

**DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 16, 1995**

8:15 A.M. - 2040 SOUTH PACHECO

SANTA FE, NEW MEXICO

Dockets Nos. 7-95 and 8-95 are tentatively set for March 2, 1995 and March 16, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

**CASE 11202:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson - Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

**CASE 11203:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit W. J. Conover, owner/operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the J. M. Lewelling Well No. 1 (API No. 30-035-20010), located 660 feet from the North and West lines (Unit D) of Section 12, Township 12 South, Range 9 East, Otero County, New Mexico (which is approximately 2.75 miles southeast of the Three Rivers, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

**CASE 11204:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the last known operator, Coal Creek Oil Co., and all other interested parties to appear and show cause why the Graham Well No. 1, also known as the W. E. Duggen Well No. 1, (API No. 30-045-08066) located approximately 1520 feet from the North line and 1120 feet from the East line in the NW/4 SE/4 NE/4 (Unit H) of Section 20, Township 29 North, Range 11 West, San Juan County, New Mexico (which is within the City of Bloomfield, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

**CASE 11205:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, W. R. Webb, and all other interested parties to appear and show cause why the Fee Well No. 1 (API No. 30-045-09996) located approximately 600 feet from the North line and 1000 feet from the West line (Lot 4/Unit D) of Section 6, Township 30 North, Range 11 West, San Juan County, New Mexico (which is approximately 3/4 of a mile northwest of the Aztec Municipal Airport, Aztec, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

**CASE 11191:** (Continued from January 19, 1995, Examiner Hearing.)

Application of Great Western Drilling Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its existing Glenn Cleveland Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7, Township 15 South, Range 35 East, in order to test and recomplete this well in the Morrow formation. The E/2 of said Section 7 to be dedicated to said well to form a standard 320-acre gas spacing and proration unit. Said unit is located approximately 7 miles northwest of Lovington, New Mexico.

**CASE 11206:** Application of Strata Production Company for pool creation, the promulgation of special pool rules, and for an unorthodox oil well location, Lea and Chaves Counties, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Devonian formation underlying the E/2 E/2 of Section 36, Township 12 South, Range 31 East, Lots 1 through 4 (W/2 W/2 equivalent) of Section 31, Township 12 South, Range 32 East, Lot 1 and the SE/4 NE/4 (E/2 NE/4 equivalent) of Section 1, Township 13 South, Range 31 East, and Lots 4 and 5 (W/2 NW/4 equivalent) of Section 6, Township 13 South, Range 32 East (being approximately 11.5 miles south-southwest of Caprock, New Mexico) and for the promulgation of Special Rules and Regulations therefor including provisions for 80-acre oil spacing and proration units and designated well location requirements. Applicant further seeks approval of an unorthodox oil well location in this newly created Devonian oil pool for a well to be drilled 1435 feet from the North line and 757 feet from the East line (Unit H) of said Section 36, the E/2 NE/4 of said Section 36 to be dedicated to said well thereby forming a standard 80-acre oil spacing and proration unit in said pool.

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10.67

**CASE 11207:** **Application of Meridian Oil, Inc. for a unit agreement, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the East Corbin Delaware Unit Agreement for an area comprising 880 acres, more or less, of Federal and State lands in portions of Sections 15, 16, 21, and 22, Township 18 South, Range 33 East, which is centered approximately 10 miles west-southwest of Buckeye, New Mexico.

**CASE 11198:** (Continued from February 2, 1995, Examiner Hearing.)

**Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the NW/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 2, which has been drilled at a standard location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 21. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.5 miles west by north of Lakewood, New Mexico.

**CASE 11199:** (Continued from February 2, 1995, Examiner Hearing.)

**Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SW/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 1, which has been drilled at a standard location 820 feet from the South line and 660 feet from the West line (Unit M) of said Section 21. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.5 miles west by north of Lakewood, New Mexico.

**CASE 11200:** (Continued from February 2, 1995, Examiner Hearing.)

**Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation, underlying the SE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Patriot "AIZ" Well No. 5, which has been drilled at a standard location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 21. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

**CASE 11176:** (Continued from February 2, 1995, Examiner Hearing.)

**Application of Amoco Production Company to amend Division Order No. R-10174 to include provisions for an unorthodox surface gas well location, simultaneous dedication, and an exception to Rule 2(b) of the Special Rules governing the Blanco-Mesaverde Pool, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks to amend Division Order No. R-10174, issued in Case 11054 and dated August 25, 1994, which order authorized Amoco Production Company to initiate a high angle/horizontal directional drilling pilot project within an existing non-standard 327.11-acre gas spacing and proration unit in the Blanco-Mesaverde Pool comprising Lots 8, 9, 10, and 11 and the SE/4 (E/2 equivalent) of Section 6, Township 30 North, Range 8 West, by changing the surface location of its proposed Florance "H" Well No. 37-R to an unorthodox surface gas well location 465 feet from the South line and 1660 feet from the East line (Unit O) of said Section 6. Applicant further seeks an exception to Rule 2(b) of the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, allowing for a third well to be drilled on a spacing unit and for production from all three wells to be simultaneously dedicated to said 327.11-acre proration unit. Said project area is located approximately 5 miles northwest of the Navajo Reservoir Dam. In the absence of objection, this application will be taken under advisement.