

Dockets Nos. 24-87 and 25-87 are tentatively set for July 29 and August 12, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 15, 1987

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:

ALLOWABLE: (1) Consideration of the allowable production of gas for August, 1987, from fourteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for August, 1987, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9169: In the matter called by the Oil Conservation Division on its own motion to permit C. R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O. F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Balen, New Mexico.

CASE 9159: (Continued from July 1, 1987, Examiner Hearing)

Application of Yates Petroleum Corporation for approval of a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Desert Rose State and Federal Unit comprising 2560.52 acres, more or less, of State and Federal lands in Townships 8 and 9 South, Range 26 East (19 miles northeast of Roswell, New Mexico).

CASE 9170: Application of CRW-SWD, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from approximately 4,420 feet to 4,640 feet in the J. C. Williamson Ross Draw Unit Well No. 9 located 910 feet from the North line and 1980 feet from the West line (Unit C) of Irregular Section 34, Township 26 South, Range 30 East, Ross Draw-Delaware Pool/Ross Draw-Delaware Gas Pool, which is approximately two-fifths of a mile northwest of Mile Corner No. 47 on the southern boundary line of Texas (Loving County) and New Mexico.

CASE 9171: Application of MorOilCo, 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 Yates, Seven Rivers, and Queen formations in the perforated interval from approximately 3951 feet to 3995 feet and in the open hole interval from approximately 4064 feet to 5000 feet in the Atlantic Richfield Company's Mescalero Ridge Unit "MA" Well No. 31 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 21, Township 19 South, Range 34 East, Undesignated Pearl-Queen Pool and Quail Ridge-Yates Gas Pool, which is approximately 2.5 miles north of N. M. Milepost No. 77 on U. S. Highway 62/180.

CASE 9129: (Continued from June 3, 1987, Examiner Hearing)

Application of Virginia P. Uhden, Helen Orbesen, and Carroll O. Holmberg to void and vacate Division Order Nos. R-7588 and R-7588-A, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order vacating Division Order Nos. R-7588 and R-7588-A, which orders promulgated Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool, including a provision for 320-acre spacing and designated well locations.

CASE 9172: Application of Nearburg Producing 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 to be drilled 1200 feet from the South line and 660 feet from the East line (Unit P) of Section 12, Township 17 South, Range 37 East, Humble City-Strawn Pool, the S/2 SE/4 of Section 12 to be dedicated to the well. Said well is approximately 4 miles west of the community of Knowles, New Mexico.

CASE 9173: Application of Presidio Oil 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 a depth of approximately 5600 feet or to the base of the Canyon formation underlying the SW/4 NW/4 (Unit E) of Section 12, Township 26 South, Range 29 East, to form 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. Said location is approximately 3 miles north of Mile Corner No. 53 on the southern boundary of Texas and New Mexico.

CASE 9174: Application of Santa Fe Energy Operating Partners, L.P. for simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to simultaneously dedicate East Carlsbad-Wolfcamp Gas Pool production to the W/2 of Section 2, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for said pool, from its existing Chase "2" State Well No. 1 located 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 2, and from a second well to be drilled at a standard location in the NW/4 of said Section 2. This area is approximately 4 miles east of Carlsbad, New Mexico.

CASE 9175: Application of Santa Fe Energy Operating Partners, L.P. for special pool rules and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Hume-Wolfcamp Pool located in Section 5, Township 16 South, Range 34 East, including a provision for 80-acre spacing and proration units and designated well locations. Applicant also seeks approval for its N. H. 5 Federal Well No. 1 located at an unorthodox oil well location for the proposed special pool rules 2466 feet from the North line and 1980 feet from the East line (Unit G) of said Section 5 (being approximately 2.25 miles north of N. M. Milepost No. 158 on U. S. Highway 82).

CASE 8352: (Reopened) (Continued from June 3, 1987, Examiner Hearing) (This case will be continued to August 26, 1987.)

In the matter of Case 8352 being reopened pursuant to the provisions of Division Order No. R-7737, which order established special rules and regulations for the West Bravo Dome Carbon Dioxide Gas Area in Harding County, including a provision for 640-acre spacing units. Interested parties may appear and show cause why the West Bravo Dome Carbon Dioxide Gas Area should not be developed on less than 640-acre spacing and proration units.

CASE 9147: (Continued from June 17, 1987, Examiner Hearing)

Application of Phillips Petroleum Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard oil proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 2, Township 19 South, Range 32 East, Undesignated East Lusk-Bone Spring Pool, to be dedicated to its State "1-2" Well No. 1 located at a standard oil well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 2.

CASE 9164: (Continued from July 1, 1987, Examiner Hearing)

Application of Phillips Petroleum Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Eumont-Queen gas production and Eunice Monument-Grayburg-San Andres oil production in the wellbore of its New Well No. 2 located 1980 feet from the North line and 330 feet from the East line (Unit H) of Section 26, Township 20 South, Range 36 East, being approximately 4½ miles northwest of Oil Center, New Mexico.

CASE 9176: Application of Phillips Petroleum Company for a special (oil) allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a special capacity allowable for Vacuum Grayburg-San Andres Pool production from its Philmex Well No. 19 located 1980 feet from the North line and 560 feet from the East line (Unit H) of Section 35. Applicant further seeks approval of a similar special capacity allowable for Vacuum Grayburg-San Andres Pool production from wells to be drilled in the following 40-acre oil proration units:

NW/4 NE/4 (Unit B) of Section 35;
SW/4 NE/4 (Unit G) of Section 35; and,
NW/4 NW/4 (Unit D) of Section 36.

All of the above-described locations are in Township 17 South, Range 33 East, and are approximately 7 miles west of Buckeye, New Mexico.

CASE 9177: Application of Phillips Petroleum Company for a special (oil) allowable and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks (1) a special capacity allowable for Eunice Monument (Grayburg-San Andres) Pool production from; and (2) approval to downhole commingle Eumont Gas Pool and Eunice Monument Pool production in the following described New Lease Wells in Section 26, Township 20 South, Range 36 East:

Well No. 1 located 660 feet from the North line and 330 feet from the East line (Unit A); and,
Well No. 2 located 1980 feet from the North line and 330 feet from the East line (Unit H).

Both wells are approximately 4½ miles northwest of Oil Center, New Mexico.

Dockets Nos. 25-87 and 26-87 are tentatively set for August 12 and 26, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 29, 1987

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 9169: (Continued from July 15, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit C. R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O. F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9179: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Turman & Hayes, Western Surety Company, and all other interested parties to appear and show cause why the following four wells located on the "B" Lee State Lease in Section 7, Township 18 South, Range 35 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program:

- Well No. 1 located 1650 feet from the North line and 2236 feet from the West line (Unit F);
- Well No. 3 located 2319 feet from the North line and 918 feet from the West line (Unit E);
- Well No. 4 located 2055 feet from the South line and 660 feet from the West line (Unit L); and,
- Well No. 5 located 994 feet from the South line and 330 feet from the West line (Unit M).

All of these wells are located approximately 2.5 to 3 miles south of Buckeye, New Mexico.

CASE 9180: Application of Yates Petroleum Corporation for compulsory pooling and a non-standard oil proration unit, 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 either the NE/4 SW/4 (Unit K) of Section 30, Township 19 South, Range 25 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the E/2 SW/4 and Lots 3 and 4 of said Section 30 to form a non-standard 162.76-acre oil spacing and proration unit within the North Dagger Draw-Upper Pennsylvanian Pool, both aforementioned 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. Said location is approximately 8.75 miles west of Lakewood, New Mexico.

CASE 9181: Application of Yates Petroleum 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 from the surface to the base of the Strawn formation underlying either the NW/4 SE/4 of Section 26, Township 16 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the W/2 SE/4 of said Section 26 to form a standard 80-acre spacing and proration unit within the Undesignated West Knowles-Drinkard and Undesignated Casey-Strawn Pools, both aforementioned units to be dedicated to a well to be drilled at an unorthodox oil well location 2400 feet from the South line and 1850 feet from the East line (Unit J) of said Section 26. 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 location is approximately 8.5 miles east-northeast of Lovington, New Mexico.

CASE 9171: (Continued from July 15, 1987, Examiner Hearing)

Application of MorOilCo, 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 Yates, Seven Rivers, and Queen formations in the perforated interval from approximately 3951 feet to 3995 feet and in the open hole interval from approximately 4064 feet to 5000 feet in the Atlantic Richfield Company's Mescalero Ridge Unit "MA" Well No. 31 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 21, Township 19 South, Range 34 East, Undesignated Pearl-Queen Pool and Quail Ridge-Yates Gas Pool, which is approximately 2.5 miles north of N. M. Milepost No. 77 on U. S. Highway 62/180.

CASE 9174: (Continued from July 15, 1987, Examiner Hearing)

Application of Santa Fe Energy Operating Partners, L.P. for simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to simultaneously dedicate East Carlsbad-Wolfcamp Gas Pool production to the W/2 of Section 2, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for said pool, from its existing Chase "2" State Well No. 1 located 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 2, and from a second well to be drilled at a standard location in the NW/4 of said Section 2. This area is approximately 4 miles east of Carlsbad, New Mexico.

CASE 9182: Application of Sage Energy Company for a waterflood project, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project in the Bough "C" formation by the injection of water into the perforated interval from approximately 10,392 feet to 10,407 feet in its New Mexico "30" State Well No. 1 located 1980 feet from the South line and 800 feet from the East line (Unit I) of Section 30, Township 14 South, Range 34 East, West Tres Papalotes-Pennsylvanian Pool, being 13.25 miles west of Hilburn City, New Mexico.

CASE 9130: (Continued from June 3, 1987, Examiner Hearing) (THIS CASE WILL BE DISMISSED.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 660 feet from the North and East lines of Section 27, Township 22 South, Range 34 East, to test the Morrow formation, the N/2 of said Section 27 to be dedicated to the well.

CASE 9131: (Continued from June 3, 1987, Examiner Hearing) (THIS CASE WILL BE DISMISSED.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 1980 feet from the South line and 990 feet from the East line of Section 22, Township 22 South, Range 34 East, to test the Morrow formation, the S/2 of said Section 22 to be dedicated to the well.

CASE 9172: (Readvertised)

Application of Nearburg Producing 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 to be drilled 1200 feet from the South line and 760 feet from the East line (Unit P) of Section 12, Township 17 South, Range 37 East, Humble City-Strawn Pool, the S/2 SE/4 of said Section 12 to be dedicated to the well. Said well is approximately 4 miles west of the community of Knowles, New Mexico.

CASE 9183: Application of Reading & Bates Petroleum Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos Oil Pool underlying all of Section 16, Township 25 North, Range 2 West, to form a standard 640-acre oil spacing and proration unit for said pool to be dedicated to its Ingram Federal "16" Well No. 43 drilling at a standard oil well location 2025 feet from the South line and 915 feet from the East line (Unit I) of said Section 16. 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 location is approximately 6.5 miles north of Lindrith, New Mexico.CASE 9184: Application of Reading & Bates Petroleum Company for a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the Special Rules and Regulations for the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, as amended, to form a non-standard 320-acre oil spacing and proration unit comprising the E/2 of Section 16, Township 25 North, Range 2 West, to be dedicated to its Ingram Federal "16" Well No. 43 located at a standard oil well location 2025 feet from the South line and 915 feet from the East line (Unit I) of said Section 16 (being approximately 6.5 miles north of Lindrith, New Mexico.)CASE 9185: 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 and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the Tule-Pennsylvanian Gas Pool. The discovery well is the Marshall Pipe and Supply Company J. T. McGee Well No. 1 located in Unit B of Section 27, Township 2 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 27: N/2

Dockets Nos. 26-87 and 27-87 are tentatively set for August 26 and September 9, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 12, 1987

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:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for September, 1987, from fourteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for September, 1987, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9169: (Continued from July 29, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit C.R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O.F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9179: (Continued from July 29, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Turman & Hayes, Western Surety Company, and all other interested parties to appear and show cause why the following four wells located on the "B" Lee State Lease in Section 7, Township 18 South, Range 35 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program:

- Well No. 1 located 1650 feet from the North line and 2236 feet from the West line (Unit F);
- Well No. 3 located 2319 feet from the North line and 918 feet from the West line (Unit E);
- Well No. 4 located 2055 feet from the South line and 660 feet from the West line (Unit L);
- and Well No. 5 located 994 feet from the South line and 330 feet from the West line (Unit M).

All of these wells are located approximately 2.5 to 3 miles south of Buckeye, New Mexico.

CASE 9187: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Evans Production Company, American Motorists Insurance Company and all other interested parties to appear and show cause why the five wells listed below should not be plugged and abandoned in accordance with a division-approved plugging program:

- Irditos Well No. 1 located 2310 feet from the North line and 330 feet from the East line (Unit H) of Section 15, Township 16 North, Range 9 West;
- Bullseye Well No. 2 located 540 feet from the South line and 1560 feet from the West line (Unit N) of Section 18, Township 16 North, Range 9 West;
- Bullseye Well No. 9 located 330 feet from the South line and 1650 feet from the East line (Unit O) of Section 18, Township 16 North, Range 9 West;
- Bullseye Well No. 8 located 330 feet from the North line and 990 feet from the West line (Unit D) of Section 19, Township 16 North, Range 9 West; and,
- Bullseye A Well No. 2 located 990 feet from the South and East lines (Unit P) of Section 13, Township 16 North, Range 10 West, all in McKinley County.

These wells are located in an area approximately 14 miles north of Ambrosia Lake, New Mexico.

CASE 9188 Application of Yates Petroleum Corporation for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the North Chaves Unit Area comprising 8,600.11 acres, more or less, of State, Federal and Fee lands in the eastern half of Township 5 South, Range 23 East. The middle of said acreage is approximately 7 miles southeast of Highway Junction US-285 and New Mexico 20.

CASE 8863: (Continued from July 1, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8863 being reopened upon application of Alana Oil and Gas Corporation to vacate or modify Division Order No. R-8210 entered in said Case 8863, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplete the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8210:

Samantha Well No. 1 located 1580' FSL - 1202' FWL (Unit L),
Samantha Well No. 2 located 1985' FSL - 2290' FWL (Unit K),
Samantha Well No. 3 located 1105' FSL - 2490' FWL (Unit N),
all in Section 26, Township 28 North, Range 1 East; and
Alana Well No. 1 located 511' FSL - 2144' FWL (Unit N) of
Section 11, Township 27 North, Range 1 West.

CASE 8864: (Continued from July 1, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8864 being reopened upon the application of Suntex Energy Corporation to vacate or modify Division Order No. R-8223 entered in said Case 8864, Rio Arriba County, New Mexico. Applicant seeks to complete or recompleat the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8223:

Suntex Well No. 1 located 1824' FNL - 570' FWL (Unit E) of Section 26,
Suntex Well No. 2 located 660' FSL - 365' FEL (Unit P) of Section 22,
Suntex Well No. 3 located 1858' FNL - 1800' FWL (Unit F) of Section 14,
Suntex Well No. 4 located 935' FNL - 1650' FWL (Unit C) of Section 23,
Suntex Well No. 5 located 2004' FSL - 2310' FWL (Unit K) of Section 11, and
Suntex Well No. 6 located 1980' FSL - 660' FWL (Unit L) of Section 23,
all in Township 28 North, Range 1 East.

CASE 9074: (Continued from July 1, 1987, Examiner Hearing) (Reopened)

In the matter of Case 9074 being reopened upon application of Suntex Energy Corporation to vacate or modify Division Order No. R-8404 entered in said Case 9074, Rio Arriba County, New Mexico. Applicant seeks to complete or recompleat the following wells formerly operated by Texas Rose Petroleum, Inc. which were ordered plugged pursuant to the provisions of said Order No. R-8404:

Well No. 1 located 1824' FSL - 1778' FEL (Unit J) of Section 14,
Well No. 2 located 618' FSL - 2418' FWL (Unit N) of Section 14,
Well No. 3 located 967' FSL - 2148' FWL (Unit N) of Section 11,
Well No. 7 located 990' FSL - 2310' FEL (Unit O) of Section 14, and
Well No. 8 located 2310' FS and WL (Unit K) of Section 14,
all on the El Poso Ranch Lease in Township 28 North, Range 1 East, as
projected into the unsurveyed Tierra Amarilla Land Grant.

CASE 9189: Application of Ray Westall for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Cherry Canyon formation in the perforated interval from approximately 3670 feet to 3720 feet in its Merland Well No. 1 located 990 feet from the South line and 1870 feet from the East line (Unit O) of Section 24, Township 22 South, Range 26 East, South Carlsbad Delaware Pool, said well is approximately 6.5 miles south of Black River Village, New Mexico.

CASE 9180: (Continued from July 29, 1987, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling and a non-standard oil proration unit, 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 either the NE/4 SW/4 (Unit K) of Section 30, Township 19 South, Range 25 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the E/2 SW/4 and Lots 3 and 4 of said Section 30 to form a non-standard 162.76-acre oil spacing and proration unit within the North Dagger Draw-Upper Pennsylvanian Pool, both aforementioned 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 the risk involved in drilling said well. Said location is approximately 8.75 miles west of Lakewood, New Mexico.

CASE 9171: (Continued from July 29, 1987, Examiner Hearing)

Application of MorOilCo, 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 Yates, Seven Rivers, and Queen formations in the perforated interval from approximately 3951 feet to 3995 feet and in the open hole interval from approximately 4064 feet to 5000 feet in the Atlantic Richfield Company's Mescalero Ridge Unit "MA" Well No. 31 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 21, Township 19 South, Range 34 East, Undesignated Pearl-Queen Pool and Quail Ridge-Yates Gas Pool, which is approximately 2.5 miles north of N.M. milepost No. 77 on U.S. Highway 62/180.

CASE 9190: Application of Robert L. Bayless for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Gallup and Pictured Cliffs formations in the wellbore of its Jicarilla 519 Well No. 1 located 790 feet

Dockets Nos. 28-87 and 29-87 are tentatively set for September 23 and October 7, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 9, 1987

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

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- ALLOWABLE:
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 - (2) Consideration of the allowable production of gas for October, 1987, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9169: (Continued from August 12, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit C.R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O.F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9179: (Continued from August 12, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Turman & Hayes, Western Surety Company, and all other interested parties to appear and show cause why the following four wells located on the "B" Lee State Lease in Section 7, Township 18 South, Range 35 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program:

Well No. 1 located 1650 feet from the North line and 2236 feet from the West line (Unit F);
Well No. 3 located 2319 feet from the North line and 918 feet from the West line (Unit E);
Well No. 4 located 2055 feet from the South line and 660 feet from the West line (Unit L);
and Well No. 5 located 994 feet from the South line and 330 feet from the West line (Unit M).

All of these wells are located approximately 2.5 to 3 miles south of Buckeye, New Mexico.

CASE 9206: Application of Tipperary Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an exploratory unit area comprising 160 acres of State lands underlying the SW/4 of Section 29, Township 16 South, Range 37 East, said acreage being approximately 5.5 miles southeast of Lovington, New Mexico.

CASE 8863: (Continued from August 12, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8863 being reopened upon application of Alana Oil and Gas Corporation to vacate or modify Division Order No. R-8210 entered in said Case 8863, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplete the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8210:

Samantha Well No. 1 located 1580' FSL - 1202' FWL (Unit L),
Samantha Well No. 2 located 1985' FSL - 2290' FWL (Unit K),
Samantha Well No. 3 located 1105' FSL - 2490' FWL (Unit N),
all in Section 26, Township 28 North, Range 1 East; and
Alana Well No. 1 located 511' FSL - 2144' FWL (Unit N) of
Section 11, Township 27 North, Range 1 West.

CASE 8864: (Continued from August 12, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8864 being reopened upon the application of Suntex Energy Corporation to vacate or modify Division Order No. R-8223 entered in said Case 8864, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplete the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8223:

Suntex Well No. 1 located 1824' FNL - 570' FWL (Unit E) of Section 26,
Suntex Well No. 2 located 660' FSL - 365' FEL (Unit P) of Section 22,

Suntex Well No. 3 located 1858' FNL - 1800' FWL (Unit F) of Section 14,
Suntex Well No. 4 located 935' FNL - 1650' FWL (Unit C) of Section 23,
Suntex Well No. 5 located 2004' FSL - 2310' FWL (Unit K) of Section 11, and
Suntex Well No. 6 located 1980' FSL - 660' FWL (Unit L) of Section 23,
all in Township 28 North, Range 1 East.

CASE 9074: (Continued from August 12, 1987, Examiner Hearing) (Reopened)

In the matter of Case 9074 being reopened upon application of Suntex Energy Corporation to vacate or modify Division Order No. R-8404 entered in said Case 9074, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplete the following wells formerly operated by Texas Rose Petroleum, Inc. which were ordered plugged pursuant to the provisions of said Order No. R-8404:

Well No. 1 located 1824' FSL - 1778' FEL (Unit J) of Section 14,
Well No. 2 located 618' FSL - 2418' FWL (Unit N) of Section 14,
Well No. 3 located 967' FSL - 2148' FWL (Unit N) of Section 11,
Well No. 7 located 990' FSL - 2310' FEL (Unit O) of Section 14, and
Well No. 8 located 2310' FS and VL (Unit K) of Section 14,
all on the El Poso Ranch Lease in Township 28 North, Range 1 East, as
projected into the unsurveyed Tierra Amarilla Land Grant.

CASE 9207: Application of Western Oil Producers, Inc. for an Unorthodox Gas Well Location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line (Unit I) of Section 1, Township 22 South, Range 27 East, Undesignated East Carlsbad-Wolfcamp Gas Pool, the S/2 of said Section 1 to be dedicated to the well. Said location is approximately 5 miles east of Carlsbad, New Mexico.

CASE 9189: (Readvertised)

Application of Ray Westall for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Cherry Canyon formation in the perforated interval from approximately 3670 feet to 3720 feet in its Merland Well No. 1 located 990 feet from the South line and 1870 feet from the East line (Unit O) of Section 24, Township 22 South, Range 26 East, South Carlsbad-Delaware Pool. Said well is approximately 400 yards northeast of the intersection of Hidalgo Road and Mescalero Road in Carlsbad, New Mexico.

CASE 9208: Application of Hixon Development Company for a gas storage well, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization to utilize its Carson Unit Well No. 24-18 located 660 feet from the South line and 1930 feet from the West line (Unit N) of Section 18, Township 25 North, Range 11 West (which is approximately 5 miles south-southwest of the Carson Trading Post), as a gas storage well.

CASE 9123: (Continued from August 12, 1987, Examiner Hearing)

Application of Curtis J. Little for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1-E, located 1850 feet from the South line and 800 feet from the East line (Unit 1) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9124: (Continued from August 12, 1987, Examiner Hearing)

Application of Rocanville Corporation for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of Section 14, Township 17 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1, located 1100 feet from the North line and 990 feet from the East line (Unit A) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9191: (Readvertised) (This case will be dismissed.)

Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order, pursuant to Division General Rule 1207.1.(ii), pooling all mineral interests in the Strawn and Atoka formations underlying the S/2 SE/4 of Section 28, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian Pools, forming a standard 80-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks a 200

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

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M ROBINSON

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Mr. Carl R. Robinson
~~P. O. Box 15315~~
Rio Rancho, New Mexico 87174

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Dockets Nos. 25-87 and 26-87 are tentatively set for August 12 and 26, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 29, 1987

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 9169: (Continued from July 15, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit C. R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O. F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9179: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Turman & Hayes, Western Surety Company, and all other interested parties to appear and show cause why the following four wells located on the "B" Lee State Lease in Section 7, Township 18 South, Range 35 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program:

- Well No. 1 located 1650 feet from the North line and 2236 feet from the West line (Unit F);
- Well No. 3 located 2319 feet from the North line and 918 feet from the West line (Unit E);
- Well No. 4 located 2055 feet from the South line and 660 feet from the West line (Unit L); and,
- Well No. 5 located 994 feet from the South line and 330 feet from the West line (Unit M).

All of these wells are located approximately 2.5 to 3 miles south of Buckeye, New Mexico.

CASE 9180: Application of Yates Petroleum Corporation for compulsory pooling and a non-standard oil proration unit, 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 either the NE/4 SW/4 (Unit K) of Section 30, Township 19 South, Range 25 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the E/2 SW/4 and Lots 3 and 4 of said Section 30 to form a non-standard 162.76-acre oil spacing and proration unit within the North Dagger Draw-Upper Pennsylvanian Pool, both aforementioned 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. Said location is approximately 8.75 miles west of Lakewood, New Mexico.

CASE 9181: Application of Yates Petroleum 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 from the surface to the base of the Strawn formation underlying either the NW/4 SE/4 of Section 26, Township 16 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the W/2 SE/4 of said Section 26 to form a standard 80-acre spacing and proration unit within the Undesignated West Knowles-Drinkard and Undesignated Casey-Strawn Pools, both aforementioned units to be dedicated to a well to be drilled at an unorthodox oil well location 2400 feet from the South line and 1850 feet from the East line (Unit J) of said Section 26. 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 location is approximately 8.5 miles east-northeast of Lovington, New Mexico.

CASE 9171: (Continued from July 15, 1987, Examiner Hearing)

Application of MorOilCo, 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 Yates, Seven Rivers, and Queen formations in the perforated interval from approximately 3951 feet to 3995 feet and in the open hole interval from approximately 4064 feet to 5000 feet in the Atlantic Richfield Company's Mescalero Ridge Unit "MA" Well No. 31 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 21, Township 19 South, Range 34 East, Undesignated Pearl-Queen Pool and Quail Ridge-Yates Gas Pool, which is approximately 2.5 miles north of N. M. Milepost No. 77 on U. S. Highway 62/180.

CASE 9174: (Continued from July 15, 1987, Examiner Hearing)

Application of Santa Fe Energy Operating Partners, L.P. for simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to simultaneously dedicate East Carlsbad-Wolfcamp Gas Pool production to the W/2 of Section 2, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for said pool, from its existing Chase "2" State Well No. 1 located 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 2, and from a second well to be drilled at a standard location in the NW/4 of said Section 2. This area is approximately 4 miles east of Carlsbad, New Mexico.

CASE 9182: Application of Sage Energy Company for a waterflood project, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project in the Bough "C" formation by the injection of water into the perforated interval from approximately 10,392 feet to 10,407 feet in its New Mexico "30" State Well No. 1 located 1980 feet from the South line and 800 feet from the East line (Unit I) of Section 30, Township 14 South, Range 34 East, West Tres Papalores-Pennsylvanian Pool, being 13.25 miles west of Hilburn City, New Mexico.

CASE 9130: (Continued from June 3, 1987, Examiner Hearing) (THIS CASE WILL BE DISMISSED.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 660 feet from the North and East lines of Section 27, Township 22 South, Range 34 East, to test the Morrow formation, the N/2 of said Section 27 to be dedicated to the well.

CASE 9131: (Continued from June 3, 1987, Examiner Hearing) (THIS CASE WILL BE DISMISSED.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 1980 feet from the South line and 990 feet from the East line of Section 22, Township 22 South, Range 34 East, to test the Morrow formation, the S/2 of said Section 22 to be dedicated to the well.

CASE 9172: (Readvertised)

Application of Nearburg Producing 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 to be drilled 1200 feet from the South line and 760 feet from the East line (Unit P) of Section 12, Township 17 South, Range 37 East, Humble City-Strawn Pool, the S/2 SE/4 of said Section 12 to be dedicated to the well. Said well is approximately 4 miles west of the community of Knowles, New Mexico.

CASE 9183: Application of Reading & Bates Petroleum Company for compulsory pooling, Rio Arriba County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos Oil Pool underlying all of Section 16, Township 25 North, Range 2 West, to form a standard 640-acre oil spacing and proration unit for said pool to be dedicated to its Ingram Federal "16" Well No. 43 drilling at a standard oil well location 2025 feet from the South line and 915 feet from the East line (Unit I) of said Section 16. 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 location is approximately 6.5 miles north of Lindrith, New Mexico.

CASE 9184: Application of Reading & Bates Petroleum Company for a non-standard oil proration unit, Rio Arriba County, New Mexico.

Applicant, in the above-styled cause, seeks an exception to the Special Rules and Regulations for the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, as amended, to form a non-standard 320-acre oil spacing and proration unit comprising the E/2 of Section 16, Township 25 North, Range 2 West, to be dedicated to its Ingram Federal "16" Well No. 43 located at a standard oil well location 2025 feet from the South line and 915 feet from the East line (Unit I) of said Section 16 (being approximately 6.5 miles north of Lindrith, New Mexico.)

CASE 9185: 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 and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the Tule-Pennsylvanian Gas Pool. The discovery well is the Marshall Pipe and Supply Company J. T. McGee Well No. 1 located in Unit B of Section 27, Township 2 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 27: N/2

- (b) EXTEND the EK-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 30: NW/4

- (c) EXTEND the Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 11: NW/4

- (d) EXTEND the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 3: SE/4

- (e) EXTEND the Southwest Osudo-Wolfcamp Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 23: SE/4

- (f) EXTEND the Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 28: S/2
Section 33: NE/4

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 3: W/2
Section 10: N/2

- (g) EXTEND the Querecho Plains-Lower Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 26: NW/4

- (h) EXTEND the Sanmal-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 2: SE/4

- (i) EXTEND the South Shoe Bar-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 6: W/2

- (j) EXTEND the West Teas Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 9: NW/4

- (k) EXTEND the Tule-Montoya Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 27: N/2

CASE 9186: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order contracting and extending the vertical and horizontal limits of certain pools in Eddy County, New Mexico:

- (a) CONTRACT the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 11: W/2, W/2 E/2, and E/2 SE/4

- (b) EXTEND the Grayburg Jackson Queen-Grayburg-San Andres-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 11: W/2, W/2 E/2, and E/2 SE/4

(c) EXTEND the Artesia Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 26: E/2

(d) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 19: SE/4

(e) EXTEND the West Sand Dunes-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 33: All

(f) EXTEND the North Shugart-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 9: N/2

(g) EXTEND the vertical limits of the North Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include the Queen formation and redesignate said pool as the North Square Lake Queen-Grayburg-San Andres Pool.

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088



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Suite 509
Albuquerque, New Mexico 87110

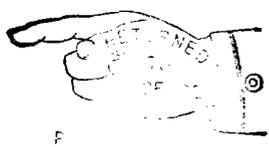
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Santa Fe, New Mexico 87504-2088



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2500 Louisiana Blvd., N.E.
Suite 509
Albuquerque, New Mexico 87110~~



Dockets Nos. 24-87 and 25-87 are tentatively set for July 29 and August 12, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 15, 1987

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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for August, 1987, from fourteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for August, 1987, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9169: In the matter called by the Oil Conservation Division on its own motion to permit C. R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O. F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9159: (Continued from July 1, 1987, Examiner Hearing)

Application of Yates Petroleum Corporation for approval of a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Desert Rose State and Federal Unit comprising 2560.52 acres, more or less, of State and Federal lands in Townships 8 and 9 South, Range 26 East (19 miles northeast of Roswell, New Mexico).

CASE 9170: Application of CRW-SWD, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from approximately 4,420 feet to 4,640 feet in the J. C. Williamson Ross Draw Unit Well No. 9 located 910 feet from the North line and 1980 feet from the West line (Unit C) of Irregular Section 34, Township 26 South, Range 30 East, Ross Draw-Delaware Pool/Ross Draw-Delaware Gas Pool, which is approximately two-fifths of a mile northwest of Mile Corner No. 47 on the southern boundary line of Texas (Loving County) and New Mexico.

CASE 9171: Application of MorOilCo, 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 Yates, Seven Rivers, and Queen formations in the perforated interval from approximately 3951 feet to 3995 feet and in the open hole interval from approximately 4064 feet to 5000 feet in the Atlantic Richfield Company's Mescalero Ridge Unit "MA" Well No. 31 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 21, Township 19 South, Range 34 East, Undesignated Pearl-Queen Pool and Quail Ridge-Yates Gas Pool, which is approximately 2.5 miles north of N. M. Milepost No. 77 on U. S. Highway 62/180.

CASE 9129: (Continued from June 3, 1987, Examiner Hearing)

Application of Virginia P. Uhden, Helen Orbesen, and Carroll O. Holmberg to void and vacate Division Order Nos. R-7588 and R-7588-A, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order vacating Division Order Nos. R-7588 and R-7588-A, which orders promulgated Special Rules and Regulations for the Cedar Hill-Fruitland Basal Coal Pool, including a provision for 320-acre spacing and designated well locations.

CASE 9172: Application of Nearburg Producing 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 to be drilled 1200 feet from the South line and 660 feet from the East line (Unit P) of Section 12, Township 17 South, Range 37 East, Humble City-Strawn Pool, the S/2 SE/4 of Section 12 to be dedicated to the well. Said well is approximately 4 miles west of the community of Knowles, New Mexico.

CASE 9173: Application of Presidio Oil 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 a depth of approximately 5600 feet or to the base of the Canyon formation underlying the SW/4 NW/4 (Unit E) of Section 12, Township 26 South, Range 29 East, to form 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. Said location is approximately 3 miles north of Mile Corner No. 53 on the southern boundary of Texas and New Mexico.

CASE 9174: Application of Santa Fe Energy Operating Partners, L.P. for simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to simultaneously dedicate East Carlsbad-Wolfcamp Gas Pool production to the W/2 of Section 2, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for said pool, from its existing Chase "2" State Well No. 1 located 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 2, and from a second well to be drilled at a standard location in the NW/4 of said Section 2. This area is approximately 4 miles east of Carlsbad, New Mexico.

CASE 9175: Application of Santa Fe Energy Operating Partners, L.P. for special pool rules and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the North Hume-Wolfcamp Pool located in Section 5, Township 16 South, Range 34 East, including a provision for 80-acre spacing and proration units and designated well locations. Applicant also seeks approval for its N. H. 5 Federal Well No. 1 located at an unorthodox oil well location for the proposed special pool rules 2466 feet from the North line and 1980 feet from the East line (Unit G) of said Section 5 (being approximately 2.25 miles north of N. M. Milepost No. 158 on U. S. Highway 82).

CASE 8352: (Reopened) (Continued from June 3, 1987, Examiner Hearing) (This case will be continued to August 26, 1987.)

In the matter of Case 8352 being reopened pursuant to the provisions of Division Order No. R-7737, which order established special rules and regulations for the West Bravo Dome Carbon Dioxide Gas Area in Harding County, including a provision for 640-acre spacing units. Interested parties may appear and show cause why the West Bravo Dome Carbon Dioxide Gas Area should not be developed on less than 640-acre spacing and proration units.

CASE 9147: (Continued from June 17, 1987, Examiner Hearing)

Application of Phillips Petroleum Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 120-acre non-standard oil proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 2, Township 19 South, Range 32 East, Undesignated East Lusk-Bone Spring Pool, to be dedicated to its State "1-2" Well No. 1 located at a standard oil well location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 2.

CASE 9164: (Continued from July 1, 1987, Examiner Hearing)

Application of Phillips Petroleum Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Eumont-Queen gas production and Eunice Monument-Grayburg-San Andres oil production in the wellbore of its New Well No. 2 located 1980 feet from the North line and 330 feet from the East line (Unit H) of Section 26, Township 20 South, Range 36 East, being approximately 4½ miles northwest of Oil Center, New Mexico.

CASE 9176: Application of Phillips Petroleum Company for a special (oil) allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a special capacity allowable for Vacuum Grayburg-San Andres Pool production from its Philmex Well No. 19 located 1980 feet from the North line and 560 feet from the East line (Unit H) of Section 35. Applicant further seeks approval of a similar special capacity allowable for Vacuum Grayburg-San Andres Pool production from wells to be drilled in the following 40-acre oil proration units:

NW/4 NE/4 (Unit B) of Section 35;
SW/4 NE/4 (Unit G) of Section 35; and,
NW/4 NW/4 (Unit D) of Section 36.

All of the above-described locations are in Township 17 South, Range 33 East, and are approximately 7 miles west of Buckeye, New Mexico.

CASE 9177: Application of Phillips Petroleum Company for a special (oil) allowable and downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks (1) a special capacity allowable for Eunice Monument (Grayburg-San Andres) Pool production from; and (2) approval to downhole commingle Eumont Gas Pool and Eunice Monument Pool production in the following described New Lease Wells in Section 26, Township 20 South, Range 36 East:

Well No. 1 located 660 feet from the North line and 330 feet from the East line (Unit A); and,
Well No. 2 located 1980 feet from the North line and 330 feet from the East line (Unit H).

Both wells are approximately 4½ miles northwest of Oil Center, New Mexico.

CASE 9178: Application of Phillips Petroleum Company for special depth bracket allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a special depth bracket allowable of 300 barrels of oil per day, pursuant to Division General Rule 505 (d), to be established for the Cabin Lake-Delaware Pool located in Section 2, Township 22 South, Range 30 East (being approximately 5 miles east of the International Minerals & Chemical Corporation Carlsbad Potash Mine and Mill).

CASE 9123: (Continued from June 17, 1987, Examiner Hearing)

Application of Curtis J. Little for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1-E, located 1850 feet from the South line and 800 feet from the East line (Unit I) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9124: (Continued from June 17, 1987, Examiner Hearing)

Application of Rocanville Corporation for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of Section 14, Township 17 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1, located 1100 feet from the North line and 990 feet from the East line (Unit A) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9165: (Continued from July 1, 1987, Examiner Hearing)

Application of Terra Resources, Inc. for a non-standard gas proration unit and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard gas spacing and proration unit comprising the SW/4 of Section 1, Township 22 South, Range 27 East, Undesignated East Carlsbad-Wolfcamp Gas Pool, to be dedicated to a well to be drilled at an unorthodox gas well location 1330 feet from the South line and 660 feet from the West line (Unit L) of said Section 1, said well being approximately 5 miles east of Carlsbad, New Mexico.

CASE 9154: (Continued from July 1, 1987, Examiner Hearing)

Application of Tenneco Oil Company 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 to be drilled 595 feet from the North line and 335 feet from the East line (Unit A) of Section 1, Township 31 North, Range 11 West, Blanco-Pictured Cliffs Pool, the NE/4 of said Section 1 to be dedicated to the well.

Docket No. 23-87

DOCKET: COMMISSION HEARING - THURSDAY - JULY 16, 1987

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

CASE 9134: (Continued from June 18, 1987, Commission Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of Rule 1207(a)7 regarding notice to royalty interest owners.

CASE 9143: (Continued from June 3, 1987, Examiner Hearing)

Application of Amerind Oil Co. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location for a well to be drilled 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 33, Township 16 South, Range 37 East, Shipp-Strawn Pool, the E/2 SW/4 of said Section 33 to be dedicated to the well.

CASE 9068: (De Novo) (Continued from June 18, 1987, Commission Hearing)

Application of Sage Energy 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 West Tres Papalotes-Pennsylvanian Pool in the perforated interval from approximately 10,401 feet to 10,410 feet in its New Mexico State Well No. 1 located 560 feet from the North and East lines (Unit A) of Section 31, Township 14 South, Range 34 East.

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

CASE 9073: (De Novo) (Continued from June 18, 1987, Commission Hearing)

Application of Mallon Oil Company for the reinstatement of oil production allowables and an exception to the provisions of Division General Rule 502 for certain wells located in the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order reinstating the oil allowables which should have been assigned to the following described wells, all in Township 25 North, Range 2 West, Gavilan-Mancos Oil Pool, for the months of January, February, March, and April, 1986. Applicant further seeks an exemption to the provisions of Division General Rule 502 which limit the period of time an operator is given to make up any overproduction of oil and casinghead gas:

Howard Federal "1" Well No. 8 located in Unit H of Section 1;
Howard Federal "1" Well No. 11 located in Unit K of Section 1;
Fisher Federal "2" Well No. 1 located in Unit A of Section 2;
Ribeyowids Federal "2" Well No. 16 located in Unit P of Section 2; and,
Johnson Federal "12" Well No. 5 located in Unit E of Section 12.

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

CASE 8951: (Continued from June 18, 1987, Commission Hearing)

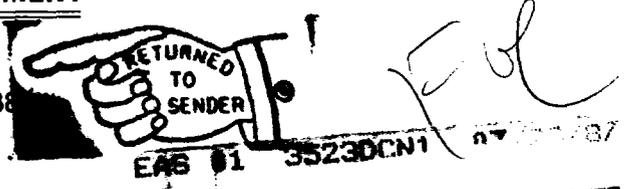
Application of Benson-Montin-Greer Drilling Corporation for the amendment of Division Order No. R-8124, Rio Arriba County, New Mexico. The New Mexico Oil Conservation Division by Division Order No. R-8124, dated January 16, 1986, issued in Case 8745, authorized the applicant to conduct a long-term reservoir pressure test in the Mancos formation using certain wells in Rio Arriba County and further authorized the shut-in of certain wells and provided six months after completion of the test during which certain accumulated underproduction can be made up. Applicant, in the above-styled cause, now seeks the amendment of said Order No. R-8124 to provide for twelve months after completion of the reservoir pressure test during which to make up the accumulated underproduction of certain wells resulting from the test. Applicant further requests that all other provisions in said Order No. R-8124 remain in full force and effect.

CASE 9111: (Continued from June 18, 1987, Commission Hearing)

Application of Benson-Montin-Greer Drilling Corporation for the expansion of the BMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the expansion of the BMG West Puerto Chiquito-Mancos Pressure Maintenance Project Area as promulgated by Division Order No. R-3401, as amended, to include certain lands in Townships 24, 25, and 26 North, Range 1 West.

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088



EAG 01 3523DCN1 n 7/27/87

**RETURN TO SENDER
NO FORWARDING ORDER ON FILE
UNABLE TO FORWARD**

Eastern Indemnity Company
of Maryland
6001 Montrose Road
Rockville, Maryland

- Moved, left no address
- No such number
- Moved, not forwardable
- Addressee unknown



Dockets Nos. 25-87 and 26-87 are tentatively set for August 12 and 26, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 29, 1987

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 9169: (Continued from July 15, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit C. R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O. F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9179: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Turman & Hayes, Western Surety Company, and all other interested parties to appear and show cause why the following four wells located on the "B" Lee State Lease in Section 7, Township 18 South, Range 35 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program:

- Well No. 1 located 1650 feet from the North line and 2236 feet from the West line (Unit F);
- Well No. 3 located 2319 feet from the North line and 918 feet from the West line (Unit E);
- Well No. 4 located 2055 feet from the South line and 660 feet from the West line (Unit L); and,
- Well No. 5 located 994 feet from the South line and 330 feet from the West line (Unit M).

All of these wells are located approximately 2.5 to 3 miles south of Buckeye, New Mexico.

CASE 9180: Application of Yates Petroleum Corporation for compulsory pooling and a non-standard oil proration unit, 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 either the NE/4 SW/4 (Unit K) of Section 30, Township 19 South, Range 25 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the E/2 SW/4 and Lots 3 and 4 of said Section 30 to form a non-standard 162.76-acre oil spacing and proration unit within the North Dagger Draw-Upper Pennsylvanian Pool, both aforementioned 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. Said location is approximately 8.75 miles west of Lakewood, New Mexico.

CASE 9181: Application of Yates Petroleum 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 from the surface to the base of the Strawn formation underlying either the NW/4 SE/4 of Section 26, Township 16 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit within said vertical limits or the W/2 SE/4 of said Section 26 to form a standard 80-acre spacing and proration unit within the Undesignated West Knowles-Drinkard and Undesignated Casey-Strawn Pools, both aforementioned units to be dedicated to a well to be drilled at an unorthodox oil well location 2400 feet from the South line and 1850 feet from the East line (Unit J) of said Section 26. 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 location is approximately 8.5 miles east-northeast of Lovington, New Mexico.

CASE 9171: (Continued from July 15, 1987, Examiner Hearing)

Application of MorOilCo, 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 Yates, Seven Rivers, and Queen formations in the perforated interval from approximately 3951 feet to 3995 feet and in the open hole interval from approximately 4064 feet to 5000 feet in the Atlantic Richfield Company's Mescalero Ridge Unit "MA" Well No. 31 located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 21, Township 19 South, Range 34 East, Undesignated Pearl-Queen Pool and Quail Ridge-Yates Gas Pool, which is approximately 2.5 miles north of N. M. Milepost No. 77 on U. S. Highway 62/180.

CASE 9174: (Continued from July 15, 1987, Examiner Hearing)

Application of Santa Fe Energy Operating Partners, L.P. for simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to simultaneously dedicate East Carlsbad-Wolfcamp Gas Pool production to the W/2 of Section 2, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for said pool, from its existing Chase "2" State Well No. 1 located 990 feet from the South line and 1980 feet from the West line (Unit N) of said Section 2, and from a second well to be drilled at a standard location in the NW/4 of said Section 2. This area is approximately 4 miles east of Carlsbad, New Mexico.

CASE 9182: Application of Sage Energy Company for a waterflood project, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks authority to institute a pilot waterflood project in the Bough "C" formation by the injection of water into the perforated interval from approximately 10,392 feet to 10,407 feet in its New Mexico "30" State Well No. 1 located 1980 feet from the South line and 800 feet from the East line (Unit I) of Section 30, Township 14 South, Range 34 East, West Tres Papalotes-Pennsylvanian Pool, being 13.25 miles west of Hilburn City, New Mexico.

CASE 9130: (Continued from June 3, 1987, Examiner Hearing) (THIS CASE WILL BE DISMISSED.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 660 feet from the North and East lines of Section 27, Township 22 South, Range 34 East, to test the Morrow formation, the N/2 of said Section 27 to be dedicated to the well.

CASE 9131: (Continued from June 3, 1987, Examiner Hearing) (THIS CASE WILL BE DISMISSED.)

Application of Apache Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 1980 feet from the South line and 990 feet from the East line of Section 22, Township 22 South, Range 34 East, to test the Morrow formation, the S/2 of said Section 22 to be dedicated to the well.

CASE 9172: (Readvertised)

Application of Nearburg Producing 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 to be drilled 1200 feet from the South line and 760 feet from the East line (Unit P) of Section 12, Township 17 South, Range 37 East, Humble City-Strawn Pool, the S/2 SE/4 of said Section 12 to be dedicated to the well. Said well is approximately 4 miles west of the community of Knowles, New Mexico.

CASE 9183: Application of Reading & Bates Petroleum Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos Oil Pool underlying all of Section 16, Township 25 North, Range 2 West, to form a standard 640-acre oil spacing and proration unit for said pool to be dedicated to its Ingram Federal "16" Well No. 43 drilling at a standard oil well location 2025 feet from the South line and 915 feet from the East line (Unit I) of said Section 16. 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 location is approximately 6.5 miles north of Lindrith, New Mexico.CASE 9184: Application of Reading & Bates Petroleum Company for a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the Special Rules and Regulations for the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, as amended, to form a non-standard 320-acre oil spacing and proration unit comprising the E/2 of Section 16, Township 25 North, Range 2 West, to be dedicated to its Ingram Federal "16" Well No. 43 located at a standard oil well location 2025 feet from the South line and 915 feet from the East line (Unit I) of said Section 16 (being approximately 6.5 miles north of Lindrith, New Mexico.)CASE 9185: 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 and Roosevelt Counties, New Mexico:

(a) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Pennsylvanian production and designated as the Tule-Pennsylvanian Gas Pool. The discovery well is the Marshall Pipe and Supply Company J. T. McGee Well No. 1 located in Unit B of Section 27, Township 2 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 27: N/2

- (b) EXTEND the EK-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 30: NW/4

- (c) EXTEND the Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 11: NW/4

- (d) EXTEND the Oil Center-Glorieta Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 3: SE/4

- (e) EXTEND the Southwest Osudo-Wolfcamp Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 23: SE/4

- (f) EXTEND the Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 28: S/2
Section 33: NE/4

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 3: W/2
Section 10: N/2

- (g) EXTEND the Querecho Plains-Lower Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 26: NW/4

- (h) EXTEND the Sanmal-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 2: SE/4

- (i) EXTEND the South Shoe Bar-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 6: W/2

- (j) EXTEND the West Teas Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 9: NW/4

- (k) EXTEND the Tule-Montoya Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 27: N/2

CASE 9186: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order contracting and extending the vertical and horizontal limits of certain pools in Eddy County, New Mexico:

- (a) CONTRACT the Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 11: W/2, W/2 E/2, and E/2 SE/4

- (b) EXTEND the Grayburg Jackson Queen-Grayburg-San Andres-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 11: W/2, W/2 E/2, and E/2 SE/4

(c) EXTEND the Artesia Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 26: E/2

(d) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 19: SE/4

(e) EXTEND the West Sand Dunes-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 33: All

(f) EXTEND the North Shugart-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 9: N/2

(g) EXTEND the vertical limits of the North Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include the Queen formation and redesignate said pool as the North Square Lake Queen-Grayburg-San Andres Pool.

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088



Mr. Carl R. Robinson
900 Country Club Drive #E203
Rio Rancho, New Mexico 87174



ATTEMPTED UNKNOWN () UNCLAIMED
() NO RECEPTACLE () TEMP AWAY
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Dockets Nos. 28-87 and 29-87 are tentatively set for September 23 and October 7, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 9, 1987

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:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for October, 1987, from fourteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for October, 1987, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9169: (Continued from August 12, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit C.R. (Carl) Robinson, John Iley, Eastern Indemnity Company of Maryland, and all other interested parties to appear and show cause why the O.F. Baca Well No. 1 located 660 feet from the North line and 1920 feet from the West line (Unit C) of Section 3, Township 5 North, Range 4 East, Valencia County, New Mexico, as projected into the Tome Land Claim, should not be plugged and abandoned in accordance with a Division-approved plugging program, said well being located approximately 15 miles east of Belen, New Mexico.

CASE 9179: (Continued from August 12, 1987, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Turman & Hayes, Western Surety Company, and all other interested parties to appear and show cause why the following four wells located on the "B" Lee State Lease in Section 7, Township 18 South, Range 35 East, Lea County, should not be plugged and abandoned in accordance with a Division-approved plugging program:

Well No. 1 located 1650 feet from the North line and 2236 feet from the West line (Unit F);
Well No. 3 located 2319 feet from the North line and 918 feet from the West line (Unit E);
Well No. 4 located 2055 feet from the South line and 660 feet from the West line (Unit L);
and Well No. 5 located 994 feet from the South line and 330 feet from the West line (Unit M).

All of these wells are located approximately 2.5 to 3 miles south of Buckeye, New Mexico.

CASE 9206: Application of Tipperary Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an exploratory unit area comprising 160 acres of State lands underlying the SW/4 of Section 29, Township 16 South, Range 37 East, said acreage being approximately 5.5 miles southeast of Lovington, New Mexico.

CASE 8863: (Continued from August 12, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8863 being reopened upon application of Alana Oil and Gas Corporation to vacate or modify Division Order No. R-8210 entered in said Case 8863, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplete the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8210:

Samantha Well No. 1 located 1580' FSL - 1202' FWL (Unit L),
Samantha Well No. 2 located 1985' FSL - 2290' FWL (Unit K),
Samantha Well No. 3 located 1105' FSL - 2490' FWL (Unit N),
all in Section 26, Township 28 North, Range 1 East; and
Alana Well No. 1 located 511' FSL - 2144' FWL (Unit N) of
Section 11, Township 27 North, Range 1 West.

CASE 8864: (Continued from August 12, 1987, Examiner Hearing) (Reopened)

In the matter of Case 8864 being reopened upon the application of Suntex Energy Corporation to vacate or modify Division Order No. R-8223 entered in said Case 8864, Rio Arriba County, New Mexico. Applicant seeks to complete or recomplete the following wells which were ordered plugged pursuant to the provisions of said Order No. R-8223:

Suntex Well No. 1 located 1824' FNL - 570' FWL (Unit E) of Section 26,
Suntex Well No. 2 located 660' FSL - 365' FEL (Unit P) of Section 22,

Suntex Well No. 3 located 1858' FNL - 1800' FWL (Unit F) of Section 14,
Suntex Well No. 4 located 935' FNL - 1650' FWL (Unit C) of Section 23,
Suntex Well No. 5 located 2004' FSL - 2310' FWL (Unit K) of Section 11, and
Suntex Well No. 6 located 1980' FSL - 660' FWL (Unit L) of Section 23,
all in Township 28 North, Range 1 East.

CASE 9074: (Continued from August 12, 1987, Examiner Hearing) (Reopened)

In the matter of Case 9074 being reopened upon application of Suntex Energy Corporation to vacate or modify Division Order No. R-8404 entered in said Case 9074, Rio Arriba County, New Mexico. Applicant seeks to complete or recumplete the following wells formerly operated by Texas Rose Petroleum, Inc. which were ordered plugged pursuant to the provisions of said Order No. R-8404:

Well No. 1 located 1824' FSL - 1778' FEL (Unit J) of Section 14,
Well No. 2 located 618' FSL - 2418' FWL (Unit N) of Section 14,
Well No. 3 located 967' FSL - 2148' FWL (Unit N) of Section 11,
Well No. 7 located 990' FSL - 2310' FEL (Unit O) of Section 14, and
Well No. 8 located 2310' FS and WL (Unit K) of Section 14,
all on the El Poso Ranch Lease in Township 28 North, Range 1 East, as
projected into the unsurveyed Tierra Amarilla Land Grant.

CASE 9207: Application of Western Oil Producers, Inc. for an Unorthodox Gas Well Location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 1, Township 22 South, Range 27 East, Undesignated East Carlsbad-Wolfcamp Gas Pool, the S/2 of said Section 1 to be dedicated to the well. Said location is approximately 5 miles east of Carlsbad, New Mexico.

CASE 9189: (Readvertised)

Application of Ray Westall for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Cherry Canyon formation in the perforated interval from approximately 3670 feet to 3720 feet in its Merland Well No. 1 located 990 feet from the South line and 1870 feet from the East line (Unit O) of Section 24, Township 22 South, Range 26 East, South Carlsbad-Delaware Pool. Said well is approximately 400 yards northeast of the intersection of Hidalgo Road and Mescalero Road in Carlsbad, New Mexico.

CASE 9208: Application of Hixon Development Company for a gas storage well, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization to utilize its Carson Unit Well No. 24-18 located 660 feet from the South line and 1930 feet from the West line (Unit N) of Section 18, Township 25 North, Range 11 West (which is approximately 5 miles south-southwest of the Carson Trading Post), as a gas storage well.

CASE 9123: (Continued from August 12, 1987, Examiner Hearing)

Application of Curtis J. Little for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1-E, located 1850 feet from the South line and 800 feet from the East line (Unit 1) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9124: (Continued from August 12, 1987, Examiner Hearing)

Application of Rocanville Corporation for a non-standard gas proration unit and for an exception to Rule 5(a)2(2) of Division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of Section 14, Township 17 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1, located 1100 feet from the North line and 990 feet from the East line (Unit A) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9191: (Readvertised) (This case will be dismissed.)

Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order, pursuant to Division General Rule 1207.1.(ii), pooling all mineral interests in the Strawn and Atoka formations underlying the S/2 SE/4 of Section 28, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian Pools, forming a standard 80-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks a 200

percent penalty to be assessed as a charge for the risk involved in the drilling of said well, \$5,000.00 per month while drilling and \$500.00 per month while producing to be fixed as reasonable charges, and that the applicant be named operator of said well and unit. Said location is approximately 6.5 miles east-southeast of Lovington, New Mexico. IF THERE ARE NO OBJECTIONS THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 9209: Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn and Atoka formations underlying the W/2 SW/4 of Section 27, Township 16 South, Range 37 East, Undesignated Casey-Strawn, Undesignated West Casey-Strawn, and Undesignated Northeast Lovington-Pennsylvanian Pools, forming a standard 80-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. Said location is approximately 7 miles southeast of Lovington, New Mexico.

CASE 9210: Application of Pelto Oil Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purposes of establishing a secondary recovery project, all mineral interests in the Twin Lakes-San Andres Associated Pool underlying 4863.82 acres, more or less, of State and Fee lands in either all or portions of the following described lands: Sections 25, 26, 35, and 36, Township 8 South, Range 28 East; Sections 30, 31, and 32, Township 8 South, Range 29 East; Sections 1, 2, and 12, Township 9 South, Range 28 East; and Sections 5, 6, 7, 8, and 18, Township 9 South, Range 29 East. The center of said area is approximately 9 miles south of Elkins, New Mexico. Said unit is to be designated the Twin Lakes-San Andres Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in well and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 9211: Application of Pelto Oil Company for a water flood project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the San Andres formation in its proposed Twin Lakes-San Andres Unit Area (Division Case No. 9210) underlying portions of Township 8 and 9 South, Ranges 28 and 29 East, Twin Lakes-San Andres Associated Pool. Said area is centered approximately 9 miles south of Elkins, New Mexico.

CASE 9168: (Continued from August 12, 1987, Examiner Hearing)

Application of J. (James) A. Davidson for a determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as an interested owner in the Marathon Oil Company Benson Well No. 1 located 330 feet from the South line and 990 feet from the East line (Unit P) of Section 14, Township 16 South, Range 38 East (located approximately 2 1/2 miles south of the old Hobbs Army Air Corps Auxiliary Airfield No. 1 on State Highway No. 132), which was drilled pursuant to the compulsory pooling provisions of Division Order No. R-8282, as amended, seeks an order ascertaining the reasonableness of actual well costs for the subject well.

CASE 8668: (Reopened) (This case will be continued to October 7, 1987.)

In the matter of Case No. 8668 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8031, issued in said Case No. 8668 and dated September 27, 1985, which granted the application of Doyle Hartman to compulsorily pool all mineral interests from the surface to the base of the Langlie-Mattix Pool underlying the SE/4 SE/4 (Unit P) of Section 23, 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. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 8769: (Reopened) (This case will be continued to October 7, 1987.)

In the matter of Case No. 8769 being reopened upon application of Howard Olsen to reconsider the provisions of Division Order No. R-8091, issued in said Case No. 8769 and dated December 6, 1985, which granted the application of Doyle Hartman to compulsorily pool 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. Said well is located approximately 4 miles east of Jal, New Mexico.

CASE 9212: In the matter of the hearing called by the Oil Conservation Division called on its own motion for an order creating and extending certain pools in Chaves and Lea Counties, New Mexico:

(a) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Abo production and

designated as the Oasis-Nbo Gas Pool. The discovery well is the Tom Brown, Inc. Middlebrook "J" Well No. 1 located in Unit K of Section 3, Township 10 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 30 EAST, NMPM
Section 3: SW/4

- (b) EXTEND the North Hume-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15, SOUTH, RANGE 33 EAST, NMPM
Section 36: SW/4

- (c) EXTEND the Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25, SOUTH, RANGE 34 EAST, NMPM
Section 3: NE/4

- (d) EXTEND the Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24, SOUTH, RANGE 34 EAST, NMPM
Section 27: W/2
Section 28: N/2

TOWNSHIP 25, SOUTH, RANGE 34 EAST, NMPM
Section 4: S/2
Section 9: N/2

- (e) EXTEND the Reeves-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18, SOUTH, RANGE 35 EAST, NMPM
Section 11: SE/4
Section 14: NE/4

- (f) EXTEND the San Simon-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22, SOUTH, RANGE 35 EAST, NMPM
Section 4: NE/4

- (g) EXTEND the Shipp-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16, SOUTH, RANGE 37 EAST, NMPM
Section 33: SE/4

- (h) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

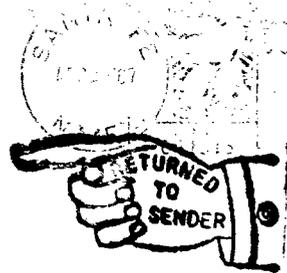
TOWNSHIP 18, SOUTH, RANGE 32 EAST, NMPM
Section 11: NE/4

ENERGY and MINERALS DEPARTMENT

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

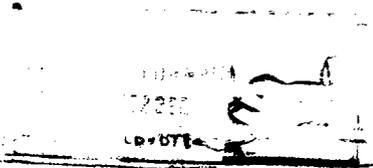
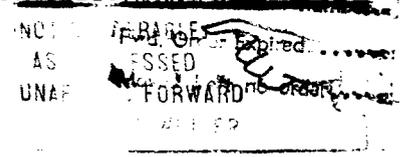
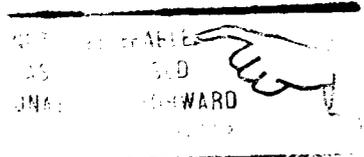
John McNamee

4535



Eastern Indemnity Co.
of Maryland
2500 Louisiana Blvd., N.E.
Suite 509
Albuquerque, New Mexico 87110

REASON CHECKED
Unclaimed... Refused...
Addressee unknown...
Insufficient Address...
No such street...
No such city...



STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

April 29, 1987

POST OFFICE BOX 2068
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

CERTIFIED - RETURN
RECEIPT REQUESTED

FINAL NOTICE

Mr. Carl R. Robinson
765 Casper Road, S.E.
Rio Rancho, New Mexico 87124

Re: O. F. Baca Well No. 1
C-3-5N-4E
Valencia County, New Mexico

Dear Mr. Robinson:

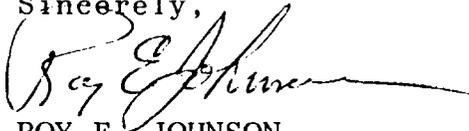
On June 11, 1985, you were notified by mail by the Division Director that your request for extension of temporary abandonment status for the above-referenced well was denied and that the well should be plugged and abandoned in conformance with OCD rules and regulations. Subsequent letters dated July 25, 1985, January 10, 1986, July 7, 1986, and October 17, 1986 requested your cooperation in plugging, testing, or deepening the well.

You are hereby given a final 30 days, or until May 29, 1987 to perform the following:

- A. File a Form C-103, detailing either a proposed plugging and abandonment procedure to be submitted in accordance to OCD Rule 1103 and approved by the Division, or a detailed notice of intention to deepen the well; and
- B. Completion of the above proposed and approved plugging and abandonment or deepening of the well.

Failure to perform both A and B by May 29, 1987 will result in the forfeiture of your plugging bond and initiation of a forced plugging case set for the next available examiner's hearing. Copies of OCD Form C-103 and Rule 1103 are enclosed

Sincerely,

A handwritten signature in cursive script, appearing to read "Roy E. Johnson".

ROY E. JOHNSON,
Sr. Petroleum Geologist

REJ/JB/dr

enclosure

xc: Eastern Indemnity Company of Maryland
Jeff Taylor, Division Attorney

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS



PENALTY FOR PRIVATE
USE \$300

SENDER INSTRUCTIONS
Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.

RETURN TO 

OIL CONSERVATION DIVISION
(Name of Sender)

P. O. BOX 2088

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

SANTA FE, NEW MEXICO 87504-2088

(City, State, and ZIP Code)

PS Form 3811, July 1983 447-945

<p>SENDER: Complete items 1, 2, 3 and 4.</p> <p>Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. <u>The return receipt fee will provide you the name of the person delivered to and the date of delivery.</u> For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.</p>	
1. <input checked="" type="checkbox"/> Show to whom, date and address of delivery.	
2. <input type="checkbox"/> Restricted Delivery.	
3. Article Addressed to: Carl R. Robinson 765 Casper Road, S.E. Rio Rancho, New Mexico 87124	
4. Type of Service: <input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	Article Number P 612 458 729
Always obtain signature of addressee <u>or</u> agent and <u>DATE DELIVERED.</u>	
5. Signature - Addressee X	
6. Signature - Agent X	
7. Date of Delivery	
8. Addressee's Address (<i>ONLY if requested and fee paid</i>)	

DOMESTIC RETURN RECEIPT



STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
 OIL CONSERVATION DIVISION

TONY ANAYA
 GOVERNOR

February 22, 1983

POST OFFICE BOX 2088
 STATE LAND OFFICE BUILDING
 SANTA FE, NEW MEXICO 87501
 (505) 827-5800

Eastern Indemnity Company of Maryland
 2500 Louisiana Blvd., N.E.
 Suite 509
 Albuquerque, New Mexico 87110

Case 9169

Re: \$7,500 One-Well Plugging Bond
 John Iley and Carl Robinson,
 Principal
 Eastern Indemnity Company of
 Maryland, Surety; NE/4 NW/4
 of Section 3, T-5-N, R-4-E,
 Valencia County, Depth: 5000'
 Bond No. 321-018

Gentlemen:

The Oil Conservation Division hereby approves the above-referenced one-well plugging bond effective this date. It is my understanding that a rider showing the actual footage location is forthcoming.

Sincerely,

JOE D. RAMEY
 Director

P 612 458 317

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
 NOT FOR INTERNATIONAL MAIL

(See Reverse)

fd/

cc: Oil Conservation Division
 Santa Fe, New Mexico

* U.S.G.P.O. 1983-403-517

Sent to Carl R. Robinson	
Street and No. 765 Casper Road, S.E.	
P.O. State and ZIP Code Rio Rancho, N.M. 87124	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

* S Form 3800, Feb. 1982



TONEY ANAYA
GOVERNOR

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

50 YEARS



1935 - 1985

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

July 25, 1985

Mr. Carl R. Robinson
765 Casper Rd. S.E.
Rio Rancho, NM 87124

RE: O. F. Baca Well NO. 1
Section 3, T5N, R4E
Valencia County, NM

Case 9169

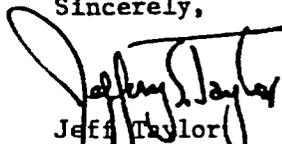
Dear Mr. Robinson:

On June 11, 1985, you were notified by mail by the Division Director that your request for extension of temporary abandonment status for the above-referenced well was being denied and that the well should be plugged and abandoned in conformance with OCD rules and regulations. These rules require, among other things, that the proposed plugging program be approved by the Division prior to initiation of plugging activities.

Your failure to respond to the Director's letter of June 11, by submitting a proposed plugging program, constitutes a violation of Division rules, for which you may be fined up to one thousand dollars a day. Moreover, your failure may result in the forfeiture of your plugging bond and initiation of a case by the Division to have the well plugged by order of the OCD.

If you do not contact Mr. Johnson with a proposed plugging program within ten days of receipt of this letter, I will schedule a show cause hearing at the next available date, which will ultimately result in forfeiture of your bond.

Sincerely,


Jeff Taylor
General Counsel

cc: Eastern Indemnity Company of Maryland
John Iley
Roy Johnson

JT/bok

STATE OF NEW MEXICO

ONE-WELL PLUGGING BOND

FOR ALL COUNTIES EXCEPT:
CHAVES, EDDY, LEA, MCKINLEY, RIO ARRIBA, ROOSEVELT,
SANDOVAL, AND SAN JUAN

BOND NO. 321-018
(For Use of Surety Company)

AMOUNT OF BOND \$ 7,500.00

COUNTY Valencia

NOTE: For wells less than 5,000 feet deep, the minimum bond is \$7,500.00*
For wells 5,000 to 10,000 feet deep, the minimum bond is \$10,000.00*
For wells more than 10,000 feet deep, the minimum bond is \$12,500.00

* Under certain conditions, a well being drilled under a \$7,500.00 or \$10,000.00 bond may be permitted to be drilled as much as 500 feet deeper than the actual maximum depth.
i.e., a well being drilled under a \$7,500.00 bond may be permitted to go to 5,499 feet, and a well being drilled under a \$10,000.00 bond may be permitted to go to 10,500 feet.
(See Rule 101)

File with Oil Conservation Division, P.O. Box 2088, Santa Fe 87501

KNOW ALL MEN BY THESE PRESENTS:

That John Iley and Carl Robinson, (An individual) (a partnership)
(a corporation organized in the State of N/A, with its principal office in the city of
Albuquerque, State of New Mexico, and authorized to do business
in the State of New Mexico), as PRINCIPAL, and Eastern Indemnity Company of Maryland, a
corporation organized and existing under the laws of the State of Maryland,
and authorized to do business in the State of New Mexico, as SURETY, are held firmly bound unto the State of New
Mexico, for the use and benefit of the Oil Conservation Division of New Mexico pursuant to Section 65-3-11, New
Mexico Statutes Annotated, 1953 Compilation, as amended, in the sum of Seven Thousand Five Hundred
Dollars lawful money of the United States, for the payment of which, well and truly to be made, said PRINCIPAL and
SURETY hereby bind themselves, their successors and assigns, jointly and severally, firmly by these presents.

The conditions of this obligation are such that:

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases with the State of New Mexico; and

WHEREAS, The above principal has heretofore or may hereafter enter into oil and gas leases, or carbon dioxide (CO₂) gas leases, or helium gas leases on lands patented by the United States of America to private individuals, and on lands otherwise owned by private individuals; and

WHEREAS, The above principal, individually, or in association with one or more other parties, has commenced or may commence the drilling of one well not to exceed a depth of Five Thousand feet, to prospect for and produce oil or gas, or carbon dioxide (CO₂) gas or helium gas, or does own or may acquire, own or operate such well, or such well started by others on land embraced in said State oil and gas leases, or carbon dioxide (CO₂) leases, or helium gas leases, and on land patented by the United States of America to private individuals, and on land otherwise owned by private individuals, the identification and location of said well being C NE 1/4

(Here state exact legal subdivision by 40 acre tract or less)
Section 3, Township 5 (North) (~~South~~), Range 4 (East) (~~West~~), N.M.P.M.
Valencia County, New Mexico.

NOW, THEREFORE, If the above bounden principal and surety or either of them or their successors or assigns, or any of them, shall plug said well when dry or when abandoned in accordance with the rules, regulations, and orders of the Oil Conservation Division of New Mexico in such way as to confine the oil, gas, and water in the strata in which they are found, and to prevent them from escaping into other strata;

THEN, THEREFORE, This obligation shall be null and void; otherwise and in default of complete compliance with any and all of said obligations, the same shall remain in full force and effect.

John Iley and Carl Robinson
PRINCIPAL

EASTERN INDEMNITY COMPANY OF MARYLAND
SURETY
2500 Louisiana Blvd., N.E.-Suite 509
Albuquerque, NM 87110

Address
By [Signature]
Signature
By [Signature]
Title

Address
By [Signature]
Attorney-in-Fact
John R. Cloak

(Note: Principal, if corporation, affix corporate seal here.)

(Note: Corporate surety affix corporate seal here.)

ACKNOWLEDGEMENT FORM FOR NATURAL PERSONS

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss.

On this Eighteenth day of February, 1983, before me personally appeared John Iley and Carl Robinson, to me known to be the person (persons) described in and who executed the foregoing instrument and acknowledged that he (they) executed the same as his (their) free act and deed.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

December 7, 1985
My Commission expires [Signature]
Notary Public

ACKNOWLEDGEMENT FORM FOR CORPORATION

STATE OF _____)
COUNTY OF _____) ss.

On this _____ day of _____, 19____, before me personally appeared _____, to me personally known who, being by me duly sworn, did say that he is _____ of _____ and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

Notary Public
My Commission expires _____

ACKNOWLEDGEMENT FORM FOR CORPORATE SURETY

STATE OF NEW MEXICO)
COUNTY OF BERNALILLO) ss.

On this Eighteenth day of February, 1983, before me appeared John R. Cloak, to me personally known, who, being by me duly sworn, did say that he is Attorney-in-Fact of Eastern Indemnity Company of Maryland and that the foregoing instrument was signed and sealed on behalf of said corporation by authority of its board of directors, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year in this certificate first above written.

December 7, 1985
My Commission expires _____
(Note: Corporate surety attach power of attorney.) [Signature]
Notary Public

APPROVED BY:

OIL CONSERVATION DIVISION OF NEW MEXICO
By [Signature]
Date February 22, 1983

CERTIFIED COPY OF POWER OF ATTORNEY

KNOW ALL MEN BY THESE PRESENTS, that the EASTERN INDEMNITY COMPANY OF MARYLAND, 6001 MONTROSE ROAD, ROCKVILLE, MARYLAND, A Maryland Corporation, has constituted and appointed, and does hereby constitute and appoint John R. Cloak its true and lawful Attorney-in-Fact to execute under such designation in its name and to affix its corporate seal to and deliver for and on its behalf as surety thereon or otherwise all bonds and undertakings of any kind or nature and such other instruments as might be required in the normal course of business without limitation whatsoever.

IN WITNESS WHEREOF, the said EASTERN INDEMNITY COMPANY OF MARYLAND has, pursuant to its By-Laws, caused these presents to be signed by its President and its corporate seal to be hereto affixed this 18th day of February 1983 .

EASTERN INDEMNITY COMPANY OF MARYLAND

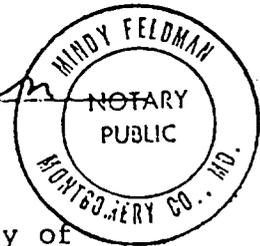
C. Graham Perkins
C. GRAHAM PERKINS, PRESIDENT

STATE OF MARYLAND
COUNTY OF MONTGOMERY

On the above day before me personally came C. Graham Perkins, known to be the President of Eastern Indemnity Company of Maryland, the Corporation described in and which executed the foregoing Power of Attorney and the said C. Graham Perkins being by me duly sworn, did depose and say that he is President of Eastern Indemnity Company of Maryland and knows the corporate seal thereof; that the seal affixed to the foregoing Power of Attorney is such corporate seal and was thereto affixed by authority of the Company By-Laws and that he signed said Power of Attorney as President of said Company by like authority, and acknowledged same to be the act and deed of said Corporation.

Acknowledged and Sworn to before me on the date above written.

Mindy Feldman
NOTARY PUBLIC
MINDY FELDMAN
NOTARY PUBLIC STATE OF MARYLAND
My Commission Expires July 1, 1986



CITY OF ROCKVILLE
COUNTY OF MONTGOMERY

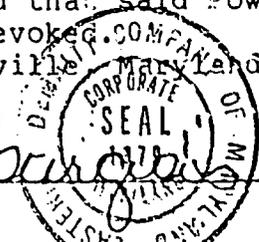
I, the undersigned, Secretary of Eastern Indemnity Company of Maryland, do hereby certify that the following is a true excerpt from the By-Laws of the said Company as adopted by its Board of Directors on August 21, 1979 and that this By-Law is in full force and effect:

"Article VI"

"Section 3. The President may sign, execute and deliver in the name of the corporation powers of attorney, contracts, bonds, and other obligations."

And I further certify that I have compared the foregoing copy of the Power of Attorney with the original thereof and the same is a correct and true copy of the whole of said original Power of Attorney and that said Power of Attorney and that said Power of Attorney has not been revoked. Given under my hand and the seal of the Company at Rockville, Maryland this 18th day of February , 1983 .

Charles A. Bourgeois
SECRETARY



11/30/82

P 612 458 729

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517
★ S Form 3800, Feb. 1982

Sent to Carl R. Robinson	
Street and No. 765 Casper Road, S.E.	
P.O., State and ZIP Code Rio Rancho, N.M. 87124	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

P 612 458 730

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED
NOT FOR INTERNATIONAL MAIL

(See Reverse)

★ U.S.G.P.O. 1983-403-517
S Form 3800, Feb. 1982

Sent to	
Eastern Indemnity Co. of I	
Street and No.	
2500 Louisiana Blvd., N.E	
City, State and ZIP Code	
Albuquerque, N.M. 87110	
Postage	\$
Certified Fee	
Special Delivery Fee	
Restricted Delivery Fee	
Return Receipt Showing to whom and Date Delivered	
Return receipt showing to whom, Date, and Address of Delivery	
TOTAL Postage and Fees	\$
Postmark or Date	

PS Form 3811, July 1983 447-845

SENDER: Complete items 1, 2, 3 and 4.

Put your address in the "RETURN TO" space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for service(s) requested.

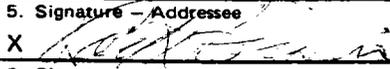
1. Show to whom, date and address of delivery.

2. Restricted Delivery.

3. Article Addressed to:
 Eastern Indemnity Co. of Maryland
 2500 Louisiana Blvd., N.E.
 Suite 509
 Albuquerque, New Mexico 87110

4. Type of Service:	Article Number
<input type="checkbox"/> Registered <input type="checkbox"/> Insured <input checked="" type="checkbox"/> Certified <input type="checkbox"/> COD <input type="checkbox"/> Express Mail	P 612 458 730

Always obtain signature of addressee or agent and DATE DELIVERED.

5. Signature - Addressee
 X 

6. Signature - Agent
 X

7. Date of Delivery

8. Addressee's Address (*ONLY if requested and fee paid*)

DOMESTIC RETURN RECEIPT

UNITED STATES POSTAL SERVICE

OFFICIAL BUSINESS

SENDER INSTRUCTIONS

Print your name, address, and ZIP Code in the space below.

- Complete items 1, 2, 3, and 4 on the reverse.
- Attach to front of article if space permits, otherwise affix to back of article.
- Endorse article "Return Receipt Requested" adjacent to number.



REGALTY FOR PRIVATE USE \$300

RETURN TO

OIL CONSERVATION DIVISION
(Name of Sender)

POST OFFICE BOX 2088

(No. and Street, Apt., Suite, P.O. Box or R.D. No.)

SANTA FE, NEW MEXICO 87504-2088

(City, State, and ZIP Code)

STATE OF NEW MEXICO

ENERGY AND MINERALS DEPARTMENT

OIL CONSERVATION DIVISION



GARREY CARRUTHERS
GOVERNOR

June 29, 1987

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87501
(505) 827-5800

CERTIFIED - RETURN
RECEIPT REQUESTED

Mr. Carl R. Robinson
765 Casper Road, S.E.
Rio Rancho, New Mexico 87124

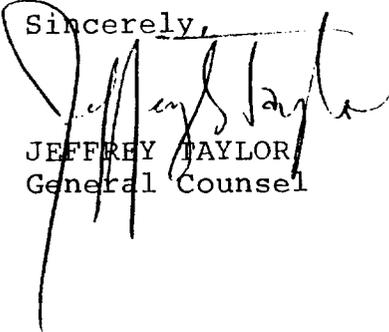
Eastern Indemnity Company of Maryland
2500 Louisiana Blvd., N.E.
Suite 509
Albuquerque, New Mexico 87110

Re: John Iley and Carl Robinson
O. F. Baca Well No. 1, located
in Unit C of Section 3, Town-
ship 5 North, Range 4 East,
Valencia County
Plugging Bond

Gentlemen:

Enclosed is a copy of the notice of publication of the
Examiner Hearing to be held on Wednesday, July 15, 1987, at
8:15 a.m. in the Oil Conservation Division Conference Room,
State Land Office Building, Santa Fe, New Mexico. Case 9169
concerns the above-captioned subject matter.

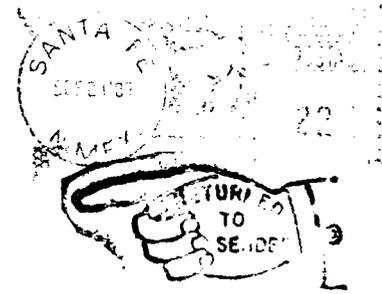
Sincerely,


JEFFREY TAYLOR
General Counsel

JT/fd
enc.

**ENERGY, MINERALS AND NATURAL
RESOURCES DEPARTMENT**

Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504-2088



Eastern Indemnity Company of Maryland
2500 Louisiana Blvd., N.E.
Suite 509
Albuquerque, New Mexico 87124

REASON CHECKED
Unclaimed... Refused ..
Addressee unknown ...
Insufficient Address
No such street.. number..
Fwd. Order Expired.....
Moved Left no order.....

RETURN
TO WRITER
UNCLAIMED

A rectangular stamp with the text 'RETURN TO WRITER UNCLAIMED' and a hand icon pointing to the text.

BOB

Plugging program - C.R. Robinson
O.F. Baca Well No. 1
C-3-5N-4E
Valencia County

GET
PROPOSALS
OUT
R

- 1.) Release packer
- 2.) pump 20 sx. cement plug.
- 3.) Pull out of hole w/ tubing (~~5 1/2"~~) (1881' of 2 3/8")
- 4.) Shoot 5 1/2" @ approx 1000'
- 5.) pull one joint 5 1/2" , pump 25sx cement
- 6.) Pull out of hole w/ 5 1/2"
- 7.) Pump 35 sx plug @ 650'
- 8.) pull 8" csg (559')
- 9.) set 25 sx plug @ 298'
- 10.) set ~~25~~⁵ sx plug @ surf., DRY HOLE MARKER

Present well design.

10" surf. csg @ 298', cement circulated
 8" csg @ ~~559~~⁵⁶⁸, cemented w/ 50 sx - cement job failed
 5 1/2" csg @ 1940', cemented w/ 400 sx, TOC @ 1018
 by EBK
 2 3/8" tbg @ 1881
 perfs 1830-1850 / + surface reclamation

Charles - need bid proposals on this well -

Roy

Roy,
Sorry I didn't get this finished 11/11

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

GARREY CARRUTHERS
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

MEMORANDUM

TO: ROBERT G. STOVAIA
FROM: ROY JOHNSON
SUBJECT: FORCED PLUGGING CASE 9169, R-8509,
C. R. ROBINSON
DATE: MARCH 8, 1989

Bid proposal for:

O. F. Baca Well No. 1
Unit C, Sec. 3, T-5-N, R-4-E
660' FNL and 1920' FWL
Valencia County, New Mexico

Present Well Configuration:

10" surf csg. @ 298', cement circulated
8" intermediate csg. @ 568', cement w/50 sx.,
failure reported
5½" production csg. @ 1940', TOC @ 1018' by
bond log
2 3/8" tbg. @ approximately 1800'

Plugging Procedures

1. Pull 2 3/8" tbg.
2. Pull approx. 1000' of 5½" csg.
3. Pull 559' of 8" csg., if possible
4. Cement plugs:
 - 10 sx. @ 1800'
 - 25 sx. @ 1000'
 - 35 sx. @ 650'
 - 25 sx. @ 298' - in & out of surf csg.
 - 5 sx. @ surface
5. 4" x 4' dry hole marker

6. Back fill pits, clean location of all debris

Plugging Contractors for Bid Proposals

1. Baber Well Servicing Co.
500 West Taylor
Hobbs, New Mexico 88240
2. Pool Well Servicing
P. O. Box 1198
Hobbs, New Mexico 88240
3. United Drilling
P. O. Box 2488
Roswell, New Mexico 88201
4. RY-CO, Inc.
P. O. Box 1101
Hobbs, New Mexico 88240

Your assistance in this matter is greatly appreciated.

Thank you.