

CASE NO.

7624

APPLICATION,
TRANSCRIPTS,
SMALL EXHIBITS,
ETC.

Dismiss compulsory parking
portion of case
all that remains is
the unorthodox location

DOCKET MAILED

Date 7/12/82 (Podles)

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION
STATE LAND OFFICE BLDG.
SANTA FE, NEW MEXICO
21 July 1982

EXAMINER HEARING

IN THE MATTER OF:

Application of John Yuronka for an
unorthodox gas well location and com- CASE
pulsory pooling, Lea County, New 7624
Mexico.

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:

Sumner Buell, Esq.
JASPER & BUELL
Santa Fe, New Mexico 87501

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I N D E X

JOHN YURONKA

Direct Examination by Mr. Buell	3
Cross Examination by Mr. Nutter	9

E X H I B I T S

Applicant Exhibit One, Plat	4
Applicant Exhibit Two, Letter	6
Applicant Exhibit Three, Document	6
Applicant Exhibit Four, Well Data	7
Applicant Exhibit Five, Well Data	7
Applicant Exhibit Six, Well Data	7
Applicant Exhibit Seven, Well Data	8

MR. NUTTER: Call Case Number 7624.

MR. PEARCE: That is the application of John Yuronka for an unorthodox gas well location and compulsory pooling, Lea County, New Mexico.

MR. BUELL: Mr. Examiner, I'm Sumner Buell representing Mr. Yuronka.

I have one witness who needs to be sworn.

(Witness sworn.)

JOHN YURONKA

being called as a witness and being duly sworn upon his oath, testified as follows, to-wit:

DIRECT EXAMINATION

BY MR. BUELL:

Q. Would you state your name, please?

A. My name is John Yuronka and I reside at 1912 Place, Midland, Texas, and I'm an independent oil operator and consulting petroleum engineer.

Q. And have you previously testified before this Commission or one of its examiners?

A. Yes, I have.

Q. And have you been qualified as an expert?

1
2 A. Yes, I have.

3 Q. And are you familiar with what is sought
4 in the application, 7624?

5 A. Yes, I am.

6 Q. And what does the application seek?

7 A. The application seeks an unorthodox loca-
8 tion for a Jalmat gas well and compulsory pooling.

9 MR. BUELL: And at this time, Mr. Examiner,
10 we're abandoning the request for compulsory pooling. All
11 the interest owners have joined.

12 MR. NUTTER: So the portion of the case
13 relating to the pooling of all mineral interests underlying
14 this southwest quarter of Section 31 will be dismissed, is
15 that correct?

16 MR. BUELL: Yes, sir. The only remaining
17 question is the unorthodox location.

18 MR. NUTTER: Okay, that portion of the
19 case relating to compulsory pooling will be dismissed and all
20 we're concerned with at the present time is the unorthodox
21 gas well location in Case Number 7624.

22 Q. Referring you, Mr. Yuronka, to Exhibit
23 Number One, would you describe what that shows, please?

24 A. Exhibit Number One is a land plat of the
25 area, of an area in the Jalmat Pool, with the proration unit

1
2 colored in yellow.

3 Shown on the -- in the proration unit are
4 my wells, E. F. King No. 1 and 2, which were drilled to the
5 Langlie Mattix Pool. Also shown is the Dalport E. F. King
6 No. 1, which is the gas well presently producing and to which
7 the acreage involved is dedicated.

8 This location for this well is 660 feet
9 from the south and west lines.

10 Q And where do you propose to put your new
11 well if this application is granted?

12 A I propose to put this well 990 feet from
13 the south line and 330 feet from the east line -- or west
14 line, excuse me -- of Section 31, Township 22 South, Range
15 37 East, Lea County, New Mexico. The battery for the two
16 oil wells involved will be almost directly east of this well.

17 Q And why do you propose to drill this unorthodox location?
18

19 A I am trying to stay as far away from producing wells as I possibly can. I think I am on record at
20 the Commission as being opposed to drilling too close to
21 presently producing wells, plus the fact that as you go further east the pay begins to thin out. It is still present
22 but it is not as well developed towards the east in the
23 wells, for instance, shown in the east half of the southeast
24
25

1
2 quarter of Section 31.

3 Q Has the Dalport Oil Company agreed to plug
4 and abandon their King No. 1 when you successfully complete
5 your King No. 3?

6 A Yes. There is a letter, which is Exhibit
7 Number Two.

8 MR. BUELL: We only have one copy of that
9 letter, Your Honor -- I mean Mr. Commissioner.

10 A He is aware of the application and agrees
11 to have me designated as operator of the proration unit.

12 Although not advertised, I would request a
13 simultaneous dedication of acreage with a finding that infill
14 drilling of the second well is necessary to properly drain
15 the proration unit.

16 Q Referring you to Exhibit Number Three, what
17 does it show?

18 A Exhibit Number Three is the well history
19 of the Dalport E. F. King No. 1, located in Unit M of Section
20 31, Township 22 South, Range 37 East.

21 As you can see, it has over 600 feet of
22 open hole. Upon completion in 1950 the open hole was shot
23 with nitro and it has been extremely difficult to keep that
24 well cleaned out.

25 I mention this point in regard to the rest

1
2 of the well histories that we will submit. The cumulative
3 production as of 1-1-82 on this well is 3.3 million Mcf of
4 gas, which is at least a million Mcf less than any of the off-
5 set wells have produced.

6 Q Referring you to Exhibit Number Four,
7 would you describe that, please?

8 A Exhibit Number Four is ARCO Oil and Gas
9 Company McDonald W. N. State No. 6, which is the northwest
10 offset located in Unit B of Section 36, Township 22 South,
11 Range 36 East, and if you will note, again this is an open
12 hole completion and it has produced 4.4 million Mcf of gas.

13 Q And referring you to Exhibit Number Five.

14 A Exhibit Number Five is ARCO Oil and Gas
15 Company McDonald W. N. State No. 3, located in Unit P, which
16 is the direct west offset for this proration unit involved.

17 This is the highest cumulative recovery
18 of any well in this particular area, with 7.3 million Mcf
19 of gas.

20 Q And referring you to Exhibit Number Six.

21 A Exhibit Number Six is Getty Oil Company
22 King "C" No. 1, located in Unit G of Section 1, Township 23
23 South, Range 36 East.

24 And the cumulative production for this
25 particular well is 6.7 million Mcf of gas.

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Q And referring you to Exhibit Number Seven.

A Exhibit Number Seven is Getty Oil Company King "B" Well NO. 1, located in Unit E, Section 6, Township 23 South, Range 37 East.

It's the direct offset to this -- to the proration unit in question, and this well has produced 4.3 million Mcf of gas.

Q To drill this well are you under any particular time constraints?

A The original farmout was obtained from Dalport Oil Corporation, et al, which comprises approximately 82, slightly under 82 percent of the working interest owners. There were some unleased mineral interest owners who in the process has either agreed to participate or farm-out.

The deadline is August 1st. I, Monday in the mail I received a farm-out agreement with Tenneco, who was one of the possible forced pool interests, and they gave me a starting date of October the 1st.

I would like an order issued as quickly as possible in order that I may start the well in a reasonable period of time. I have not requested extension from the other people for the simple reason I don't feel I can do anything until an order is issued by the Division.

MR. NUTTER: When is your first deadline?

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2 A. August the 1st.

3 MR. NUTTER: August 1st.

4 Q. And were the Exhibits One through Seven,
5 with the exception of Number Two, prepared by you or under
6 your supervision?

7 A. They were.

8 MR. BUELL: I move the admission in evi-
9 dence of Exhibits One through Seven.

10 MR. NUTTER: Exhibits One through Seven
11 will be admitted in evidence.

12 MR. BUELL: I have nothing further.

13
14 CROSS EXAMINATION

15 BY MR. NUTTER:

16 Q. Mr. Yuronka, you stated in your testimony
17 you'd like to have simultaneous dedication and an infill
18 finding. The case was not advertised for that, inasmuch
19 as the application stated that the King No. 1 would be plugged
20 by Dalport as soon as the No. -- as soon your No. 3 was
21 drilled.

22 A. Yes, sir.

23 Q. So we didn't advertise for any infill
24 findings or any simultaneous dedication.

25 A. I understand. I request these -->

1
2 Q Now, you never will have two wells pro-
3 ducing at the same time, will you? I mean your well won't be
4 producing while the Dalport well is producing.

5 A Well, Dalport will not plug that well un-
6 til they know I have a producer because --

7 Q But they're not going to produce it after
8 you get your well, are they?

9 A No, I'll be the operator. Just as soon as
10 my well is potentialized it will be shut-in and plugged under
11 my supervision.

12 Q So there never will be any simultaneous
13 dedication of two wells at the same time.

14 A If I do not file this way under the NGPA
15 Act, I will not get the category 103 price for the well.

16 Q Well, you can't get it -- you can't get
17 it at this hearing, either, because we can't have an infill
18 finding until after the well is drilled. We don't put out
19 infill findings before wells are drilled any more.

20 So we'll have to wait until after --

21 A What procedure must I follow?

22 Q Well, you'll file for your infill findings
23 after you've completed your well and it doesn't jeopardize
24 your -- it doesn't jeopardize your 103 status to get the
25 infill finding after the well is drilled.

1
2 A. My understanding was that if I did this,
3 this is what would happen. Now if you say it's different,
4 I'll --

5 Q. Well, you're drilling --

6 A. -- go along with you.

7 Q. You're drilling on a proration unit that
8 was in existence at the time.

9 A. Yes, sir.

10 Q. So you are going to need -- you're going
11 to need infill findings to get Section 103 pricing, but that
12 finding will come after completion of the well, not before.

13 A. After completion of the well.

14 Q. Yes, sir.

15 A. And we can file --

16 Q. We used to give them prior to the drilling
17 and they would show the necessity based on some speculative
18 number that we're going to recover this amount of gas, and
19 then they'd drill a dry hole and it would make our findings
20 look kind of ludicrous.

21 A. I understand.

22 Q. So we don't issue findings until after a
23 well has been completed. Then you'll give the estimate on --

24 A. Then if I file for an infill drilling at
25 that time I can get the 103 category.

Q Right, and you can file for it administratively, without a hearing, too. Here's the guy that will handle that, so you can talk to Mike about that.

A. Okay.

MR. NUTTER: Okay, are there any other questions of Mr. Yuronka? He may be excused.

Do you have anything further, Mr. Buell?

MR. BUELL: No, Mr. Examiner.

MR. NUTTER: Does anyone have anything they wish to offer in Case Number 7624?

We'll take the case under advisement.

(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 Conservation 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.

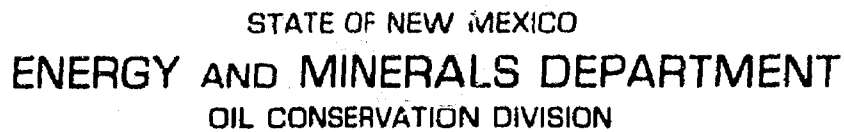
Sally W. Boyd CSR

I do hereby certify that the foregoing is a complete record of the proceedings in the Examiner hearing of Case No. 7624 heard by me on 7/21 1982.

[Signature], Examiner
Oil Conservation Division

SALLY W. BOYD, C.S.R.

Box 193-B
Santa Fe, New Mexico 87501
Phone (505) 455-7409



BRUCE KING
SECRETARY
LARRY KEHOE
SECRETARY

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SANTA FE, NEW MEXICO 87501
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July 30, 1982

Mr. Sumner Buell
Jasper & Buell
Attorneys at Law
Post Office Box 1626
Santa Fe, New Mexico

Re: CASE NO. 7624
ORDER NO. 3-7043

Applicant:

John Yuronka

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Yours very truly,

JOE D. RAMEY
Director

JDR/fd

Copy of order also sent to:

Hobbs OCD _____ x
Artesia OCD _____ x
Aztec OCD _____ x

Other _____

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. 7624
Order No. R-7043

APPLICATION OF JOHN YURONKA FOR AN
UNORTHODOX GAS WELL LOCATION AND
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 21, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 28th day of July, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

- (1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.
- (2) That the applicant, John Yuronka, requested dismissal of that portion of this case relating to compulsory pooling.
- (3) That the applicant now seeks approval of an unorthodox gas well location 990 feet from the South line and 330 feet from the West line of Section 31, Township 22 South, Range 37 East, NMPM, Jalmat Gas Pool, Lea County, New Mexico.
- (4) That the SW/4 of said Section 31 is to be dedicated to the well.
- (5) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.
- (6) That no offset operator objected to the proposed unorthodox location.

-2-

Case No. 7624
Order No. R-7043

(7) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of John Yuronka for an unorthodox gas well location is hereby approved for a well to be located at a point 990 feet from the South line and 330 feet from the West line of Section 31, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the SW/4 of said Section 31 shall be dedicated to the above-described well.

(3) That that part of this case calling for the compulsory pooling of all mineral interests in the Jalmat Gas Pool underlying the SW/4 of said Section 31 is hereby dismissed.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Joe D. Ramey
JOE D. RAMEY,
Director

S E

DALPORT OIL CORPORATION
3471 FIRST NATIONAL BANK BLDG.
DALLAS, TEXAS 75202

July 6, 1982

RECEIVED JUL 8 1982

Oil Conservation Division
Energy and Minerals Department
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of John Yuronka for an unorthodox location and
compulsory pooling of the SW/4 of Sec. 31, T. 22 S., R. 37 E.,
N.M.P.M., Lea County, New Mexico, Jalmat Gas Pool.

Gentlemen:

I am aware that Mr. Yuronka has filed the above-referenced application. At the present time the Dalport Oil Corporation is the designated operator of the E. F. King No. 1 well located on the proration unit. Dalport Oil Corporation gives its consent to the proposed drilling of the E. F. King No. 3 at the applied for unorthodox location and also consents to Mr. Yuronka being designated the operator of the proration unit. Upon the granting of the above referenced application and the completion and production of the proposed gas well, Dalport Oil Corporation will cause to be plugged and abandoned its E. F. King No. 1 well.

Thank you for your attention to this matter.

Very truly yours,

DALPORT OIL CORPORATION

By W. L. Todd, Jr.
W. L. Todd, Jr.

WLTJr/sg

BEFORE EXAMINER NUTTER	
OIL CONSERVATION DIVISION	
Appl.	EXHIBIT NO. 2
CASE NO.	7624

DALPORT OIL CORPORATION - E. F. KING #1

Unit M, 660' FS&WL, Section 31, T-22-S, R-37-E

Elev. 3418' DF. 5- $\frac{1}{2}$ " @ 2878'. TD 3500'.
Shot 3050'-3300' w/ 500 qts. Nitro. Potential
11-12-50: 5,100 MCFPD.

WO 1/54: Reverse Circulate w/oil to 3457'.
Tbg. @ 2956' w/bull plug. Pkr. @ 2789'.

WO 4/58: CO to 3350'. Frac w/20,000 gals. oil
& 20,000# sand. Tbg. @ 3213'.

1981 Production:
Cum. 1-1-82:
Jan. 1982:
Feb. 1982:
Mar. 1982:

2,532 MCF
3,374,423 MCF -
193 MCF
214 MCF
237 MCF

*at least
1000000 MCF
than others
have produced*

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

By EXHIBIT NO. 3
CASE NO. 7624

ARCO OIL & GAS COMPANY - MCDONALD WN STATE #6

Unit B, 990' FNL & 2310' FEL of Section 36, T-22-S,
R-36-E

Northwest Offset

Elev. 3428'. 5- $\frac{1}{2}$ " @ 2930'. TD 3503'.
Treat w/1,000 gals. Potential 4-13-53: 10,200 MCFPD

1981 Production:	48,696 MCF
Cum. 1-1-82:	4,418,106 MCF
January 1982:	3,980 MCF
February 1982:	3,805 MCF
March 1982:	4,777 MCF

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

Appl EXHIBIT NO. 4
CASE NO. 7624

ARCO OIL & GAS COMPANY - MCDONALD WN STATE #3

Unit P, 990' FS & EL, Section 36, T-22-S, R-36-E

West Offset

Elev. 3418'. 5- $\frac{1}{2}$ " @ 2836'. TD 3486'.
Treat w/1,000 gals. Potential 10-17-52: 28,000
MCFPD

1981 Production:
Cum. 1-1-82:
Jan. 1982:
Feb. 1982:
Mar. 1982:

58,629 MCF
7,298,494 MCF
4,574 MCF
4,179 MCF
4,294 MCF

BEFORE EXAMINER: TIER
OIL CONSERVATION DIVISION

Copied EXHIBIT NO. 5
CASE NO. 7624

GETTY OIL COMPANY - KING "C" #1

Unit G, 2117' FNL and 1980' FEL of Section 1,
T-23-S, R-36-E

Southwest Offset

Elev. 3417' 7" @ 2885' TD 3485'
Shot 3100'-3290' w/410 qts. Nitro. Potential
11-2-49: 55,000 MCFPD

WO 3/74: CO to 3485' & returned to producing.
Tested 1,055 MCFPD. $\frac{1}{2}$ " Choke, TP: 220#

1981 Production:	77,717 MCF
Cum. 1-1-82:	6,737,866 MCF
Jan. 1982:	6,312 MCF
Feb. 1982:	5,633 MCF
Mar. 1982:	6,248 MCF

BEFORE EXAMINER NUTTER
OIL CONSERVATION DIVISION

Agon EXHIBIT NO. 6
CASE NO. 7624

GETTY OIL COMPANY - KING "D" #1

Unit E, 2117' FNL and 617' FEL of Section 6,
T-23-S, R-37-E

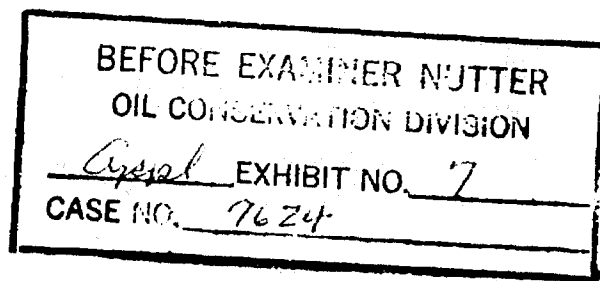
South Offset

Elev. 3409' 5- $\frac{1}{2}$ " @ 2870' TD3485'
Shot 3050'-3260' w/430 qts. Nitro.
Potential 7-23-50: 31,000 MCFPD

WO 10/72: CO to 3100'. Pkr. set at 2774' &
treat w/1,000 gals. Fill up at 3170'. Tbg.
@ 3149'. Would not flow. CO to 3200'. Tested
530 MCFPD.

WO 5/76: Squeezed at 1300'. CO to 3260'.
Ran flush joints 2839'-3248' w/slots from
3038'-3248'. Tested 95 MCFPD at 65#.

1981 Production:	6,356 MCF
Cum. 1-1-82:	4,329,900 MCF
January 1982:	415 MCF
February 1982:	367 MCF
March 1982:	415 MCF



Dockets Nos. 25-82 and 26-82 are tentatively set for August 4 and August 18, 1982. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 21, 1982
9 A.M. - MORGAN HALL, OIL CONSERVATION DIVISION,
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.

- ALLOWABLE: (1) Consideration of the allowable production of gas for August, 1982, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for August, 1982, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 7560: (Continued from July 7, 1982, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Charles H. Heisen, Fidelity and Deposit Company of Maryland, Surety, and all other interested parties to appear and show cause why the Crownpoint Well No. 1, located in Unit F, Section 18, Township 18 North, Range 13 West, McKinley County, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 7599: (Continued from June 9, 1982, Examiner Hearing)

Application of Barber Oil Inc. for an Exception to Rule 705-A Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Rule 705-A of the Division Rules and Regulations to permit 37 temporarily abandoned injection wells in its Russell Pool waterflood project to remain inactive for a period of up to three years without the required cement or bridge plugs being installed therein to isolate the injection zone.

CASE 7622: Application of El Ran, Inc. for a waterflood project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in the Chaveroo-San Andres Pool by the injection of water into the perforated interval from 4169 feet to 4276 feet in its U. S. Well No. 1, located in Unit N of Section 34, Township 7 South, Range 32 East.

CASE 7516: (Continued from May 12, 1982, Examiner Hearing)

Application of Benson-Montin-Greer for a unit agreement, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the North Canada Ojitos Unit Area, comprising 12,361 acres, more or less, of Jicarilla Apache Indian lands in Township 27 North, Range 1 West.

CASE 7623: 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 Abo formation underlying the SE/4 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 the applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 7620: (Continued from July 7, 1982, Examiner Hearing)

Application of Mesa Petroleum Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from the surface through the base of the Abo formation underlying the SW/4 of Section 8, Township 5 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 7624: Application of John Yuranka for an unorthodox gas well location and compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalrat Gas Pool underlying the SW/4 of Section 31, Township 22 South, Range 37 East, to form a non-standard gas proration unit to be dedicated to a well to be drilled at an unorthodox location 990 feet from the South line and 330 feet from the West line of said Section 31. 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 7616: (Readvertised)

Application of Doyle Hartman for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of a gas well to be drilled 1450 feet from the South line and 1980 feet from the East line of Section 20, Township 20 South, Range 37 East, Euzont Gas Pool, the SE/4 of said Section 20 to be simultaneously dedicated to said well and to the State A-20 Well No. 1 located in Unit I of said Section 20.

CASE 7625: Application of GWM Corp. for designation of a tight formation, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the designation of the Parnse Strawn Reservoir underlying Sections 9 and 10, 14 thru 16, 21 thru 24, and 26 and 27, Township 26 South, Range 36 East, containing 7,040 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.

CASE 7626: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting, and extending certain pools in Rio Arriba, San Juan, McKinley, and Sandoval Counties, New Mexico.

- (a) That the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby contracted by excluding:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 35: W/2 SW/4

- (b) That a new pool in Rio Arriba County, New Mexico, classified as a Chacra Pool for gas production, is hereby created and designated the Adobe-Chacra Pool, comprising the following described area:

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Section 13: S/2
24: E/2

- (c) That a new pool in San Juan County, New Mexico, classified as a Gallup Pool for oil production, is hereby created and designated the Armenta-Gallup Oil Pool, comprising the following described area:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Sections 26: SW/4
27: S/2
28: E/2 SW/4 and SE/4
33: E/2 NW/4 and NE/4
34: N/2
35: N/2 and N/2 SE/4

- (d) That a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland production, is hereby created and designated the Glades-Fruitland Pool, comprising the following described area:

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM
Section 31: NW/4

TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM
Sections 35: N/2 and SE/4
36: N/2 and SW/4

- (e) That a new pool in Sandoval County, New Mexico, classified as a Mancos pool for oil production, is hereby created and designated the San Ysidro-Mancos Oil Pool, comprising the following described area:

TOWNSHIP 21 NORTH, RANGE 3 WEST, NMPM
Section 29: S/2 SW/4
30: E/2 E/2 and SW/4 SE/4

- (f) That the Albino-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPM
Sections 11: S/2
13: W/2 and NE/4
14: E/2 and SW/4
26: NE/4

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM
Section 18: NW/4

- (g) That the Angel Peak-Gallup Associated Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM
Sections 22: All
27: N/2

- (h) That the Aztec-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM
Section 9: SE/4

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Sections 29: SE/4
33: N/2

- (i) That the Aztec-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Sections 14: SE/4
35: NE/4

- (j) That the B S Mesa Gallup Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 4 WEST, NMPM
Section 9: W/2 and SE/4

- (k) That the Ballard-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM
Sections 35: All
36: N/2

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM
Sections 6: NW/4
16: SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM
Sections 27: SW/4
34: N/2
35: NW/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
Section 19: N/2 and SE/4

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM
Sections 9: SE/4
10: All
15: NE/4

- (l) That the Bisti-Farmington Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM
Section 3: SW/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM
Sections 31: E/2
32: All

- (m) That the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM
Section 9: N/2 NW/4

- (n) That the Blanco Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST, NMPM
Sections 8: E/2
16: All
17: All
20: N/2
21: W/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Sections 1: All
2: All

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Sections 17: W/2
18: E/2
20: W/2
27: S/2

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM
Sections 23: All
24: W/2

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM
Section 6: E/2

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Sections 7: All
15: W/2
18: All
19: All
30: All

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Sections 1, 12, 13, 24, 25: All

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM
Sections 9: All
9: All

TOWNSHIP 31 NORTH, RANGE 5 WEST, NMPM
Sections 7: All
8: W/2

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 31: All

- (c) That the Blanco-Pictured Cliffs Pool in Rio Arriba, San Juan, and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM
Section 8: All

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM
Section 31: SE/4

TOWNSHIP 30 NORTH, RANGE 8 WEST, NMPM
Section 20: S/2

TOWNSHIP 31 NORTH, RANGE 10 WEST, NMPM
Section 25: NW/4

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM
Section 29: NE/4

TOWNSHIP 32 NORTH, RANGE 11 WEST, NMPM
Section 10: W/2

TOWNSHIP 32 NORTH, RANGE 12 WEST, NMPM
Sections 15: S/2
35: NW/4

- (p) That the East Blanco-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 4 WEST, NMPM
Sections 11: SE/4
14: E/2
26: W/2
35: NW/4

- (q) That the South Blanco-Pictured Cliffs Pool in Rio Arriba, Sandoval, and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 1 WEST, NMPM
Sections 17: SW/4
18: W/2

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM
Section 17: SE/4

TOWNSHIP 26 NORTH, RANGE 8 WEST, NMPM
Sections 3: S/2 and NW/4
4: SE/4

TOWNSHIP 28 NORTH, RANGE 7 WEST, NMPM
Sections 10: All
11: All
15: NW/4

- (c) That the Bloomfield-Chisra Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM
Section 30: N/2

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Sections 20: W/2
25: SE/4
28: S/2
29: All
30: NE/4
31: N/2
32: N/2
33: N/2 and SE/4

- (s) That the Bloomfield-Farrington Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Sections 25: SW/4
26: SE/4 SE/4

- (t) That the Cha Cha-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 13 WEST, NMPM
Section 22: W/2 SW/4

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM
Sections 7: S/2 SW/4
18: N/2

TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM
Sections 1: S/2 SW/4
13: NW/4

- (u) That the Chacon-Dakota Associated Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 22 NORTH, RANGE 2 WEST, NMPM
Section 7: SW/4

TOWNSHIP 22 NORTH, RANGE 3 WEST, NMPM
Sections 1: E/2
3: NW/4
10: E/2
11: All
12: All

TOWNSHIP 23 NORTH, RANGE 3 WEST, NMPM
Sections 2: W/2
11: NE/4
16: SW/4

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM
Sections 15: SW/4
16: E/2 and NW/4
22: NW/4
26: NW/4
27: NE/4

- (v) That the Choza Mesa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM
Section 29: SW/4

- (w) That the Crouch Mesa-Mesaverde Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM
Section 6: SE/4

- (x) That the Cuervo-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Section 20: SW/4 SW/4

- (y) That the Dufers Point Gallup-Dakota Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Sections 3: S/2 SW/4
4: S/2 SE/4

- (2) That the Farmer-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM
Sections 8: All
9: W/2

- (aa) That the Flora Vista-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 31 NORTH, RANGE 12 WEST, NMPM
Section 14: SE/4

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM
Section 15: NW/4

- (bb) That the Flora Vista-Gallup Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM
Sections 5: N/2
6: NE/4
11: NW/4

- (cc) That the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Sections 1: W/2
12: W/2

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Section 36: W/2

- (dd) That the South Gallegos Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM
Section 18: NE/4

- (ee) That the Gallegos-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM
Section 12: SW/4

- (ff) That the Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Sections 4: SW/4
9: NE/4
15: NE/4
25: NE/4
26: NE/4

TOWNSHIP 30 NORTH, RANGE 5 WEST, NMPM
Section 34: SW/4

- (gg) That the Gonzales-Mesaverte Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Sections 4: E/2 and NW/4
9: NE/4
10: All

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Sections 31: NW/4
32: SE/4
33: W/2

- (hh) That the Harris Mesa-Chacra Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM
Sections 5: NW/4
6: NE/4

TOWNSHIP 28 NORTH, RANGE 9 WEST, NMPM
Sections 19: SE/4
29: NW/4
30: NE/4

- (ii) That the Horseshoe-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM
Section 19: N/2 SW/4

- (jj) That the Hespah-Dakota Oil Pool in McKinley County, New Mexico, as heretofore, classified, defined and described, is hereby extended to include:

TOWNSHIP 17 NORTH, RANGE 8 WEST, NMPM
Section 6: SW/4 SE/4

- (kk) That the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 11 WEST, NMPM
Section 3: NW/4

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM
Sections 11: W/2
29: W/2
30: All
31: All
32: NW/4
33: All
34: W/2

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM
Sections 34: NE/4
35: All

- (ll) That the Largo-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM
Section 22: NE/4

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM
Sections 2: SW/4
9: NW/4

- (mm) That the South Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 4 WEST, NMPM
Section 3: NW/4 NE/4

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Sections 27: S/2 S/2
28: SE/4
33: E/2
34: All

- (nn) That the West Lindrith Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 3 WEST, NMPM
Section 6: N/2

TOWNSHIP 24 NORTH, RANGE 4 WEST, NMPM
Sections 10: SW/4
14: SE/4
36: NE/4

TOWNSHIP 25 NORTH, RANGE 4 WEST, NMPM
Sections 14: SE/4
15: NE/4
35: E/2

TOWNSHIP 25 NORTH, RANGE 5 WEST, NMPM
Section 35: SW/4

- (oo) That the North Los Pinos-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 8 WEST, NMPM
Section 23: N/2

- (pp) That the South Los Pinos Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 31 NORTH, RANGE 7 WEST, NMPM
Sections 7: SE/4
10: SW/4
12: W/2

TOWNSHIP 32 NORTH, RANGE 7 WEST, NMPM
Sections 26: SW/4
27: SE/4
34: NE/4
36: NW/4

- (qq) That the Lybrook-Gallup Oil Pool in Rio Arriba and Sandoval Counties, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 23 NORTH, RANGE 6 WEST, NMPM
Section 29: E/2 NW/4

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM
Sections 2: W/2 NW/4
6: NE/4 SE/4
9: S/2 SW/4

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Sections 22: SE/4 SE/4
25: SE/4 NW/4, SW/4 NE/4, and NW/4 SE/4
26: NW/4, W/2 NE/4, and NE/4 SE/4
27: N/2, N/2 SW/4, and NW/4 SE/4

- (rr) That the Marcelina-Dakota Oil Pool in McKinley County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 16 NORTH, RANGE 10 WEST, NMPM
Section 13: S/2 SE/4

- (ss) That the Meadows-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 29 NORTH, RANGE 15 WEST, NMPM
Sections 2: SW/4 SW/4
3: NW/4, NE/4 SW/4, N/2 SE/4 and SE/4 SE/4
4: NE/4 and NW/4 SE/4
10: NE/4 NE/4

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM
Sections 28: SW/4 SW/4
29: SE/4 SE/4
33: N/2 NW/4 and SE/4 NW/4

- (tt) That the Miguel Creek-Gallup Oil Pool in McKinley County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 16 NORTH, RANGE 6 WEST, NMPM
Sections 20: S/2 NE/4
21: W/2 SW/4 and NE/4 SW/4
28: SW/4 NW/4

- (uu) That the Mt. Nebo-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 10 WEST, NMPM
Sections: 28: NW/4
29: E/2
32: NE/4

- (vv) That the Ojito Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 3 WEST NMPM
Sections 7: W/2
18: W/2 and NE/4
20: N/2
21: W/2 NW/4

- (ww) That the Otero-Chacra Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 5 WEST NMPM
Sections 13: SW/4
14: SE/4
23: NE/4
34: S/2
35: SW/4
36: SE/4

TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM

Sections 23: SW/4

26: NE/4

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Sections 24: SW/4

25: NW/4

TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM

Sections 2: W/2

16: NE/4

TOWNSHIP 27 NORTH, RANGE 7 WEST, NMPM

Sections 34: S/2

35: W/2

- (xx) That the Otero-Gallup Oil Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 5 WEST, NMPM

Section 3: N/2 NE/4

- (yy) That the North Pinon-Fruitland Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM

Sections 9: All

16: NE/4

- (zz) That the Pinon-Gallup Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM

Section 13: W/2 NW/4

- (aaa) That the Potwin-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM

Section 8: NE/4

- (bbb) That the Ute Dome-Dakota Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM

Section 31: N/2

- (ccc) That the Ute Dome-Paradox Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 32 NORTH, RANGE 13 WEST, NMPM

Section 19: All

- (ddd) That the WAW Fruitland-Pictured Cliffs Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 25 NORTH, RANGE 12 WEST, NMPM

Section 5: NE/4

TOWNSHIP 26 NORTH, RANGE 12 WEST, NMPM

Section 9: S/2

TOWNSHIP 26 NORTH, RANGE 13 WEST, NMPM

Section 25: NE/4

That the Whitewash Mancos-Dakota Oil Pool in San Juan County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPM

Sections 10: SE/4 SE/4

11: W/2 SW/4

(fff) That the Wildhorse-Gallup Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, is hereby extended to include:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM

Section 18: NE/4

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

IN RE THE APPLICATION OF
JOHN YURONKA FOR AN
UNORTHODOX LOCATION AND
COMPULSORY POOLING OF A
JALMAT GAS POOL WELL TO BE
DRILLED IN THE SW/4 OF SEC. 31,
T. 22 S., R. 37 E., N.M.P.M.,
LEA COUNTY, NEW MEXICO.

JUN 22 1982

CASE NO. 7624

A P P L I C A T I O N

Comes now John Yuronka, by his attorneys, Jasper & Buell, and applies to the Oil Conservation Division for an order allowing the drilling of a Jalmat Gas Pool well in the SW/4 of Section 31, T. 22 S., R. 37 E., N.M.P.M., Lea County, New Mexico, at an unorthodox location and force pooling all mineral interests therein and in support of this application, states:

1. Applicant is an interested party in this application and owns mineral interests and rights on the Jalmat Gas Pool under the SW/4 of Section 31, T. 22 S., R. 37 E., N.M.P.M.
2. At the present time there is a gas well drilled on the above-designated proration unit, and producing, designated by the operator, Dalport Oil Corporation, as its E. F. King No. 1 well. Said well is located 660 feet from the south line and 660 feet from the west line of the said proration unit, SW/4 of Section 31, T. 22 S., R. 37 E., N.M.P.M., Lea County, New Mexico.
3. Applicant proposes to drill a well to the approximate total depth of 3,500 feet to test the Jalmat Gas Pool, the well to be located 990 feet from the south line and 330 feet from the west line of the SW/4 of Section 31, T. 22 S.,

R. 37 E., N.M.P.M., Lea County, New Mexico, said well to be designated as the E. F. King No. 3.

4. Applicant asks that he be designated as operator of the well and the proration unit. If this application is granted, Dalport Oil Corporation, the present designated operator of the proration unit, will consent to the applicant being designated operator and upon the successful completion of the proposed E. F. King No. 3 well will cause to be plugged and abandoned the E. F. King No. 1.

5. Certain interests in the proration unit have not consented to join in the costs of the proposed well and they are as follows:

Tenneco Oil Co.
6800 Park Ten Plaza
Suite 200 North
San Antonio, Texas 78213
Attn: Rex Bourland

Roy G. Barton
Post Office Box 978
Hobbs, New Mexico 88240

Ellie Spear
603 Seco
Hobbs, New Mexico 88240

6. Applicant asks that the nonconsenting interest owners be assessed a risk penalty for drilling costs of the maximum as provided by law to be paid out of production, if any.

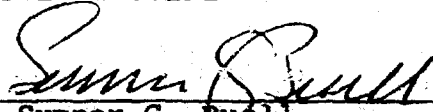
7. Any offset operators that may be interested in this application are:

ARCO Petroleum Company
Getty Oil Company

8. Applicant asks that a reasonable fee be set for costs of management and supervision while drilling this well and also during operation and production thereof.

9. The granting of this application will protect correlative rights, prevent waste and the drilling of unnecessary wells.

JASPER & BUELL

By 
Sumner G. Buell
Attorney for Applicant
Post Office Box 1626
Santa Fe, New Mexico 87501

ORDERS

STATE OF NEW MEXICO
ENERGY AND MINERALS DEPARTMENT
OIL CONSERVATION DIVISION

JSL

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

BSL

CASE NO. 7624

Order No. *R* 7043

APPLICATION OF JOHN YURONKA FOR AN
UNORTHODOX GAS WELL LOCATION AND
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

JSu

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on July 21, 1982,
at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this _____ day of July, 1982, the Division
Director, having considered the testimony, the record, and the
recommendations of the Examiner, and being fully advised in the
premises,

FINDS:

(1) That due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, John Yuronka, requested dismissal of that portion of this case relating to compulsory pooling

(2) That the applicant, John Yuronka, ^{now} seeks approval of an unorthodox gas well location 990 feet from the South line and 330 feet from the West line of Section 31, Township 22 South, Range 37 East, NMPM, ~~to test the~~

^{OK}
~~Gaswell~~ / Jalmat Gas Pool, Lea County, New Mexico.

✓
(3) That the SW/4 of said Section 31 is to be dedicated to the well.

✓
(4) That a well at said unorthodox location will better enable applicant to produce the gas underlying the proration unit.

✓
(5) That no offset operator objected to the proposed unorthodox location.

✓
(6) That approval of the subject application will afford the applicant the opportunity to produce its just and equitable share of the gas in the subject pool, will prevent the economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and protect correlative rights.

IT IS THEREFORE ORDERED:

(1) That the application of John Yuronka for an unorthodox gas well location ~~for the~~ ^{is} ~~formation~~ hereby approved for a well to be located at a

point 990 feet from the South line and 330 feet from the West line of Section 31, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

(2) That the SW/4 of said Section 31 shall be dedicated to the above-described well.

(3) That that part of ~~the order~~ ^{this case} calling for the compulsory pooling of all mineral interests in the Jalmat Gas Pool underlying the SW/4 of said Section 31 is hereby dismissed.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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