

Dockets Nos. 5-92 and 6-92 are tentatively set for February 20, 1992 and March 5, 1992. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 6, 1992

**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, Alternate Examiner:

CASE 10438: Application of Collins & Ware, Inc. for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Muley Unit Agreement for an area comprising 5757.4 acres, more or less, of Federal, State and Fee lands in portions of Township 23 South, Ranges 25 and 26 East, which is centered approximately 8.5 miles southwest by west of the Cavern City Air Terminal.

CASE 10434: (Continued from January 23, 1992, Examiner Hearing.)

Application of Hal J. Rasmussen Operating, Inc. for pool reclassification and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order reclassifying the Wilson Yates-Seven Rivers Pool, located in Township 21 South, Ranges 34 and 35 East, as an associated pool to be governed by the General Rules and Regulations for Associated Pools in Southeast New Mexico, as promulgated by Division Order No. R-5353, as amended. Applicant further seeks special provisions to provide for 160-acre gas and 40-acre oil proration units, a special gas/oil ratio limitation of 10,000 cubic feet of gas per barrel of oil, and any other provisions which may be applicable in this instance. Said pool is located approximately 15 miles west of Eunice, New Mexico.

CASE 10419: (Reopened and Readvertised)

Application of BTA Oil Producers for an unorthodox gas well location, Eddy County, New Mexico. Due to inadvertence made by the Division's staff member responsible for reviewing applications to be set for hearing this matter is being reopened at this time. IN THE ABSENCE OF OBJECTION THIS CASE WILL BE TAKEN UNDER ADVISEMENT. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location in the Undesignated South Carlsbad-Morrow Gas Pool for a well to be drilled 1150 feet from the South line and 1650 feet from the East line (Unit O) of Section 4, Township 24 South, Range 26 East, which is located approximately 3.5 miles northwest of Black River Village, New Mexico. The S/2 of said Section 4 is to be dedicated to the well forming a standard 320-acre gas spacing and proration unit for said pool.

CASE 10422: (Continued from January 23, 1992, Examiner Hearing.)

Application of Yates Petroleum Corporation 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 Canyon formation underlying the SE/4 of Section 8, Township 19 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations spaced on 160-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location in the NW/4 SE/4 (Unit J) 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 8.5 miles southwest by west of Dayton, New Mexico.

CASE 10439: Application of Anadarko Petroleum Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter and deepen the previously plugged and abandoned Hudson & Hudson, Inc. Saunders "A" Well No. 1 to the Capitan Reef and dispose of produced salt water in the open hole interval from approximately 3500 feet to 4300 feet. Said well is located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 19, Township 19 South, Range 33 East, which is approximately 14.5 miles south by east of Maljamar, New Mexico.

CASE 10440: Application of OXY USA, Inc. for extension of the vertical limits for a portion of the Langlie-Mattix Pool and the concomitant contraction of a portion of the Jalmat Gas Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the contraction of the vertical limits of the Jalmat Gas Pool and the concomitant upward extension of the vertical limits of the Langlie-Mattix Pool to a depth of 3400 feet, subsurface, underlying the SW/4 SE/4 (Unit O) of Section 19, Township 24 South, Range 37 East, which is located approximately 5.5 miles north of Jal, New Mexico.

CASE 10441: Application of Manzano Oil Corporation for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the S/2 SE/4 of Section 1, Township 16 South, Range 36 East, forming a standard 80-acre oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at an unorthodox oil well location 330 feet from the South line and 1980 feet from the East line (Unit W) of said Section 1. 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 miles east of the Lea County Fair Grounds.

CASE 10414: (Reopened)

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 Lea, Chaves, and Roosevelt Counties, New Mexico.

This case will be reopened solely to consider the extension of the West Milnesand-Pennsylvanian Pool in Chaves County.

m. EXTEND the West Milnesand-Pennsylvanian Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 33 EAST, NMPM

Section 24: NE/4

CASE 10422: (Continued from February 6, 1992, Examiner Hearing.)

Application of Yates Petroleum Corporation 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 Canyon formation underlying the SE/4 of Section 8, Township 19 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations spaced on 160-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled at a standard location in the NW/4 SE/4 (Unit J) 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 8.5 miles southwest by west of Dayton, New Mexico.

CASE 10445: **Application of Western Reserves Oil Company Inc. for compulsory pooling, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Northwest Jenkins-San Andres Pool underlying the NE/4 NE/4 (Unit A) of Section 9, Township 9 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for said pool. Said unit is to be dedicated to the plugged and abandoned Midwest Oil Corporation James Petroleum "A" Well No. 1 located 660 feet from the North and East lines of said Section 9. Also to be considered will be the cost of re-entering and recompleting 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 re-entering and recompleting said well. Said well is located approximately 7.5 miles west-northwest of Crossroads, New Mexico.

CASE 10441: (Continued from February 6, 1992, Examiner Hearing.)

R-9641

Application of Manzano Oil Corporation for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Northeast Lovington-Pennsylvanian Pool underlying the S/2 SE/4 of Section 1, Township 16 South, Range 36 East, forming a standard 80-acre oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at an unorthodox oil well location 330 feet from the South line and 1980 feet from the East line (Unit W) of said Section 1. 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 miles east of the Lea County Fair Grounds.

CASE 10446: **Application of Yates Petroleum Corporation for authorization to drill, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill within the "Potash Area" pursuant to all applicable rules and procedures governing said area, as promulgated by Division Order No. R-111-P. The proposed well is to be located 660 feet from the North line and 1650 feet from the East line (Unit B) of Section 2, Township 22 South, Range 31 East, to test the Delaware formation at an approximate depth of 8500 feet for oil. Lot 2 of said Section 2 is to be dedicated to said well forming a 39.81-acre oil spacing and proration unit for the Undesignated Lost Tank-Delaware Pool. Said unit is located approximately 11 miles east of IMC Inc.'s Potash Mining and Refining Facilities.

CASE 10447: **Application of Yates Petroleum Corporation for authorization to drill, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill within the "Potash Area" pursuant to all applicable rules and procedures governing said area, as promulgated by Division Order No. R-111-P. The proposed well is to be located 1980 feet from the North line and 1650 feet from the East line (Unit G) of Section 2, Township 22 South, Range 31 East, to test the Delaware formation at an approximate depth of 8500 feet for oil. The SW/4 NE/4 of said Section 2 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for the Undesignated Lost Tank-Delaware Pool. Said unit is located approximately 11 miles east of IMC Inc.'s Potash Mining and Refining Facilities.

CASE 10448: **Application of Yates Petroleum Corporation for authorization to drill, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill within the "Potash Area" pursuant to all applicable rules and procedures governing said area, as promulgated by Division Order No. R-111-P. The proposed well is to be located 660 feet from the South line and 2310 feet from the West line (Unit N) of Section 2, Township 22 South, Range 31 East, to test the Delaware formation at an approximate depth of 8500 feet for oil. The SE/4 SW/4 of said Section 2 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for either the Undesignated Lost Tank-Delaware Pool or the Undesignated Livingston Ridge-Delaware Pool. Said unit is located approximately 11 miles east of IMC Inc.'s Potash Mining and Refining Facilities.

*Fluorine
this case is
Cont. to 2/20/92*

BuSpar[®]
(buspirone HCl)

Jackets Nos. 7-92 and 8-92 are tentatively set for March 5, 1992 and March 19, 1992. Applications for hearing must be filed at least 23 days in advance of hearing date.

DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 20, 1992

**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, Alternate Examiner:

CASE 10372: (Continued from December 19, 1991, Examiner Hearing - This case will be dismissed.)

Application of Parker & Parsley Development Company 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 the base of the Pictured Cliffs formation underlying the S/2 equivalent of Section 33, Township 31 North, Range 4 West, forming a standard 320-acre, more or less, spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 320-acre spacing, which presently includes only the Basin-Fruitland Coal Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 of said Section 33. 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 15 miles west-southwest of Dulce, New Mexico.

CASE 10216: (Reopened)

In the matter of Case 10216 being reopened pursuant to the provisions of Division Order No. R-6849-A, which order approved a limiting gas-oil ratio of 7,000 to 1 for the West Nadine-Blinebry Pool in Lea County, New Mexico. Said Case 10216 is being reopened to allow the operators in the pool to appear and present evidence and show cause why the foregoing rule should remain in effect.

CASE 10442: Application of Marbob Energy Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location to be drilled 2263 feet from the South line and 1430 feet from the East line (Unit J) of Section 13, Township 11 South, Range 27 East, Chisum-Devonian Pool. Said well is to be simultaneously dedicated with the existing State CF Well No. 4, located at a standard oil well location 1980 feet from the South and East lines of said Section 13, to the NW/4 SE/4 of said section being a standard 40-acre oil spacing and proration unit in said pool. The subject unit is located approximately 4 miles south of U.S. Highway 380 at milemarker No. 175.

CASE 10443: Application of Marathon Oil Company to amend Division Order No. R-9503, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an amendment of Division Order No. R-9503 to authorize an increase of the vertical extension of the injection interval in its McDonald State A/C-1 Well Nos. 30 and 33 located in Units L and I of Section 16, Township 22 South, Range 36 East, McDonald State A/C-1 Lease Waterflood Project, to include the lowermost 100 feet of the Seven Rivers Formation. Said waterflood project is located approximately 7 miles south of Oil Center, New Mexico.

CASE 10444: Application of Amerada Hess Corporation for pool contraction, pool creation, and promulgation of special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Lower Blinebry formation and the promulgation of special pool rules therefor, including provisions for 80-acre oil spacing and proration units, designated well location requirements and a special gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil. Applicant also seeks the concomitant contraction of the vertical limits of the Hobbs-Blinebry Pool in conjunction with the creation of said new Lower Blinebry oil pool within the existing horizontal boundaries of the Hobbs-Blinebry Pool in portions of Townships 18 and 19 South, Range 38 East. Said area is located on the west side of Hobbs, New Mexico.

CASE 9854: (Readvertised)

In the matter of Case 9854 being reopened pursuant to the provisions of Division Order No. R-9131-A/R-5353-K, which order reclassified the Diablo-Fusselman Pool in Chaves County, New Mexico, as an associated pool with special rules and regulations including provisions for 80-acre oil and 160-acre gas spacing and proration units, designated well location requirements, and established a gas/oil ratio (GOR) limitation of 6,500 cubic feet of gas per barrel of oil. All interested parties may appear and show cause why the Diablo-Fusselman Associated Pool should not be reclassified as either a gas pool or oil pool, to be governed by applicable statewide rules or to make any such recommendations regarding the proper spacing and development for said pool on a permanent basis.