

Dockets Nos. 29-85 and 30-85 are tentatively set for September 25 and October 9, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 11, 1985

8 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 Gilbert P. Quintana, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1985, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1985, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8673: (Continued from August 14, 1985, Examiner Hearing)

Application of Chevron USA Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Trooper Unit Area comprising 2,880 acres, more or less, of State lands in Township 11 South, Range 35 East.

CASE 8692: Application of Parabo, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4500 feet to 5050 feet in a well to be located 50 feet from the North line and 1892.47 feet from the East line of Section 32, Township 21 South, Range 38 East.

CASE 8693: Application of Parabo, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4500 feet to 5050 feet in a well to be located 50 feet from the North line and 796.07 feet from the East line of Section 32, Township 21 South, Range 38 East.

CASE 8694: Application of Amerind Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1650 feet from the North line and 1350 feet from the East line of Section 35, Township 14 South, Range 34 East, High Plains-Permo Pennsylvanian Pool, the NE/4 of said Section 35 to be dedicated to the well.

CASE 8684: (Continued and Readvertised)

Application of David Fasken for pool extensions and contractions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Burton Flat-Morrow Gas Pool by the deletion therefrom of all of Section 35, Township 20 South, Range 27 East, and Lots 1 through 16 of Section 1, Township 21 South, Range 26 East, and the concomitant extension of the Avalon-Morrow Gas Pool.

CASE 8635: (Continued from August 14, 1985, Examiner Hearing)

Application of Energy Reserves Group, Inc. for salt water disposal, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Fusselman formation in the perforated interval from 8150 feet to 8220 feet in its McClellan Well No. 1 located 2000 feet from the South line and 1900 feet from the West line of Section 10, Township 6 South, Range 33 East.

CASE 8695: Application of Benson-Montin-Greer Drilling Corp. for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1850 feet from the North line and 870 feet from the West line of Section 6, Township 25 North, Range 1 West, West Puerto Chiquito-Mancos Oil Pool, all of said Section 6 to be dedicated to the well.

CASE 8696: Application of Pennzoil Company for pool creation, special pool rules, assignment of a discovery allowable, and the contraction of the East Lovington-Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the East Lovington-Pennsylvanian Pool by either contracting the horizontal or vertical limits underlying the NW/4 NW/4 of Section 4, Township 17 South, Range 37 East, and the creation of a new oil pool for Strawn production comprising all of said Section 4, the promulgation of special pool rules therefor including a provision for 80-acre well spacing and proration units, and the assignment of a discovery allowable to its Viersen Well No. 1 located 2130 feet from the South line and 660 feet from the East line of said Section 4.

CASE 8697: Application of Pennzoil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1300 feet from the South line and 1650 feet from the East line of Section 4, Township 17 South, Range 37 East, Strawn formation, the dedicated acreage for the well to be either 40 or 80 acres depending upon the outcome of Division Case No. 8696.

- CASE 8698: Application of TXO Production Corp. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 4825 feet below the surface to the base of the Bone Spring formation at 8800 feet underlying the NE/4 NW/4 of Section 26, Township 18 South, Range 32 East, 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.
- CASE 8699: Application of TXO Production Corp. for amendment of Division Order No. R-7817, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7817, as amended, which subsequently approved an unorthodox gas well location 660 feet from the South and East lines of Section 2, Township 22 South, Range 27 East, to rededicate the E/2 of said Section 2 to the subject well, to compulsorily pool all mineral interests from the base of the Wolfcamp formation to the base of the Morrow formation underlying said E/2, and to approve a non-standard proration unit comprising the SE/4 of said Section 4 if Wolfcamp production is established.
- CASE 8700: Application of Jerome P. McHugh for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the Basin-Dakota Pool with the exception of the Blanco-Mesaverde Pool underlying the NE/4 of Section 29, Township 31 North, Range 13 West, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing, to be dedicated to a well to be drilled at a standard gas well location thereon. Applicant further seeks an order pooling all mineral interests in the Blanco-Mesaverde and Basin-Dakota Pools underlying the N/2 of said Section 29 forming a standard 320-acre gas spacing and proration unit for both pools to be dedicated to the aforementioned well also 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.
- CASE 8676: (Continued and Readvertised)
- Application of Southland Royalty Company for pool creation, special pool rules, and the contraction of the vertical limits of the Scharb-Wolfcamp Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the vertical limits of the Scharb-Wolfcamp Pool underlying the SW/4 of Section 33, Township 18 South, Range 35 East, the N/2 and SW/4 of Section 4 and the E/2 of Section 5, Township 19 South, Range 35 East. Applicant further seeks the creation of a new oil pool for Lower Wolfcamp production comprising Sections 28, 29, 32, and 33, Township 18 South, Range 35 East, and Sections 4 and 5, Township 19 South, Range 35 East, and the promulgation of special pool rules therefor including a provision for 80-acre well spacing and proration units.
- CASE 8701: Application of Wayne Newkumet for amendment of Division Order No. R-2874, as amended, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Rule 4 of the Special Rules and Regulations for the High Plains-Permo Pennsylvanian Pool as promulgated by Order No. R-2874, as amended, to require that each well be located no nearer than 660 feet to the outer boundary of the proration unit nor nearer than 330 feet to any governmental quarter-quarter section line.
- CASE 8702: Application of M & W of Lovington, Inc. for amendment to Division Order No. R-3616, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-3616 to authorize the disposal of produced salt water into all formations below a packer set at 4100 feet in its previously approved O'Neill State Well No. 1 in Unit L of Section 16, Township 8 South, Range 36 East, South Prairie-Cisco Pool.
- CASE 8703: Application of Chama Petroleum 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 Glorieta Yeso formation underlying the NW/4 SE/4 of Section 4, Township 19 South, Range 26 East, to be dedicated to its Bogart Well No. 1 located 1930 feet from the South and East lines of said Section 4. 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.
- CASE 8689: (Continued from August 28, 1985, Examiner Hearing)
- Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying a previously approved 120-acre non-standard proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to its Justis Christmas Gas Com Well No. 1 located 2225 feet from the North line and 790 feet from the West line of said Section 20. 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.

CASE 8457: (Reopened)

In the matter of Case 8457 being reopened on the motion of LeFlore Oil and Gas, Inc. to require Amerind Oil Company to appear and show cause why Division Order No. R-7796, as amended, which authorized compulsory pooling and an unorthodox oil well location in Section 28, Township 16 South, Range 37 East, should not be rescinded.

CASE 8400: (Continued from July 10, 1985, Commission Hearing)

Application of Jack J. Grynberg for amendment of Division Order No. R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6873 to 1) declare the applicant to be the operator of said Order's subject well and unit, 2) allow for the drilling of a second PrePermian well on the established 320-acre proration unit and 3) the establishment of risk factor and overhead charges for the new well.

CASE 8604: (Continued from July 10, 1985, Commission Hearing)

Application of HCW Exploration, Inc. for compulsory pooling and a non-standard gas proration unit, 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 Jalmat Gas Pool, underlying the SE/4 of Section 27, Township 23 South, Range 36 East, forming a 160-acre non-standard gas 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.

CASE 8605: (Continued from July 10, 1985, Commission Hearing)

Application of Doyle Hartman to rescind Division Order No. R-3690, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to rescind Division Order No. R-3690 which authorized the disposal of produced water into the Seven Rivers formation through the Etz Well No. 3 located 330 feet from the South line and 1650 feet from the West line of Section 27, Township 23 South, Range 36 East, Jalmat Gas Pool, in which HCW Exploration, Inc. is the operator.

CASE 8594: (Continued from July 10, 1985, Commission Hearing)

Application of Doyle Hartman for compulsory pooling, a non-standard gas proration unit, and an unorthodox gas well location, 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 Jalmat Gas Pool underlying the SE/4 of Section 27, Township 23 South, Range 36 East, forming a 160-acre spacing and proration unit, to be dedicated to a well to be drilled 660 feet from the South line and 330 feet from the East line of said Section 27. Applicant further seeks approval for a 160-acre non-standard Jalmat Gas Pool spacing and proration unit comprising said SE/4 of Section 27 also to be dedicated to the aforementioned well which is an unorthodox gas well location in the Jalmat Gas Pool. 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.

CASE 8690: Application of Doyle Hartman for a non-standard proration unit, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of two wells to be located at unorthodox well locations, the first of which is to be at least 1325 feet from the South line but not more than 1650 feet from the South line and at least 660 feet from the West line but not more than 850 feet from the West line of Section 22, and the second of which is to be at least 250 feet from the North line but not more than 990 feet from the North line and at least 660 feet from the West line but not more than 1980 feet from the West line of Section 27, all in Township 25 South, Range 37 East, Jalmat Gas Pool and Langlie Mattix Pool, is necessary to effectively and efficiently drain that portion of a 240-acre non-standard gas proration unit in the Jalmat Gas Pool only, comprising the W/2 SW/4 of Section 22 and the NW/4 of Section 27, Township 25 South, Range 37 East, which cannot be so drained by the existing Jalmat wells. Applicant further seeks approval for the simultaneous dedication of said 240-acre non-standard Jalmat proration unit to the subject wells and the currently producing Carlson-Harrison Federal Com Wells Nos. 1, 2, and 3.

DOCKET: COMMISSION HEARING - WEDNESDAY - SEPTEMBER 18, 1985

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8645: (Reopened)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to amend Rule 102 to require a copy of Form C-101 (Permit) on location during drilling operations, to provide for notice to landowners and/or tenants prior to the staking of well locations, and to provide for notice to the operator of any other well located on the same quarter-quarter section. This case is being reopened to additionally consider requiring notice to the operator of any other well on a 40-acre tract by the operator of a new well to be drilled thereon.

NOTE: Following consideration of this matter on July 10, 1985, an operator requested that the case be reopened for consideration of an additional requirement for notice to the operator of any other well on a 40-acre tract by the operator of a new well proposed to be drilled on such tract. This case is reopened for consideration of such request.

CASE 8704: In the matter of the hearing called by the Oil Conservation Commission on its own motion to amend Rule 313 by the addition of fresh waters to said rule.

CASE 8649: (Continued from July 10, 1985, Commission Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to amend Rule 1204 and Rule 1205, to delete present Rule 1206, to renumber and amend Rule 1207, and to promulgate a new Rule 1207. The Commission, in the above-styled cause, seeks to amend its rules relative to giving notice of hearings and to establish additional notice requirements for applicants for hearings.

Copies of the proposed rule changes, deletions, and new rules are available at Oil Conservation Division offices in Santa Fe, Hobbs, Artesia, and Aztec.

PLEASE NOTE CHANGES IN PROPOSED RULE 1207:

- (1) The language of paragraphs (a)(2), (a)(5), and (a)(7) has been amended to clarify the party(ies) who should receive notice.
- (2) A new paragraph (a)(8) has been added for exceptions to rules or orders controlling surface disposition of produced water or other fluids.
- (3) A new paragraph (a)(9) has been added to address notice requirements for all other applications.
- (4) Paragraph (b) has been amended to clarify the required content of the "additional notice."
- (5) The final paragraph of part (a) has been redesignated part (c).

CASE 8463: (DE NOVO)

Application of David Fasken for termination of prorationing in the Burton Flat-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order terminating prorationing in the Burton Flat-Morrow Gas Pool located in portions of Townships 20 and 21 South, Ranges 26, 27, and 28 East, and to also cancel all cumulative over-production and under-production within said pool.

Upon application of David Fasken this case will be heard De Novo pursuant to the provisions of Rule 1220.

 RULE 1204. METHOD OF GIVING LEGAL NOTICE FOR HEARING

Notice of each hearing before the Commission and notice of each hearing before a Division Examiner shall be ~~[given by personal service on the person affected or]~~ by publication once in a newspaper of general circulation published at Santa Fe, New Mexico, and once in a newspaper of general circulation published in the county or each of the counties, if there be more than one, in which any land, oil, or gas, or other property which may be affected is situated.

RULE 1205 CONTENTS OF NOTICE OF HEARING

~~[Such notice]~~ Published notices shall be issued in the name of "The State of New Mexico" and shall be signed by the Director of the Division, and the seal of the Commission shall be impressed thereon.

The notice shall specify whether the case is set for hearing before the Commission or before a Division Examiner and shall state the number and style of the case and the time and place of hearing and shall briefly state the general nature of the order or orders, rule or rules, regulation or regulations to be promulgated or effected. The notice shall also state the name of the petitioner or applicant, if any, and unless the contemplated order, rule, or regulation is intended to apply to and affect the entire state, it shall specify or generally describe the common source or sources of supply which may be affected by such order, rule, or regulation.

~~[RULE 1206. PERSONAL SERVICE OF NOTICE]~~

~~Personal service of the notice of hearing may be made by any agent of the Division or by any person over the age of 18 years in the same manner as is provided by law for the service of summons in civil actions in the district courts of this state. Such service shall be complete at the time of such personal service or on the date of publication, as the case may be. Proof of service shall be by the affidavit of the person making personal service or of the publisher of the newspaper in which publication is had. Service of the notice shall be made at least 10 days before the hearing.]~~

RULE ~~[1207]~~ 1206. PREPARATION OF NOTICES

After a motion or application is filed with the Division the notice ~~[or notices]~~ required under Rule 1205 shall be prepared by the Division and ~~[service and]~~ publication thereof shall be taken care of by the Division without cost to the applicant.

RULE 1207. ADDITIONAL NOTICE REQUIREMENTS (New Rule Alternative No. 1)

(a) Each applicant for hearing before the Division or Commission shall give additional notice as set forth below:

1. In cases of applications filed for compulsory pooling under Section 70-2-17 NMSA 1978, as amended, or statutory unitization under Section 70-7-1, et. seq. NMSA 1978, as amended: Actual notice shall be given to each known individual owning an uncommitted leasehold interest, an unleased and uncommitted mineral interest, or royalty interest not subject to a pooling or unitization clause in the lands affected by such application which interest must be committed and has not been voluntarily committed to the area proposed to be pooled or unitized. Such individual notice in compulsory pooling or statutory unitization cases shall be by certified mail (return receipt requested).
2. In cases of applications for approval of unorthodox well locations:
 Actual notice shall be given to any operator of an offsetting spacing unit or owner of an undrilled lease to which the proposed location is closer than the closest standard location and, if the proposed well lies within or offsets a Division designated potash area subject to special rules, any potash operator within one mile of the proposed location. Such notice shall be given by certified mail (return receipt requested).
3. In the case of applications for the approval of any non-standard proration unit:
 Actual notice shall be given to all operators owning a leasehold interest to be excluded from the proration unit in the quarter-quarter section (for 40-acre pools or formations), the quarter section (for 160-acre pools or formations) the half section (for 320-acre pools or formations), or in the section (for 640-acre pools or formations) in which the non-standard unit is located and to each

operator on any proration unit, if there be such, or tract which adjoins or corners such quarter-quarter, quarter, half, or whole section. Such notice shall be by certified mail (return receipt requested).

4. In the case of applications for adoption of, or amendment of, special pool rules:

Actual notice shall be given to all operators within the existing, or proposed pool boundaries and those of operators within one (1) mile of such boundaries. Such notice may be provided by regular mail.

5. In the case of applications to amend special rules affecting any Division designated potash area, actual notice shall be given to any affected potash operator or oil or gas operator or owner. Such notice shall be provided by certified mail (return receipt requested).
6. In the case of applications for approval of downhole commingling of the product of multiple formations: Actual notice shall be given to all offset operators. Such notice shall be provided by regular mail.
7. In the case of any other application which will, if granted, alter any working interest owner's or any royalty interest owner's percentage interest in an existing well: Actual notice shall be given to the operators and applicant's royalty interest owners in such existing well. Such notice shall be provided by certified mail (return receipt requested).
8. In cases of applications for exceptions to rules or orders controlling surface disposition of produced water or other fluids: Actual notice shall be given to any surface owner within one-half mile of the site for which the exception is sought. Such notice shall be provided by certified mail (return receipt requested).
9. In cases of applications not listed above, the outcome of which may affect a property interest of other individuals or entities: Actual notice shall be given to such individuals or entities by certified mail (return receipt requested).

(b) Any notice required by this rule shall be to the last known address of the party to whom notice is to be given at least 20 days prior to the date of hearing of the application and shall apprise such party of the nature and pendency of such action and the means by which protests may be made.

(c) At each hearing, the applicant shall cause to be made a matter of record, either by testimony at the hearing or by an affidavit signed by applicant or its authorized representative, that the notice provisions of this Rule 1207 have been complied with, that applicant has conducted a good-faith diligent effort to find the correct address of all interested persons entitled to receive notice, and that pursuant to Rule 1207, notice has been given at that correct address as provided by rule. In addition, such certificate shall contain the name and address of each interested person to whom such notice was sent and, where proof of receipt is available, a copy of same.

Evidence of failure to provide notice as provided in this rule may, upon a proper showing, be considered cause for reopening the case.

Dockets Nos. 32-85 and 33-85 are tentatively set for October 23 and November 6, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 9, 1985

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

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1985, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for November, 1985, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8673: (Continued from September 11, 1985, Examiner Hearing)

Application of Chevron USA Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled case, seeks approval of the Trooper Unit Area comprising 2,380 acres, more or less, of State lands in Township 11 South, Range 35 East.

CASE 4575: (Continued from August 28, 1985, Examiner Hearing)

In the matter of Case 4575 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-4193 which order established a limiting gas-oil ratio of 5,000 cubic feet of gas for each barrel of oil produced for the South Eunice-San Andres Pool in Lea County. Operators may appear and present evidence as to whether or not the Anadarko Production Company Lou Wortham Well No. 6 located in Unit E of Section 11, Township 22 South, Range 37 East, is in fact a gas well; whether or not the pool is in fact an associated reservoir; and whether or not the limiting gas-oil ratio should revert to 2000 to 1.

CASE 8717: Application of Corinne Grace for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its City of Carlsbad Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 25, Township 22 South, Range 26 East, South Carlsbad-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8718: Application of TXO Production 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 SE/4 NW/4 of Section 13, Township 20 South, Range 38 East, 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.

CASE 8719: Application of TXO Production 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 Strawn formation underlying the SW/4 NE/4 of Section 4, Township 17 South, Range 37 East, to form a standard 40-acre oil spacing unit, to be dedicated to a well to be drilled at a standard location thereon. IN THE ALTERNATIVE, the applicant seeks an order pooling all mineral interests from the surface to the top of the Strawn formation underlying the SW/4 NE/4 of said Section 4, forming a standard 40-acre oil spacing unit and all mineral interests in the Strawn formation underlying the E/2 NE/4 of said Section 4, forming a standard 80-acre oil spacing unit, both units to be dedicated to a well to be drilled at a standard location thereon. Also to be considered, in either case, 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.

CASE 8709: (Continued from September 25, 1985, Examiner Hearing)

Application of El Paso Natural Gas Company (Meridian Oil Inc.) for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 220 feet from the North line and 665 feet from the West line of Section 1, Township 26 North, Range 8 West, Blanco-Mesaverde Pool, the W/2 of said Section 1 to be dedicated to the well.

CASE 8720: Application of BHP Petroleum for compulsory pooling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Fusselman formation underlying the N/2 SE/4 of Section 10, Township 6 South, Range 33 East, and all mineral interests in the Cisco formation underlying the E/2 of said Section 10, 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.

CASE 8713: (Continued and Readvertised)

Application of Dugan Production Corporation for pool extension and an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Gavilan-Mancos Oil Pool to include all of Sections 1, 2, 11, 12, 13, and 14, Township 25 North, Range 2 West and all of Sections 25, 26, 35, and 36, Township 26 North, Range 2 West. Applicant further seeks approval of an unorthodox oil well location 1650 feet from the North line and 370 feet from the East line of Section 1, Township 25 North, Range 2 West, within the proposed Gavilan-Mancos Oil Pool extension area, the E/2 of said Section 1 to be dedicated to the well.

CASE 8721: Application of Inexco Oil Company 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 Atoka formation underlying the W/2 NW/4 of Section 13, Township 17 South, Range 37 East, to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre units, 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.

CASE 8722: Application of Doyle Hartman 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 Jalmat Gas Pool underlying the SE/4 of Section 25 and the NE/4 NE/4 of Section 36, Township 24 South, Range 36 East, to be dedicated to a well to be drilled 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.

CASE 8690: (Continued and Readvertised)

Application of Doyle Hartman for compulsory pooling, a non-standard proration unit, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of two wells to be located at unorthodox well locations, the first of which is to be at least 1325 feet from the South line but not more than 1650 feet from the South line and at least 660 feet from the West line but not more than 850 feet from the West line of Section 22, and the second of which is to be at least 250 feet from the North line but not more than 990 feet from the North line and at least 660 feet from the West line but not more than 1980 feet from the West line of Section 27, all in Township 25 South, Range 37 East, Jalmat Gas Pool and Langlie Mattix Pool, is necessary to effectively and efficiently drain that portion of a 400-acre non-standard gas proration unit in the Jalmat Gas Pool only, comprising the W/2 SW/4 and W/2 SE/4 of Section 22 and the NW/4 and W/2 NE/4 of Section 27, Township 25 South, Range 37 East, which cannot be so drained by the existing Jalmat wells. Applicant further seeks approval for the simultaneous dedication of said 400-acre non-standard Jalmat proration unit to the subject wells and the currently producing Carlson-Harrison Federal Com Wells Nos. 1, 2, and 3. Applicant further seeks an order pooling all mineral interests from the surface to the base of the Jalmat Gas Pool underlying the above non-standard proration unit. 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.

CASE 7619: (Continued from August 14, 1985, Examiner Hearing)

In the matter of Case 7619 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-7034 which order promulgated temporary special rules and regulations for the Counselors-Gallup Oil Pool in Rio Arriba County, including a provision for 160-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on less than 160-acre spacing with a depth bracket allowable in accordance with statewide rules.

CASE 8153: (Continued from August 14, 1985, Examiner Hearing)

In the matter of Case 8153 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-7034-A which order extended the vertical limits of the Counselors-Gallup Oil Pool to include the Dakota formation, redesignated said pool as the Counselors Gallup-Dakota Oil Pool, and made applicable the temporary special rules and regulations established under Division Order No. R-7034 to the Counselors Gallup-Dakota Oil Pool. Operators in said pool may appear and show cause why the pool should not be developed on less than 160-acre spacing with a depth bracket allowable in accordance with statewide rules.

CASE 8723: Application of Benson-Montin-Greer Drilling Corp. for compulsory pooling and an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Puerto Chiquito-Mancos Oil Pool underlying all of Section 30, Township 25 North, Range 1 West, to be dedicated to a well to be drilled at an unorthodox location 1755 feet from the North line and 2418 feet from the West line of said Section 30. 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.

CASE 8724: Application of Benson-Montin-Greer Drilling Corp. for the extension of the vertical limits of the East Puerto Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the vertical limits of the East Puerto Chiquito-Mancos Oil Pool to include that portion of the Mancos formation occurring between the base of the Mesaverde formation and the top of the Graneros member.

CASE 8725: Application of Tenneco Oil Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South line and 1800 feet from the East line of Section 18, Township 10 South, Range 28 East, to test all formations from the top of the Wolfcamp to the base of the Morrow, the E/2 of said Section 18 to be dedicated to the well.

CASE 8726: Application of Anadarko Production Corporation for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Foster-San Andres Pool in Section 31, Township 18 South, Range 39 East, and Sections 5 and 6, Township 19 South, Range 39 East, including a provision for a gas-oil ratio limitation of 5,000 cubic feet of gas per barrel of oil with a retroactive effective date for such special pool rules to remedy current overproduction in said pool.

CASE 8727: Application of Pennzoil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn formation underlying the E/2 NE/4 of Section 4, Township 17 South, Range 37 East, 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.

CASE 8728: Application of Pennzoil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn formation underlying the W/2 NE/4 of Section 4, Township 17 South, Range 37 East, 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.

CASE 8729: Application of HCW Exploration, Inc. for a non-standard proration unit, unorthodox gas well location, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1650 feet from the North line and 800 feet from the East line of Section 31, Township 23 South, Range 37 East, a non-standard proration unit comprising the N/2 of said Section 31 to be simultaneously dedicated to the R. W. Cowden "C" Wells Nos. 4 and 9 in Section 31.

DOCKET: COMMISSION HEARING - THURSDAY - OCTOBER 17, 1985

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8645: (Continued from September 18, 1985, Commission Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to amend Rule 102 to require a copy of Form C-101 (Permit) on location during drilling operations, to provide for notice to landowners and/or tenants prior to the staking of well locations, and to provide for notice to the operator of any other well located on the same quarter-quarter section. This case is being reopened to additionally consider requiring notice to the operator of any other well on a 40-acre tract by the operator of a new well to be drilled thereon.

NOTE: Following consideration of this matter on July 10, 1985, an operator requested that the case be reopened for consideration of an additional requirement for notice to the operator of any other well on a 40-acre tract by the operator of a new well proposed to be drilled on such tract. This case is reopened for consideration of such request.

CASE 8631: (DE NOVO)

Application of Lynx Petroleum Consultants, Inc. for an unorthodox gas well location, compulsory pooling, and a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Queen formation underlying the SW/4 of Section 25, Township 16 South, Range 36 East, to be dedicated to a well to be recompleted at an unorthodox gas well location 1650 feet from the South line and 2100 feet from the West line of said Section 25. Also to be considered will be the cost of drilling and recompleting a well from the surface to the base of the Queen formation 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 recompleting said well. Applicant further seeks the dual completion of said well with the production from the Paddock formation.

Upon application of Lynx Petroleum Consultants, Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8463: (Continued from September 18, 1985, Commission Hearing)

Application of David Fasken for termination of prorationing in the Burton Flat-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order terminating prorationing in the Burton Flat-Morrow Gas Pool located in portions of Townships 20 and 21 South, Ranges 26, 27, and 28 East, and to also cancel all cumulative overproduction and underproduction within said pool.

Upon application of David Fasken this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8502: (DE NOVO)

Application of Yates Drilling Company for a pressure maintenance project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in the Southeast Chaves Queen Gas Area Associated Pool by the injection of water into the Queen formation through the perforated interval from approximately 2991 feet to 2997 feet in its Doyal Well No. 3 located 1980 feet from the South line and 990 feet from the East line (Unit I) of Section 27, Township 12 South, Range 31 East.

Upon application of Yates Drilling Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8400: (Continued and Readvertised)

Application of Jack J. Grynberg for amendment of Division Order No. R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6873 to: 1) allow for the drilling of a second PrePermian and Abo well at an unorthodox location in the SW/4 SW/4 of Section 18, Township 9 South, Range 27 East, on the established 320-acre proration unit, 2) declare the applicant to be the operator of the second well or, in the alternative, to be the operator of the unit, and 3) the establishment of risk factor and overhead charges for the new well.

CASE 8604: (Continued from September 18, 1985, Commission Hearing)

Application of HCW Exploration, Inc. for compulsory pooling and a non-standard gas proration unit, 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 Jalmat Gas Pool, underlying the SE/4 of Section 27, Township 23 South, Range 36 East, forming a 160-acre non-standard gas 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.

CASE 8594: (Continued from September 18, 1985, Commission Hearing)

Application of Doyle Hartman for compulsory pooling, a non-standard gas proration unit, and an unorthodox gas well location, 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 Jalmat Gas Pool underlying the SE/4 of Section 27, Township 23 South, Range 36 East, forming a 160-acre spacing and proration unit, to be dedicated to a well to be drilled 660 feet from the South line and 330 feet from the East line of said Section 27. Applicant further seeks approval for a 160-acre non-standard Jalmat Gas Pool spacing and proration unit comprising said SE/4 of Section 27 also to be dedicated to the aforementioned well which is an unorthodox gas well location in the Jalmat Gas Pool. 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.

CASE 8605: (Continued from September 18, 1985, Commission Hearing)

Application of Doyle Hartman to rescind Division Order No. R-3690, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to rescind Division Order No. R-3690 which authorized the disposal of produced water into the Seven Rivers formation through the Etz Well No. 3 located 330 feet from the South line and 1650 feet from the West line of Section 27, Township 23 South, Range 36 East, Jalmat Gas Pool, in which HCW Exploration, Inc. is the operator.

Dockets Nos. 37-85 and 38-85 are tentatively set for December 4 and December 18, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - NOVEMBER 19, 1985

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8749: Application of the Oil Conservation Commission on its own motion to rescind Order No. R-1670, as amended, to recodify and amend the General Rules and Regulations for the Prorated Gas Pools contained therein and to amend the special gas prorating rules for the Atoka-Pennsylvanian, Blinbry, Buffalo Valley-Pennsylvanian, Burton Flat-Morrow, Burton Flat-Strawn, South Carlsbad-Morrow, Crosby-Devonian, Eumont, Indian Basin-Morrow, Indian Basin-Upper Pennsylvanian, Jalmat, Justis-Glorieta, Monument-McKee-Ellenburger, and Tubb Gas Pools of Lea, Eddy and Chaves Counties and the special gas prorating rules for the Basin-Dakota, Blanco-Mesaverde, South Blanco-Pictured Cliffs, and Tapacito-Pictured Cliffs Gas Pools of San Juan, Sandoval, and Rio Arriba Counties.

CASE 8614: (De Novo)

Application of Yates Petroleum Corporation for an exception to the Special Rules and Regulations for the Bluit-San Andres Associated Pool as promulgated by Division Order R-5353, as amended, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the Special Rules and Regulations for the Bluit-San Andres Associated Pool as promulgated by Division Order No. R-5353, as amended, to authorize an unorthodox gas well location for its Bluestem "ZL" Federal Well No. 1 to be located 1650 feet from the North line and 2310 feet from the East line of Section 20, Township 8 South, Range 38 East, the S/2 NE/4 and N/2 SE/4 of said Section 20 to be dedicated to said well forming a non-standard 160-acre gas spacing and proration unit in said pool.

Upon application of Yates Petroleum Corporation this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8640: (De Novo)

Application of Caulkins Oil Company for compulsory pooling, downhole commingling, and dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Dakota and Blanco-Mesaverde Pools underlying the N/2 of Section 20, Township 26 North, Range 6 West, forming a standard 320-acre gas spacing and proration unit in both zones, and in the Pictured Cliffs and Chacra formations underlying the NE/4 of said Section 20, forming a standard 160-acre gas spacing and proration unit in both of these zones, to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks approval to dually complete said well in such a manner that Blanco-Mesaverde and Basin-Dakota production would be commingled separately and the aforesaid intervals dually completed with commingled Pictured Cliffs and Chacra production and both commingled zones produced through parallel strings of tubing. 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.

Upon application of Meridian Oil Inc. and El Paso Natural Gas Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8463: (Continued from October 17, 1985, Commission Hearing)

Application of David Fasken for termination of prorating in the Burton Flat-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order terminating prorating in the Burton Flat-Morrow Gas Pool located in portions of Townships 20 and 21 South, Ranges 26, 27, and 28 East, and to also cancel all cumulative overproduction and underproduction within said pool.

Upon application of David Fasken this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 21, 1985

8 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 8741: (Continued from November 6, 1985, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Rapid Company, Inc., American Employers' Insurance Co. and all other interested parties to appear and show cause why the following wells in Lea County should not be plugged and abandoned in accordance with a Division-approved plugging program:

Punch No. 1	Unit J	Sec. 11, T-12S, R-34E
Ranger Lake No. 1	Unit N	Sec. 11, T-12S, R-34E
Ranger Lake No. 3	Unit N	Sec. 11, T-12S, R-34E
Texas Pacific AH State No. 1	Unit F	Sec. 14, T-12S, R-34E
Ranger Lake SWD No. 1	Unit H	Sec. 15, T-12S, R-34E

CASE 8673: (Continued from November 6, 1985, Examiner Hearing)

Application of Chevron USA Inc. for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Trooper Unit Area comprising 2,880 acres, more or less, of State lands in Township 11 South, Range 35 East.

CASE 8748: (Called at the October 21, 1985 Hearing)

Application of Sun Exploration and Production Company for a non-standard gas proration unit, compulsory pooling and dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying the SE/4 of Section 25 and the NE/4 NE/4 of Section 36, both in Township 24 South, Range 36 East, forming a 200-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool. Applicant further seeks an order pooling all mineral interests in the Langlie-Mattix Pool underlying the NW/4 SE/4 of said Section 25 to form a standard 40-acre oil spacing and proration unit, both aforementioned units to be dedicated to a well to be drilled at a standard location 1980 feet from the South and East lines of said Section 25 and dually completed (conventional) in such a manner as to produce oil from the Langlie-Mattix Pool and gas from the Jalmat Gas Pool through parallel strings of tubing. 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.

CASE 8722: (Continued and Readvertised)

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 the SE/4 of Section 25 and the NE/4 NE/4 of Section 36, both in Township 24 South, Range 36 East, forming a 200-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 1500 feet from the South line and 1200 feet from the East line of said Section 25. 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.

CASE 8730: (Continued and Readvertised)

Application of Ray Westall for dual completion and salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete the Texas Crude Oil Co. Tennessee Federal Well No. 1 located 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 21, Township 19 South, Range 31 East, North Hackberry Yates-Seven Rivers Pool, in such a manner as to produce oil from the Yates formation and to dispose of produced salt water into the Seven Rivers formation in the perforated and open hole interval from approximately 2420 feet to 2581 feet through parallel strings of tubing.

- CASE 8750: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the East Bagley State Unit Area comprising 1105.77 acres, more or less, of State lands in Township 12 South, Range 34 East.
- CASE 8751: Application of Merrion Oil & Gas Corporation for an unorthodox oil well location, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the Entrada formation 2310 feet from the North line and 1200 feet from the East line of Section 36, Township 20 North, Range 5 West, the SE/4 NE/4 (Unit H) of said Section 36 to be dedicated to the well.
- CASE 8752: Application of Merrion Oil & Gas Corporation for an unorthodox oil well location, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the Entrada formation 1200 feet from the South line and 650 feet from the East line of Section 28, Township 20 North, Range 6 West, the SE/4 SE/4 (Unit P) of said Section 28 to be dedicated to the well.
- CASE 8753: Application of Mallon Oil Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos and Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pools underlying the N/2 of Section 13, Township 25 North, Range 2 West, 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.
- CASE 8754: Application of McClellan Oil Corporation for a non-standard oil proration unit and an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 51.02-acre non-standard oil spacing and proration unit comprising Lots 1 and 2 of Section 19, Township 16 South, Range 29 East, to be drilled at an unorthodox oil well location 1330 feet from the North line and 421 feet from the West line of said Section 19 to test the High Lonesome-Queen Pool.
- CASE 8755: Application of TXO Production Corp. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from 4,825 feet beneath the surface to the base of the Bone Spring formation underlying the SW/4 NW/4 of Section 26, Township 18 South, Range 32 East, forming a standard 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 applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8756: Application of Cibola Energy Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 2234 feet to 2298 feet in its Aciete Negra Well No. 2 located 1650 feet from the South line and 1200 feet from the East line (Unit I) of Section 12, Township 9 South, Range 27 East.
- CASE 8757: Application of Cibola Energy Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 2209 feet to 2241 feet in its Plains 29 Well No. 9 located 990 feet from the North and West lines of Section 29, Township 10 South, Range 28 East, Undesignated Race Track-San Andres Pool.
- CASE 8758: Application of Monsanto Company for an unorthodox gas well location, dual completion, and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of a well to be drilled at an unorthodox gas well location 330 feet from the South and West lines of Section 36, Township 21 South, Range 23 East, to produce gas from the Indian Basin-Upper Pennsylvanian and Indian Basin-Morrow Gas Pools, all of said Section 36 to be simultaneously dedicated in both zones to the well and to their existing Lowe State Gas Com Well No. 1 located 1995 feet from the North line and 1712 feet from the West line of said Section 36.
- CASE 8759: Application of Penroc Oil Corporation for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Madera Com Well No. 1 located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 11, Township 24 South, Range 34 East, Antelope Ridge-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

- CASE 8760: Application of Western Oil Producers, Inc. for a non-standard proration and spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard gas proration and spacing unit for Queen formation gas production comprising the E/2 SW/4 of Section 3, Township 19 South, Range 35 East, to be dedicated to the applicant's Fee "KJ" well No. 1 located at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 3.
- CASE 8761: Application of Chaveroo Operating Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Vacuum Grayburg-San Andres Pool in the perforated interval from approximately 4804 feet to 5212 feet in the Apollo Energy, Inc. State G-36 Well No. 1 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 36, Township 17 South, Range 35 East.
- CASE 8762: Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Basin Dakota and Blanco Mesaverde Gas Pools in the wellbore of its Florence Well No. 36 located 1850 feet from the North line and 990 feet from the East line (Unit H) of Section 3, Township 30 North, Range 8 West.
- CASE 8763: Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Basin Dakota and Blanco Mesaverde Gas Pools in the wellbore of its State Com Well No. 1 located 990 feet from the South and West lines (Unit M) of Section 32, Township 30 North, Range 9 West.
- CASE 8764: Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Basin Dakota and Blanco Mesaverde Gas Pools in the wellbore of its Dawson "A" Well No. 1 located 790 feet from the South line and 1450 feet from the West line (Unit N) of Section 4, Township 27 North, Range 8 West.
- CASE 8765: Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Basin Dakota and Blanco Mesaverde Gas Pools in the wellbore of its Florence Well No. 6 located 990 feet from the South and West lines (Unit M) of Section 23, Township 30 North, Range 9 West.
- CASE 8766: Application of Reading & Bates Petroleum Corporation for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Dakota Pool underlying the E/2 of Section 15, Township 25 North, Range 2 West, 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.
- CASE 8767: Application of Amoco Production Company for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Wolfcamp formation in the perforated interval from approximately 7272 feet to 7304 feet in its State "DQ" Well No. 3 located 2305 feet from the North line and 2290 feet from the East line (Unit G) of Section 32, Township 9 South, Range 30 East, Undesignated Many Gates-Wolfcamp Pool.
- CASE 8768: Application of Union Texas Petroleum Corporation for an extension of the West Lindrith Gallup-Dakota Oil Pool, and the contraction of the Otero-Gallup Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order contracting the Otero-Gallup Oil Pool by deleting therefrom a portion of said pool in Sections 33 and 34, Township 25 North, Range 5 West, and Sections 1, 2, 3, 4, 9, and 10, Township 24 North, Range 5 West, and extending the West Lindrith Gallup-Dakota Oil Pool to include portions of the aforementioned area.

CASE 8735: (Continued from November 6, 1985, Examiner Hearing)

Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the W/2 of Section 2, Township 19 South, Range 28 East, 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.

CASE 8736: (Continued from November 6, 1985, Examiner Hearing)

Application of Southland Royalty 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 Dakota formation underlying the N/2 of Section 13, Township 25 North, Range 2 West, Basin-Dakota Pool, 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.

CASE 8737: (Continued from November 6, 1985, Examiner Hearing)

Application of Southland Royalty 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 top of the Wolfcamp formation underlying the SW/4 of Section 30, Township 15 South, Range 28 East, and all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of said Section 30, 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.

CASE 8769: Application of Doyle Hartman 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 Langlie-Mattix Pool underlying the SE/4 NE/4 (Unit H) of Section 26, Township 25 South, Range 37 East, forming a standard 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 applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8770: Application of Doyle Hartman for non-standard proration unit, two unorthodox gas well locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an approval of the drilling of two wells to be located at unorthodox gas well locations, the first of which is to be located 2310 feet from the North line and 100 feet from the East line of Section 20 and the second to be located 2145 feet from the North line and 1600 feet from the West line of Section 21, both in Township 22 South, Range 36 East, Jaimat Gas Pool. Applicant further seeks an approval of a 320-acre non-standard gas spacing and proration unit comprising the NE/4 of said Section 20 and the NW/4 of said Section 21 to be simultaneously dedicated to his two proposed aforementioned wells as described above and to his existing Boren & Greer Gas Com Well Nos. 1, 2, and 3 located in Units D and C of said Section 21 and Unit A of said Section 20, respectively.

Dockets Nos. 8-86 and 9-86 are tentatively set for March 5, and March 19, 1986. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 19, 1986

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 8825: Application of C. K. Kinsolving d/b/a/ Kenneth Tank Service for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in the NW/4 of Section 35, Township 9 South, Range 35 East.
- CASE 8826: Application of Harvey E. Yates Company for compulsory pooling, 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 N/2 SE/4 of Section 8, Township 16 South, Range 37 East, 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.
- CASE 8820: (Continued from February 5, 1986, Examiner Hearing)
Application of Santa Fe Energy Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp, Strawn, Atoka, and Morrow formations underlying the W/2 of Section 24, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit, 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.
- CASE 8827: Application of The Petroleum Corporation of Delaware for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 3,500 feet to 5,600 feet underlying the NE/4 SW/4 of Section 12, Township 26 South, Range 29 East, 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.
- CASE 8828: Application of The Petroleum Corporation of Delaware for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 3,500 feet to 5,600 feet underlying the SW/4 NW/4 of Section 12, Township 26 South, Range 29 East, 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.
- CASE 8819: (Continued from February 5, 1986, Examiner Hearing)
Application of The Petroleum Corporation of Delaware for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from 3500 feet to 5600 feet underlying the SE/4 SW/4 of Section 12, Township 26 South, Range 29 East, forming a standard 40-acre oil spacing and proration unit, to be dedicated to a well located 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.

- CASE 3829: Application of Amoco Production Company for compulsory pooling, Union County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Tubb formation from the base of the Cimarron Anhydrite Marker to the top of the Precambrian Basement underlying all of Section 33, Township 20 North, Range 35 East, forming a standard 640-acre carbon dioxide gas spacing and proration unit, to be dedicated to its Bravo Dome Carbon Dioxide Gas Unit Well No. 2035-311K located 2310 feet from the South line and 1650 feet from the West line 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.
- CASE 3830: Application of Amoco Production Company for compulsory pooling, Union County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Tubb formation from the base of the Cimarron Anhydrite Marker to the top of the Precambrian Basement underlying all of Section 33, Township 19 North, Range 34 East, forming a standard 640-acre carbon dioxide gas spacing and proration unit to be dedicated to its Bravo Dome Carbon Dioxide Gas Unit Well No. 1934-331G located 1980 feet from the North and East lines 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.
- CASE 8014: (Reopened)
In the matter of Case 8014 being reopened pursuant to the provisions of Order No. R-7588 which order promulgated temporary special rules and regulations for the Cedar Hill-Fruitland Basal Coal Pool in San Juan County, including a provision for 320-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 160-acre spacing and proration units.
- CASE 3831: Application of Inexco Oil Company for compulsory pooling and an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the Strawn formation underlying the SE/4 NE/4 and all mineral interests in the Undesignated South Humble City-Strawn Pool underlying the S/2 NE/4 of Section 14, Township 17 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox well location 1800 feet from the North line and 500 feet from the East line of said Section 14. 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.
- CASE 3773: (Continued from January 22, 1986, Examiner Hearing)
Application of Bliss Petroleum, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its existing J. W. Grizzell "A" Well No. 1 located 1034 feet from the South line and 2635 feet from the West line of Section 5, Township 22 South, Range 37 East, San Andres formation, the SW/4 of said Section 5 to be dedicated to said well.
- CASE 8810: (Continued from February 5, 1986, Examiner Hearing)
Application of Bliss Petroleum, Inc. for an exception to the special rules and regulations for the Dean Permo-Pennsylvanian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations of the Dean Permo-Pennsylvanian Pool, as promulgated by Division Order No. R-892, authorizing a 40-acre non-standard oil spacing and proration unit comprising the SW/4 NW/4 of Section 35, Township 15 South, Range 36 East, to be dedicated to a well to be located at a standard oil well location thereon.

CASE 3823: (Continued from February 5, 1986, Examiner Hearing)

Application of Nearburg Producing Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South line and 760 feet from the East line of Section 23, Township 20 South, Range 34 East, Pennsylvanian formation, the S/2 of said Section 23 to be dedicated to the well.

CASE 3829: (Continued from February 5, 1986, Examiner Hearing)

Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying a previously approved 120-acre non-standard proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to its Justis Christmas Gas Com Well No. 1 located 2225 feet from the North line and 790 feet from the West line of said Section 20. 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.

CASE 3832: Application of Tenneco Oil Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South line and 1980 feet from the West line of Section 13, Township 12 South, Range 34 East, to test the Undesignated West Ranger Lake-Devonian Gas Pool, the W/2 of said Section 13 to be dedicated to the well.CASE 3833: Application of V-F Petroleum, Inc. for an exception to the special pool rules and regulations of the Dean Permo-Pennsylvanian Pool as promulgated by Division Order No. R-892, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the special rules and regulations of the Dean Permo-Pennsylvanian Pool as promulgated by Division Order No. R-892 to permit applicant to complete its ARCO State Lease Well No. 1 located at an unorthodox oil well location 1980 feet from the South line and 660 feet from the West line of Section 35, Township 15 South, Range 36 East, the NW/4 SW/4 (Unit L) of said Section 35 to be dedicated to the well forming a non-standard oil spacing and proration unit.CASE 3834: Application of Cities Service Oil & Gas Corporation for pool creation, special pool rules, discovery allowable, and unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Bough "C" Pennsylvanian production comprising the W/2 SW/4 of Section 25, Township 13 South, Range 34 East, and the promulgation of temporary special rules therefor including a provision for 80-acre spacing and designated well locations. Applicant further seeks the assignment of an oil discovery allowable as allowed by General Rule 509 to the discovery well for said pool being the applicant's Elkan "A" Well No. 1 located at an unorthodox location for the proposed special pool rules 1650 feet from the South line and 990 feet from the West line of said Section 25.CASE 3807: (Continued from January 22, 1986, Examiner Hearing)

Application of Joseph S. Sprinkle for a determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as an interest owner in the TXO Production Corporation Sprinkle Federal Well No. 1 located 660 feet from the North and West lines of Section 26, Township 18 South, Range 32 East, Querecho Plains-Upper Bone Spring Pool, which was drilled pursuant to the compulsory pooling provisions of Division Order No. R-7850, entered in Case No. 8494 and dated March 14, 1985, and to which is dedicated the NW/4 NW/4 (Unit D) of said Section 26, seeks an order ascertaining the reasonableness of actual well costs for the subject well.

DOCKET: COMMISSION HEARING - WEDNESDAY - FEBRUARY 26, 1986OIL CONSERVATION COMMISSION - 9 A.M. - MORGAN HALL, STATE
LAND OFFICE BUILDING, SANTA FE, NEW MEXICOCASE 8749: (Continued from January 7, 1986, Commission Hearing)

Application of the Oil Conservation Commission on its own motion to rescind Order No. R-1670, as amended, to recodify and amend the General Rules and Regulations for the Prorated Gas Pools contained therein and to amend the special gas prorationing rules for the Atoka-Pennsylvanian, Blinebry, Buffalo Valley-Pennsylvanian, Burton Flat-Morrow, Burton Flat-Strawn, South Carlsbad-Morrow, Crosby-Devonian, Eumont, Indian Basin-Morrow, Indian Basin-Upper Pennsylvanian, Jalmat, Justis-Glorieta, Monument McKee-Ellenburger, and Tubb Gas Pools of Lea, Eddy and Chaves Counties, and the special gas prorationing rules for the Basin-Dakota, Blanco-Mesaverde, South Blanco-Pictured Cliffs, and Tapacito-Pictured Cliffs Gas Pools of San Juan, Sandoval, and Rio Arriba Counties.

CASE 8792: (Continued from January 7, 1986, Commission Hearing)

Application of Northwest Pipeline Corporation to amend Oil Conservation Division Rule 403, Rule 1100, Rule 1111, and Form C-111. Applicant, in the above-styled cause, seeks the proposed amendments to clarify the rules and duties of gas transporters and gas purchasers under the Division's General Rules.

CASE 8835: Application of the Oil Conservation Division on its own motion to require Division approval of all commercial and centralized oil field fluid waste collection or disposal facilities utilizing ponds, pits, and below grade tanks in McKinley, Rio Arriba, Sandoval and San Juan Counties, New Mexico. Applicant also seeks to require commercial disposal pit operators to keep and make available records on the volume, source, dates, and type of oil field fluid waste received, and the hauling companies using their facilities. Copies of the proposed rules are available at Santa Fe and at the Aztec District office.CASE 8463: (Continued from January 7, 1986, Commission Hearing)(This case will be dismissed)

Application of David Fasken for termination of prorationing in the Burton Flat-Morrow Gas Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order terminating prorationing in the Burton Flat-Morrow Gas Pool located in portions of Townships 20 and 21 South, Ranges 26, 27, and 28 East, and to also cancel all cumulative overproduction and underproduction within said pool.

Upon application of David Fasken this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8796: (Continued from January 7, 1986, Commission Hearing)

Application of Rio Pecos Corporation for enforcement of the Common Purchaser Requirements of Section 70-2-19 NMSA, 1978 (1984 Supplement) and other pertinent provisions of the Oil and Gas Act, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order requiring El Paso Natural Gas Company to purchase the applicant's share of gas production from the Yates Petroleum Corporation Little Box Canyon Unit Well No. 5 located 800 feet from the South line and 1600 feet from the West line of Section 7, Township 21 South, Range 22 East, without discrimination as to price paid, quantities purchased, bases of measurement or gas transportation facilities afforded as compared to gas from other wells of like quantity, quality, and pressure. Applicant further seeks an order requiring El Paso Natural Gas Company to take ratably the gas produced from aforementioned well and any such other relief as may be appropriate.

CASE 8640: (Continued from January 7, 1986, Commission Hearing)

Application of Caulkins Oil Company for compulsory pooling, downhole commingling, and dual completion, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Dakota and Blanco-Mesaverde Pools underlying the N/2 of Section 20, Township 26 North, Range 6 West, forming a standard 320-acre gas spacing and proration unit in both zones, and in the Pictured Cliffs and Chacra formations underlying the NE/4 of said Section 20, forming a standard 160-acre gas spacing and proration unit in both of these zones, to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks approval to dually complete said well in such a manner that Blanco-Mesaverde and Basin-Dakota production would be commingled separately and the aforesaid intervals dually completed with commingled Pictured Cliffs and Chacra production and both commingled zones produced through parallel strings of tubing. 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.

Upon application of Meridian Oil Inc. and El Paso Natural Gas Company this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 3712: (De Novo)

Application of Kimbell Oil Company of Texas for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Salazar Well No. 4-E located 1630 feet from the North line and 1460 feet from the West line (Unit F) of Section 34, Township 25 North, Range 6 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Upon application of Kimbell Oil Company of Texas, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 3690: (De Novo)

Application of Doyle Hartman for compulsory pooling, a non-standard proration unit, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of two wells to be located at unorthodox well locations, the first of which is to be at least 1325 feet from the South line but not more than 1650 feet from the South line and at least 660 feet from the West line but not more than 850 feet from the West line of Section 22, and the second of which is to be at least 250 feet from the North line but not more than 99C feet from the North line and at least 660 feet from the West line but not more than 1980 feet from the West line of Section 27, all in Township 25 South, Range 37 East, Jalmat Gas Pool and Langlie Mattix Pool, is necessary to effectively and efficiently drain that portion of a 400-acre non-standard gas proration unit in the Jalmat Gas Pool only, comprising the W/2 SW/4 and W/2 SE/4 of Section 22 and the NW/4 and W/2 NE/4 of Section 27, Township 25 South, Range 37 East, which cannot be so drained by the existing Jalmat wells. Applicant further seeks approval for the simultaneous dedication of said 400-acre non-standard Jalmat proration unit to the subject wells and the currently producing Carlson-Harrison Federal Com Well Nos. 1, 2, and 3. Applicant further seeks an order pooling all mineral interests from the surface to the base of the Jalmat Gas Pool underlying the above non-standard proration unit. 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.

Upon application of Doyle Hartman, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 3219: (De Novo)

Application of Dinero Operating Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Little Squaw Comm. Well No. 1 located in Unit F of Section 27, Township 22 South, Range 28 East, Dublin Ranch-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Upon application of Dinero Operating Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8220: (De Novo)

Application of Dinero Operating Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Big Chief Comm. Well No. 4 located in Unit N of Section 15, Township 22 South, Range 28 East, Dublin Ranch-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Upon application of Dinero Operating Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8755: (De Novo)

Application of TXO Production Corp. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause seeks an order pooling all mineral interests in all formations from 4,825 feet beneath the surface to the base of the Bone Spring formation underlying the SW/4 NW/4 of Section 26, Township 18 South, Range 32 East, forming a standard 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 applicant as operator of the well and a charge for risk involved in drilling said well.

Upon application of TXO Production Corp. this case will be heard De Novo pursuant to the provisions of Rule 1220.

