacing and proration unit in said pool of 1400 barrels of oil per day. Said pool is located approximately 8 miles west-southwest of Seven Rivers, New Mexico.

CASE 10223: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cowboy Draw Unit Agreement for an area comprising 28,800 acres, more or less, of State and Federal lands in Townships 4 and 5 South, Ranges 20 and 21 East, which is located approximately 10 miles west-southwest of Mesa, New Mexico.

CASE 10224: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Blackwater Unit Agreement for an area comprising 41,610 acres, more or less, of State and Federal lands in Township 9 South, Ranges 21 and 22 East, which is located approximately 17 miles northwest by west of Roswell, New Mexico.

CASE 10225: Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Salt Creek Unit Agreement for an area comprising 97,800 acres, more or less, of State and Federal lands in Townships 6, 7, and 8 South, Ranges 21 and 22 East, which is located approximately 27 miles northwest of Roswell, New Mexico.

CASE 9529: (Reopened and Readvertised)

In the matter of Case 9529 being reopened pursuant to the provisions of Division Order No. R-8806, which order created the North King Camp-Devonian Pool in Chaves County, New Mexico, and promulgated temporary special rules and regulations therefor. Operators in said pool may appear and show cause why the North King Camp-Devonian Pool temporary rules should not be rescinded. Further, at the request of Stevens Operating Corporation, appropriate spacing for said pool and other related matters which are consistent with Commission Order No. R-9035 shall be considered.

CASE 10008: (Continued from January 10, 1991, Examiner Hearing.)

Application of Doyle Hartman for a non-standard gas proration unit, compulsory pooling, and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying Lots 3 and 4, the SE/4 NW/4, and the E/2 SW/4 of Section 6, Township 24 South, Range 37 East, forming a 197.75-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool to be dedicated to a well to be drilled at an unorthodox gas well location 660 feet from the North line and 924 feet from the West line (Unit D) of said Section 6. 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 10 miles north-northeast of Jal, New Mexico.

and all formations developed on 40-acre oil spacing within said vertical extent. Said units are to be dedicated to a single well to be drilled 1980 feet from the North line and 2310 feet from the East line (Unit G) of said Section 29, which is a standard oil and gas well location for zones spaced on 320 acres and 40 acres but is an unorthodox gas well location for zones spaced on 160 acres. 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 located approximately 7 miles north of Mile Marker No. 167 on U.S. Highway 380.

CASE 10203: (Continued from January 24, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 14, Township 19 South, Range 24 East, to test both the Undesignated Penasco Draw-Permo Pennsylvanian Gas Pool and Boyd-Morrow Gas Pool, the N/2 of said Section 14 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for both zones. The proposed well site is located approximately 14.5 miles southeast of Hope, New Mexico.

~~CASE 10204:~~ (Continued from January 24, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Cowboy Draw Unit Agreement for an area comprising 28,800 acres, more or less, of State and Federal lands in Townships 4 and 5 South, Ranges 20 and 21 East, which is located approximately 10 miles west-southwest of Mesa, New Mexico.

CASE 10224: (Continued from January 24, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Blackwater Unit Agreement for an area comprising 41,610 acres, more or less, of State and Federal lands in Township 9 South, Ranges 21 and 22 East, which is located approximately 17 miles northwest by west of Roswell, New Mexico.

CASE 10225: (Continued from January 24, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Salt Creek Unit Agreement for an area comprising 97,800 acres, more or less, of State and Federal lands in Townships 6, 7, and 8 South, Ranges 21 and 22 East, which is located approximately 27 miles northwest of Roswell, New Mexico.

CASE 10235: Application of Strata Energy Resources Corporation for compulsory pooling, Lea 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 following described acreage in Section 14, Township 19 South, Range 38 East, and in the following manner: the SW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Nadine Drinkard-Abo Pool and Undesignated Hobbs Grayburg-San Andres Pool; and the NE/4 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 extent, which presently includes but is not necessarily limited to the Undesignated Nadine-Yates Gas Pool. Said units are to be dedicated to a single 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 south of the Everglade Cemetery.

CASE 10182: (Continued from January 24, 1991, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its existing Angel Peak "B" Well No. 44 located 485 feet from the North line and 2310 feet from the West line (Unit C) of Section 24, Township 28 North, Range 11 West, Basin-Fruitland Coal Gas Pool, the N/2 of said Section 24 to be dedicated to the subject well forming a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 4.5 miles south-southeast of Bloomfield, New Mexico.

CASE 10183: (Continued from January 24, 1991, Examiner Hearing.)

Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for the existing Union Texas Petroleum Corporation Angel Peak "B" Well No. 31 located 990 feet from the North line and 1650 feet from the West line (Unit C) of Section 25, Township 28 North, Range 11 West, the W/2 of said Section 25 to be dedicated to the subject well forming a standard 320-acre gas spacing and proration unit for said pool. Said well is located approximately 5.5 miles south by east of Bloomfield, New Mexico.

CASE 10236: Application of Meridian Oil Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 50 feet below the base of the Queen formation to 50 feet below the base of the Delaware formation underlying the NW/4 SE/4 (Unit J) of Section 12, Township 18 South, Range 31 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated East Shugart-Delaware Pool. Said unit is 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 2.75 miles south by west of New Mexico State Highway No. 529 at the Lea/Eddy County line.

CASE 10237: Application of Meridian Oil Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 50 feet below the base of the Queen formation to 50 feet below the base of the Delaware formation underlying the NE/4 SW/4 (Unit K) of Section 12, Township 18 South, Range 31 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated East Shugart-Delaware Pool. Said unit is 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 3 miles south by west of New Mexico State Highway No. 529 at the Lea/Eddy County line.

CASE 10238: Application of Meridian Oil Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 50 feet below the base of the Queen formation to 50 feet below the base of the Delaware formation underlying the SE/4 SW/4 (Unit N) of Section 12, Township 18 South, Range 31 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated East Shugart-Delaware Pool. Said unit is 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 3 miles south by west of New Mexico State Highway No. 529 at the Lea/Eddy County line.

CASE 10239: Application of Meridian Oil Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 50 feet below the base of the Queen formation to 50 feet below the base of the Delaware formation underlying the SW/4 SE/4 (Unit O) of Section 12, Township 18 South, Range 31 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated East Shugart-Delaware Pool. Said unit is 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 3.25 miles south by east of New Mexico State Highway No. 529 at the Lea/Eddy County line.

CASE 10211: (Continued from January 24, 1991, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 8, Township 18 South, Range 33 East, and in the following manner: the W/2 NW/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated South Corbin-Wolfcamp Pool; and the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated West Corbin-Delaware Pool, Undesignated Central Corbin-Queen Pool, Undesignated West Corbin-San Andres Pool, and Undesignated Corbin-Bone Spring Pool. Said units are to be dedicated to a single well to be drilled at a standard oil well location 1980 feet from the North line and 660 feet from the West line of said Section 8. 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 7.5 miles southeast by south of Maljamar, New Mexico.

CASE 10221: (Continued from January 24, 1991, Examiner Hearing.)

Application of Conoco Inc. for the amendment of Order No. R-4691, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-4691, as amended, which promulgated special pool rules for the North Dagger Draw-Upper Pennsylvanian Pool located in Townships 19 and 20 South, Ranges 24 and 25 East. Applicant seeks the establishment of a special depth bracket allowable for a standard 160-acre oil spacing and proration unit in said pool of 700 barrels of oil per day. Said pool is located approximately 9 miles west of Lakewood, New Mexico.