

CASE NO.

7451

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APPLICATION,  
TRANSCRIPTS,  
SMALL EXHIBITS,  
ETC.

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

3 February 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum Cor-  
poration for compulsory pooling,  
Chaves County, New Mexico.

CASE  
7453-  
7451

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

1  
2 MR. NUTTER: We'll call next Case Number  
3 7451.

4 MR. PEARCE: Application of Yates Petro-  
5 leum Corporation for compulsory pooling, Chaves County, New  
6 Mexico.

7 Mr. Examiner, we have received a re-  
8 quest from the applicant in this matter that this matter be  
9 dismissed.

10 MR. NUTTER: Case Number 7451 will be  
11 dismissed.

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13 (Hearing concluded.)  
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd CSE

SALLY W. BOYD, C.S.R.  
Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the final hearing of Case No. 7451  
heard by me on 2/3 1982.

[Signature], Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO

20 January 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum Cor-  
poration for compulsory pooling,  
Chaves County, New Mexico.

CASE  
7451

BEFORE: Richard L. Stamets

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

MR. STAMETS: We will call next Case 7451.

MR. PEARCE: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico.

MR. STAMETS: At the request of the applicant, this case will be continued to the February 3rd Examiner Hearing.

(Hearing concluded.)

C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd CSR

SALLY W. BOYD, C.S.R.  
Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409

I do hereby certify that the foregoing is  
a complete record of the proceedings in  
the above hearing of case no. 7451  
heard by me on 1-20 1981.

Richard L. Stewart Examiner  
Oil Conservation Division

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION  
STATE LAND OFFICE BLDG.  
SANTA FE, NEW MEXICO  
6 January 1982  
  
EXAMINER HEARING

IN THE MATTER OF:

Application of Yates Petroleum  
Corporation for compulsory pooling,  
Chaves County, New Mexico.

CASE  
7451

BEFORE: Daniel S. Nutter

TRANSCRIPT OF HEARING

A P P E A R A N C E S

For the Oil Conservation  
Division:

W. Perry Pearce, Esq.  
Legal Counsel to the Division  
State Land Office Bldg.  
Santa Fe, New Mexico 87501

For the Applicant:

1  
2 MR. NUTTER: The hearing will come to  
3 order, please.

4 We'll call first Case 7451.

5 MR. PEARCE: Application of Yates Petro-  
6 leum Corporation for compulsory pooling, Chaves County, New  
7 Mexico.

8 MR. NUTTER: Applicant has requested  
9 continuance in this case.

10 Case Number 7451 will be continued to  
11 the Examiner Hearing scheduled to be held at this same place  
12 at 9:00 o'clock a. m. January 20, 1982.

13  
14 (Hearing concluded.)  
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C E R T I F I C A T E

I, SALLY W. BOYD, C.S.R., DO HEREBY CERTIFY that  
the foregoing Transcript of Hearing before the Oil Conserva-  
tion Division was reported by me; that the said transcript  
is a full, true, and correct record of the hearing, prepared  
by me to the best of my ability.

Sally W. Boyd CSR

I do hereby certify that the foregoing is  
a complete and correct transcript of the hearing in  
the fact, and the result of the hearing is  
heard by me on \_\_\_\_\_.

\_\_\_\_\_, Examiner  
Oil Conservation Division

SALLY W. BOYD, C.S.R.  
Rt. 1 Box 193-B  
Santa Fe, New Mexico 87501  
Phone (505) 455-7409



STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7451  
Order No. R-6896

APPLICATION OF YATES PETROLEUM CORPORATION  
FOR COMPULSORY POOLING, CHAVES COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 3, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 15th day of February, 1982, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

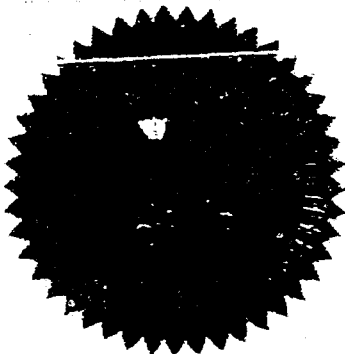
FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7451 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



S E A L

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

*Joe D. Ramey*  
JOE D. RAMEY,  
Director

A. J. LOSEE  
JOEL N. CARSON  
CHAD DICKERSON  
DAVID R. VANDIVER

LAW OFFICES  
LOSEE, CARSON & DICKERSON, P.A.  
300 AMERICAN HOME BUILDING  
P. O. DRAWER 288  
ARTESIA, NEW MEXICO 88211-0288

AREA CODE 505  
748-3508

January 28, 1982

OIL CONSERVATION DIVISION  
SANTA FE

Mr. Joe D. Ramey, Director  
Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Re: Case No. 7451  
2/2/82 Examiner Hearing  
Bishop "RY" Com. No. 1 Well  
SE/4 Sec. 6, T-11-S, R-25-E  
Chaves County, New Mexico

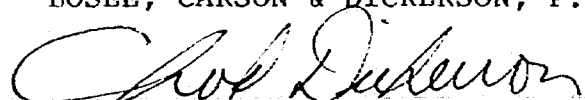
Dear Mr. Ramey:

Please dismiss the above case entitled "In the Matter of the Application of Yates Petroleum Corporation for Compulsory Pooling, Chaves County, New Mexico," which seeks an order force pooling the interest of James C. Vandiver, in connection with the captioned well.

Thank you.

Sincerely yours,

LOSEE, CARSON & DICKERSON, P.A.

  
Chad Dickerson

CD:pvm

cc: Yates Petroleum Corporation

Dockets Nos. 6-82 and 7-82 are tentatively set for February 17 and March 3, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - TUESDAY - FEBRUARY 2, 1982

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

The following cases were continued from the January 11, 1982, Commission hearing:

CASE 7393: (DE NOVO)

Application of Uriah Exploration Incorporated for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco, Canyon and Morrow formations underlying the N/2 of Section 13, Township 22 South, Range 24 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.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 7394: (DE NOVO)

Application of Supron Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian well to be drilled 467 feet from the North line and 1650 feet from the West line of Section 13, Township 22 South, Range 24 East, the N/2 of said Section 13 to be dedicated to the well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

Docket No. 5-82

DOCKET: EXAMINER HEARING - WEDNESDAY - FEBRUARY 3, 1982

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 7469: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit H. M. Bailey & Associates, Commercial Union Insurance Company, and all other interested parties to appear and show cause why the following wells on the H. M. Bailey Lease, Township 21 South, Range 1 West, Dona Ana County, should not be plugged and abandoned in accordance with a Division-approved plugging program: In Section 10: Nos. 9 in Unit A, 9, 11, 12, and 13 in Unit B, 10 and 14 in Unit C; and No. 15 in Unit C of Section 9.

CASE 7470: Application of Wayne Moore for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Delaware River Unit Area, comprising 2,560 acres more or less, of State and fee lands in Township 26 South, Range 28 East.

CASE 7471: Application of Gulf Oil Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the South Lynch State Unit Area, comprising 1920 acres, more or less, of State lands in Township 21 South, Range 33 East.

CASE 7472: Application of Grace Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the Buffalo-Deep East Unit Area, comprising 2543 acres, more or less, of Federal and State lands in Townships 18 and 19 South, Range 33 East.

CASE 7462: (Continued from January 20, 1982, Examiner Hearing)

Application of Marathon Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Blinberry production in the wellbore of its C. J. Saunders Well No. 3, located in Unit C of Section 1, Township 22 South, Range 36 East.

CASE 7473: Application of Inexco Oil Company for pool creation, special pool rules and discovery allowable Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for its Lottie York Well No. 1 located in Unit P of Section 14, Township 17 South, Range 37 East, with special rules therefor, including provisions for 160-acre spacing. Applicant further seeks the assignment of 57,150 barrels of discovery allowable to said well.

CASE 7453: (Continued and Readvertised)

Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and Mississippian formations underlying the NE/4 NW/4 of Section 7, Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon or to a new well to be drilled at a standard location if such re-entry is unsuccessful. Also to be considered will be the cost of re-entering and completing said well and the drilling of the new well, if necessary, and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in re-entry and/or drilling said wells.

CASE 7451: (Continued from January 20, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SE/4 of Section 11, Township 6 South, Range 25 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 7474: Application of Union Oil Company of California for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn, Atoka and Morrow formations underlying the E/2 of Section 25, Township 19 South, Range 33 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 7475: Application of C & K Petroleum, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Casey-Strawn Pool underlying the E/2 SE/4 of Section 28, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7476: Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation, underlying two 160-acre gas spacing units, being the NE/4 and SE/4, respectively, of Section 12, Township 5 South, Range 24 East, each 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 wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.

CASE 7477: Application of Jack J. Grynberg for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through and including the Abo formation, underlying the NE/4 of Section 30, Township 6 South, Range 25 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 7448: (Continued and Readvertised)

Application of Energy Reserves Group, Inc. for creation of a new associated pool and special pool rules, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new associated pool to be designated the South Peterson Perm Associated Pool, comprising the NW/4 of Section 30, Township 5 South, Range 33 East, the S/2 of Section 11, the S/2 of Section 12, and the N/2 of Section 13, Township 6 South, Range 33 East. Applicant further seeks the establishment of special pool rules including 40-acre spacing units for oil wells and 320-acre spacing units for gas wells and a 4000 to one gas-oil ratio limitation.

PAGE 1  
EXAMINER HEARING - WEDNESDAY  
FEBRUARY 3, 1982

CASE 7478: Application of Julian Ard for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow formation underlying the E/2 of Section 23, Township 20 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 1980 feet from the North line and 2310 feet from the East line of said Section 23. 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.

Dockets Nos. 4-82 and 5-82 are tentatively set for February 3 and February 17, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 20, 1982**

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

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

**ALLOWABLE:** (1) Consideration of the allowable production of gas for February, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for February, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

**CASE 7462:** Application of Marathon Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of the Drinkard and Blinbry production in the wellbore of its C. J. Saunders Well No. 3, located in Unit C of Section 1, Township 22 South, Range 36 East.

**CASE 7463:** Application of Texaco Inc. for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its C. H. Weir "A" Well No. 12 located in Unit C of Section 12, Township 20 South, Range 37 East, to produce oil from the Skaggs-Drinkard and an undesignated Abo pool.

**CASE 7464:** Application of Exxon Corporation for two unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for two unorthodox oil well locations in Section 4, Township 19 South, Range 35 East, Scharb-Bone Spring Pool, as follows: State DD Well No. 1 to be drilled in the center of the SE/4 SW/4 and State DD Well No. 3 to be drilled in the center of the NW/4 NE/4. Pool rules require wells to be drilled in the NE/4 or SW/4 of a quarter section.

**CASE 7465:** Application of Superior Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1980 feet from the South line and 660 feet from the East line of Section 26, Township 24 South, Range 29 East, Wolfcamp-Pennsylvanian formations, the S/2 of said Section 26 to be dedicated to the well.

**CASE 7466:** Application of Conoco Inc. for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for it and Southland Royalty Company to each institute a cooperative waterflood project in the Blinbry Oil and Gas Pool by the injection of water into the Blinbry formation through nine injection wells located on Conoco's Warren Unit and Hawk B-3 Leases and Southland's State Lease in Sections 33 and 34 of Township 20 South, Range 38 East, and Sections 2 and 3 of Township 21 South, Range 37 East.

**CASE 7072:** In the matter of Case No. 7072 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-6554 which order promulgated temporary special rules and regulations for the North Peterson-Pennsylvanian Pool in Roosevelt County, New Mexico, including a provision for 80-acre spacing units. Operators in said pool may appear and show cause why said pool should not be developed on 40-acre proration units.

**CASE 7460:** (Continued from January 6, 1982, Examiner Hearing)

Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.

EXAMINER HEARING - WEDNESDAY - JANUARY 20, 1982

**CASE 7467:** Application of Inexco Oil Company for pool creation, special pool rules, and a discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks creation of a new Strawn oil pool for its Lottie York Well No. 1 located in Unit P of Section 14, Township 17 South, Range 37 East, and the promulgation of special rules therefor, including a provision for 80-acre spacing. Applicant further seeks the assignment of 57,150 barrels of oil discovery allowable to said well.

**CASE 7459:** (Continued from January 6, 1982, Examiner Hearing)

Application of Red Mountain Associates for the Amendment of Order No. R-6538, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6538, which authorized applicant to conduct waterflood operations in the Chaco Wash-Nasa Verde Oil Pool. Applicant seeks approval for the injection of water through various other wells than those originally approved, seeks deletion of the requirement for packers in injection wells, and seeks an increase in the previously authorized 68-pound limitation on injection pressure.

**CASE 7410:** (Continued from January 6, 1982, Examiner Hearing)

Application of R. O. A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Oil Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

**CASE 7451:** (Continued from January 6, 1982, Examiner Hearing)

Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SE/4 of Section 11, Township 6 South, Range 25 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 7453:** (Continued from January 6, 1982, Examiner Hearing)

Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and Mississippian formations underlying the NE/4 NW/4 of Section 7, Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon. Also to be considered will be the cost of re-entering 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 re-entry of said well.

**CASE 7457:** (Continued from January 6, 1982, Examiner Hearing)

Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.

**CASE 7468:** 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 Chaves, Eddy, and Lea Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Paddock production and designated as the East Monument-Paddock Pool. The discovery well is Morris R. Antweil State SX Well No. 1 located in Unit J of Section 36, Township 19 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM  
Section 36: SE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Ross Draw-Morrow Gas Pool. The discovery well is Florida Exploration Company Ross Draw Unit Well No. 10 located in Unit E of Section 27, Township 26 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM  
Section 27: N/2

EXAMINER HEARING - WEDNESDAY - JANUARY 20, 1982

(c) CREATE a new Pool in Lea County, New Mexico, classified as an oil pool for Morrow production and designated as the Sowell-Morrow Pool. The discovery well is Santa Fe Energy Company State NN2 Well No. 1 located in Unit M of Section 2, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM  
Section 2: SW/4

(d) EXTEND the Angell Ranch-Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM  
Section 12: All  
Section 13: N/2

(e) EXTEND the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM  
Section 27: N/2  
Section 28: E/2

(f) EXTEND the Atoka-Yaso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM  
Section 23: S/2 S/2  
Section 26: W/2 NW/4

(g) EXTEND the Bunker Hill-Penrose Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM  
Section 14: SW/4 SE/4

(h) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM  
Section 25: W/2  
Section 26: S/2

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 17: N/2

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 14: S/2  
Section 23: W/2

(i) EXTEND the Cinta Roja-Morro Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 35 EAST, NMPM  
Section 8: All

(j) EXTEND the South Culebra Bluff-Atoka Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM  
Section 36: W/2

(k) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 7: S/2

(l) EXTEND the Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM  
Section 30: E/2  
Section 32: S/2

PAGE 4  
EXAMINER HEARING - WEDNESDAY - JANUARY 20, 1982

- (a) EXTEND the Hat Mesa-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM  
Section 12: E/2

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM  
Section 7: N/2

- (b) EXTEND the Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 29: E/2 SE/4

- (c) EXTEND the Southwest Indian Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM  
Section 10: E/2

- (d) EXTEND the Leo-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM  
Section 23: N/2 NE/4

- (e) EXTEND the West Lynch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM  
Section 32: N/2  
Section 33: NW/4

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

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM  
Section 33: E/2 NW/4

- (g) EXTEND the South Saunders-Permian Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM  
Section 25: N/2

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

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM  
Section 9: NW/4

- (i) EXTEND the Tom-Tom-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM  
Section 8: S/2 NW/4 and SW/4

- (j) EXTEND the Winchester-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 3: W/2

Dockets Nos. 3-82 and 4-82 are tentatively set for January 20 and February 3, 1982. Applications for hearing must be filed at least 12 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 6, 1982**

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

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamatz, Alternate Examiner:

**CASE 7410: (Continued from December 16, 1981, Examiner Hearing)**

Application of B.O.A. Oil & Gas Company for two unorthodox oil well locations, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 2035 feet from the South line and 2455 feet from the East line and one to be drilled 2455 feet from the North line and 1944 feet from the East line, both in Section 31, Township 31 North, Range 15 West, Verde-Gallup Hill Pool, the NW/4 SE/4 and SW/4 NE/4, respectively, of said Section 31 to be dedicated to said wells.

**CASE 7448: (Continued and Readvertised)**

Application of Energy Reserves Group Inc. for creation of a new gas pool and an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new gas pool for Cisco production comprising the S/2 of Section 12 and the N/2 of Section 13, Township 6 South, Range 33 East; applicant further seeks approval of the unorthodox location of its Miller Com Well No. 1-Y located 660 feet from the South and West lines of said Section 12.

**CASE 7451:** Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests down through the Abo formation underlying the SE/4 of Section 11, Township 6 South, Range 25 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 7452:** Application of Superior Oil Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Wolfcamp-Penn well to be drilled 1980 feet from the South line and 2480 feet from the East line of Section 14, Township 23 South, Range 32 East, the S/2 of said Section 14, to be dedicated to the well.

**CASE 7453:** Application of T. D. Skelton for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Devonian and Mississippian formations underlying the NE/4 NW/4 of Section 7, Township 12 South, Range 38 East, to be dedicated to the re-entry of an old well at a standard location thereon. Also to be considered will be the cost of re-entering 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 re-entry of said well.

**CASE 7454:** Application of Uriah Exploration, Inc., for approval of an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a well to be drilled 1090 feet from the North line and 560 feet from the East line of Section 20, Township 22 South, Range 25 East, Wolfcamp-Pennsylvanian formations, the N/2 of said Section to be dedicated to the well.

**CASE 7455:** Application of H. L. Brown, Jr. for compulsory pooling at an unorthodox location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Granite Wash formation underlying the S/2 of Section 11, Township 6 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 1300 feet from the South line and 660 feet from the East line of said Section 11. 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 7456:** Application of Colonial Production Company for gas well commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the commingling of Ballard-Pictured Cliffs production from its Jicarilla Apache Wells Nos. 9 and 10, located in Units A and C of Section 15, Township 23 North, Range 4 West, prior to metering.
- CASE 7457:** Application of E. T. Ross for nine non-standard gas proration units, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval for nine 40-acre non-standard gas proration units in the Bravo Dome Carbon Dioxide Area. In Township 19 North, Range 30 East: Section 12, the NW/4 NW/4 and NE/4 NW/4; Section 14, the NW/4 NE/4, SW/4 NE/4, and SE/4 NE/4. In Township 20 North, Range 30 East: Section 11, the NE/4 SW/4, SW/4 SE/4, SE/4 SW/4, and NW/4 SE/4.
- CASE 7458:** Application of Marks & Garner Production Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of salt water into the Bough C formation in the perforated interval from 9596 feet to 9616 feet in its Betenbough Well No. 2, located in Unit M or Section 12, Township 9 South, Range 35 East.
- CASE 7459:** Application of Red Mountain Associates for the Amendment of Order No. R-6538, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-6538, which authorized applicant to conduct waterflood operations in the Chaco Wash-Mesa Verde Oil Pool. Applicant seeks approval for the injection of water through various other wells than those originally approved, seeks deletion of the requirement for packers in injection wells, and seeks an increase in the previously authorized 68-pound limitation on injection pressure.
- CASE 7460:** Application of Northwest Pipeline Corporation for 13 non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for 13 non-standard Pictured Cliffs gas proration units ranging in size from 142.39 acres to 176.77 acres and each comprised of various contiguous lots or tracts in Sections 4, 5, 6, 7, and 18 of Township 31 North, Range 7 West. Said proration units result from corrections in the survey lines on the North and West sides of Township 31 North, Range 7 West and overlap seven non-standard Mesaverde proration units previously approved by Order No. R-1066.
- CASE 7461:** Application of Wainoco Oil & Gas Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a well to be drilled at an unorthodox location 660 feet from the South and West lines of Section 18, Township 16 South, Range 37 East, Northeast Lovington Penn Pool, said location being 177.7 feet west of the center of Lot 4 whereas the pool rules specify that well be drilled within 150 feet of the center of the lot. Lots 3 and 4 of said Section 18 would be dedicated to the well.
- CASE 7421:** (Readvertised)
- Application of Doyle Hartman for compulsory pooling, unorthodox well location and non-standard spacing unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Eumont Gas Pool underlying a 120-acre non-standard spacing unit consisting of the S/2 SW/4 and the NW/4 SW/4 of Section 3, Township 20 South, Range 37 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the South line and 330 feet from the West line of Section 3. 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.

\*\*\*\*\*  
Docket No. 2-82

DOCKET: COMMISSION HEARING - MONDAY - JANUARY 11, 1982  
 2 P.M. - OIL CONSERVATION COMMISSION - ROOM 205  
 STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

**CASE 7393: (DE NOVO)**

Application of Uriah Exploration Incorporated for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cisco, Canyon and Morrow formations underlying the W/2 of Section 13, Township 22 South, Range 24 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.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

COMMISSION HEARING - MONDAY - JANUARY 11, 1982

CASE 7394: (DE NOVO)

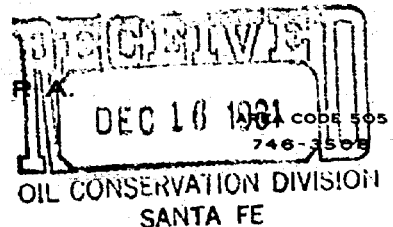
Application of Supron Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a Pennsylvanian well to be drilled 467 feet from the North line and 1650 feet from the West line of Section 13, Township 22 South, Range 24 East, the N/2 of said Section 13 to be dedicated to the well.

Upon application of Supron Energy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

A.J. LOSEE  
JOEL M. CARSON  
CHAD DICKERSON  
DAVID R. VANDIVER

LAW OFFICES  
LOSEE, CARSON & DICKERSON, P.A.  
300 AMERICAN HOME BUILDING  
P. O. DRAWER 239  
ARTESIA, NEW MEXICO 88211-0239

December 14, 1981



*Case 7451*

Mr. Joe D. Ramey, Director  
Energy and Minerals Department  
Oil Conservation Division  
P. O. Box 2088  
Santa Fe, New Mexico 87501

Dear Mr. Ramey:

Enclosed for filing, please find three copies of the Application of Yates Petroleum Corporation for Compulsory Pooling in Chaves County, New Mexico.

We ask that this case be set for hearing before an examiner and that you furnish us with a docket of said hearing.

Thank you.

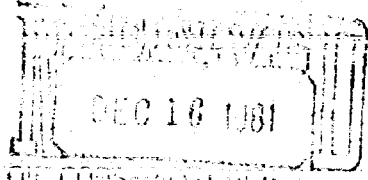
Sincerely yours,

LOSEE, CARSON & DICKERSON, P.A.

Chad Dickerson

CD:pvm  
Enclosures

cc w/enclosure: Yates Petroleum Corporation



BEFORE THE OIL CONSERVATION DIVISION  
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :  
YATES PETROLEUM CORPORATION FOR :  
COMPULSORY POOLING, CHAVES COUNTY, : CASE NO. 7451  
NEW MEXICO :  
:

APPLICATION

COMES NOW Yates Petroleum Corporation, by its attorneys, and in support hereof, respectfully states:

1. Applicant has the right to drill its Bishop "RY" Com. No. 1 Well as a gas well, to a depth sufficient to test the Abo formation, which is to be located at an orthodox location in SE/4 Section 11, Township 6 South, Range 25 East, N.M.P.M., Chaves County, New Mexico.

2. The applicant intends to dedicate the SE/4 of said section to this well, and there is an interest owner in the proration unit who has not agreed to pool his interest. The party who has not agreed to pool his interest, and his address is as follows:

James C. Vandiver  
40 ~~Iv~~erness Drive, ~~San~~ East  
Suite 80  
Englewood, Colorado 80112

3. Applicant should be designated the operator of the well and the proration unit.

4. To avoid the drilling of unnecessary wells, to protect correlative rights and to afford to the owner of each interest in said unit the opportunity to recover or receive without unnecessary expense, his just and fair share of the gas in said unit, all mineral interests, whatever they may be, from the surface to the base of the Abo formation underlying the SE/4 of said Section 11, should be pooled.

5. That any non-consenting working interest owner that does not pay his share of estimated well costs should have withheld from production his share of the reasonable well

costs, plus an additional 200% thereof as a reasonable charge for the risk involved in the drilling of the well.

6. Applicant should be authorized to withhold from production the proportionate share of a reasonable supervision charge for drilling and producing wells attributable to each non-consenting working interest owner.

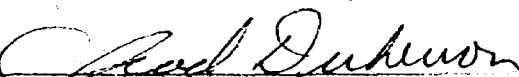
WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Division enter its order pooling all mineral interests, whatever they may be, from the surface to the base of the Abo formation, underlying the SE/4 of said Section 11, Township 6 South, Range 25 East, N.M.P.M., Chaves County, New Mexico, to form a 160-acre spacing unit dedicated to applicant's well.

C. And for such other and further relief as may be just in the premises.

YATES PETROLEUM CORPORATION

By:   
Chad Dickerson

LOSEE, CARSON & DICKERSON, P.A.  
P. O. Drawer 239  
Artesia, New Mexico 88210

Attorneys for Applicant

HERBIE  
ORDERS

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7451  
Order No. R-10896

APPLICATION OF YATES PETROLEUM CORPORATION  
FOR COMPULSORY POOLING, CHAVES COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 3, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of February, 1982, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7451 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

JOE D. RAMEY,  
Director

S E A L

HERBIE  
ORDERS

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 7451  
Order No. R-6896

APPLICATION OF YATES PETROLEUM CORPORATION  
FOR COMPULSORY POOLING, CHAVES COUNTY,  
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on February 3, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this \_\_\_\_\_ day of February, 1982, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

That the applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED:

That Case No. 7451 is hereby dismissed.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION

JOE D. RAMEY,  
Director

S E A L

7-22-71 THE SUPERIOR OIL COMPANY  
2101 AN UNORTHODOX WELL LOCATION, LEA  
COUNTY, NEW MEXICO

DOCKET MAILED

Date 12/28/81