

Dockets Nos. 10-83 and 11-83 are tentatively set for March 16 and March 30, 1983. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 2, 1983

9 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 Richard L. Stamets, Alternate Examiner:

- CASE 7804: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Eastern Sandia Production Company, United States Fidelity and Guaranty and all other interested parties to appear and show cause why the Horton Well No. 1 located in Unit A, Section 32, Township 11 North, Range 7 East, Santa Fe County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7805: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Geophonic Resources, Inc., Western Surety Company and all other interested parties to appear and show cause why the Mary Kay Well No. 2-C located in Section 16, Township 26 North, Range 36 East, Union County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 7806: Application of Gulf Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Lea "CL" State Unit Area, comprising 340.72 acres, more or less, of State lands in Township 16 South, Range 32 East.
- CASE 7807: Application of Harvey E. Yates Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Buffalo Lake Unit Area, comprising 2,556.80 acres, more or less, of Federal, State and Fee lands in Township 15 South, Range 27 East.
- CASE 7808: Application of Harvey E. Yates Company for compulsory pooling, non-standard proration unit and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp through Pennsylvanian formations underlying a 320-acre non-standard gas proration unit comprising the SE/4 of Section 8 and the NE/4 of Section 17, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 330 feet from the South line and 660 feet from the East line of said Section 8. Applicant further seeks the pooling of all mineral interests in the Pennsylvanian formation underlying the S/2 SE/4 of said Section 8 if the subject well is completed as an oil well. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7809: Application of Exxon Company, U.S.A. for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox location 660 feet from the South and West lines of Section 16, Township 15 South, Range 28 East, Buffalo Valley-Pennsylvanian Gas Pool, the S/2 of said Section 16 to be dedicated to the well.
- CASE 7810: Application of Sage Energy Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 1160 feet from the North line and 560 feet from the East line of Section 31, Township 14 South, Range 34 East, West Tres Papalotes-Penn Pool, the NE/4 of said Section 31 to be dedicated to the well.
- CASE 7811: Application of Clements Energy for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 660 feet from the North line and 1980 feet from the East line of Section 20, Township 14 South, Range 34 East, East Saunders-Permo Penn Pool, the NE/4 of said Section 20 to be dedicated to the well.
- CASE 7812: Application of Apollo Energy, 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 and Seven Rivers formations in a series of perforated intervals from: 3740 feet to 3750 feet, 3794 feet to 3804 feet, 3816 feet to 3822 feet, and 3832 feet to 3838 feet in their Aztec 36 State Well No. 1 located in Unit I of Section 36, Township 22 South, Range 35 East, NMPM, Jalmat Pool, Lea County, New Mexico.

- CASE 7813: Application of Uriah Exploration, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the E/2 of Section 19, Township 22 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7814: Application of Southland Royalty Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 1345 feet from the South line and 2615 feet from the East line of Section 34, Township 17 South, Range 29 East, Grayburg-Jackson Pool, the NW/4 SE/4 of said Section 34 to be dedicated to the well.
- CASE 7815: Application of Southland Royalty Company for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bone Springs formation underlying the S/2 NW/4 of Section 9, Township 19 South, Range 35 East, to be dedicated to a well to be drilled at an unorthodox location 1980 feet from the North and West lines of said Section 9. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7816: Application of Sovereign Oil Co. for directional drilling, unorthodox location, compulsory pooling, and a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill its proposed 32-6 Well No. 1 from a surface location 1730 feet from the North line and 900 feet from the West line of Section 9, Township 32 North, Range 6 West, by kicking off from the vertical at a depth of 1500 feet and drilling in a northerly direction in such a manner as to penetrate the Pictured Cliffs formation at an unorthodox location within 50 feet of a point 1500 feet from the North line and 900 feet from the West line and to penetrate the Mesaverde formation at an unorthodox location no nearer than 1100 feet from the North line and no nearer than 700 feet from the West line, all in said Section 9, dedicating the N/2 of said Section 9 to the well. Applicant further seeks an order pooling all mineral interests in the Mesaverde and Pictured Cliffs formations underlying a 237.6-acre non-standard proration unit comprising the N/2 of said Section 9. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 7817: Application of Texaco Inc. for an exception to the maximum allowable base price provisions of the New Mexico Natural Gas Pricing Act, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order of the Division prescribing the price allowed for production enhancement gas under Section 107 of the Natural Gas Policy Act as the maximum allowable base price if production enhancement work which qualifies under the NGPA is performed on its Cotton Draw Unit Well No. 65 located in Section 2, Township 25 South, Range 31 East, Eddy County, New Mexico.
- CASE 7818: Application of Conoco, Inc. for designation of a tight formation, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Mesaverde formation underlying all of Sections 19 thru 22 and 27 thru 34, Township 26 North, Range 4 West; all of Sections 3 thru 10, portions of Section 14, all of Sections 15 thru 28, and all of Sections 33 thru 36, Township 25 North, Range 4 West, containing 24,841.86 acres, more or less, as a tight formation pursuant to Section 107 of the Natural Gas Policy Act and 18 CFR Section 271.701-705.