

**CASE 11339:** (Continued from October 5, 1995, Examiner Hearing.)

Application of Yates Petroleum Corporation for directional drilling and an unorthodox bottomhole location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Zinnia Federal Unit Well No. 1 from a unorthodox surface location 1980 feet from the North line and 910 feet from the West line (Unit E) of Section 27, Township 20 South, Range 29 East, to an unorthodox bottomhole gas well location within 50 feet of a point 1980 from the North line and 2405 feet from the East line (Unit G of Section 27, to test the Strawn and Morrow formations, Undesignated East Burton Flat-Strawn Gas Pool and Wildcat Morrow. The N/2 of Section 27 is to be dedicated to this well forming a standard 320-acre gas spacing and proration unit for both formations. Said well is located approximately 11 miles northeast of Carlsbad, New Mexico.

**CASE 11409:** Application of Maralo, Inc. for pool creation, special pool rules and a discovery allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Wolfcamp formation comprising the N/2 NE/4 of Section 20, Township 13 South, Range 38 East, the assignment of a discovery allowable, and the promulgation of special pool rules therefor including provisions for 80-acre spacing units and special well location requirements. Said area is located approximately 6 miles southeast of Gladiola, New Mexico.

**CASE 11335:** (Continued from October 5, 1995, Examiner Hearing.)

Application of Naumann Oil & Gas, Inc. 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 Morrow formation underlying the E/2 of Section 34, Township 18 South, Range 29 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to the Empire "34" Federal Well No. 1 which is an existing well located at a standard gas well location 1980 feet from the North line and 1980 feet from the East line (Unit G) of Section 34 and which is to be re-entered and deepened in an attempt to complete in the Morrow formation. Also to be considered will be the costs of re-entering, deepening and completing said well and the allocation of those costs 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 re-entering, deepening and completing said well. Said unit is located approximately 9 miles southwest of Loco Hills, New Mexico.

**CASE 11410:** Application of Medallion Production Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, Undesignated Buffalo Valley-Pennsylvanian Gas Pool, underlying the S/2 of Section 20, Township 15 South, Range 28 East. Applicant proposes to dedicate this pooled unit to its U.S.A. "20" Well No. 1 to be drilled at a location 990 feet from the South line and 1100 feet from the East line (Unit P) of said Section 20 to test any and all formations to the base of the Morrow formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 9 miles southeast of Hagerman, New Mexico.

**CASE 11411:** Application of Medallion Production Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, Undesignated Cemetery-Morrow Gas Pool, underlying the S/2 of Section 9, Township 20 South, Range 25 East. Said unit is to be dedicated to a well to be drilled at an orthodox location in Section 9. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles southwest of Seven Rivers, New Mexico.

**CASE 11321:** (Reopened and Continued from September 21, 1995, Examiner Hearing.)

Application of D & J Oil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location in the Southwest Gladiola-Devonian Pool to be drilled 642 feet from the South line and 2434 feet from the East line (Unit O) of Section 27, Township 12 South, Range 37 East. The W/2 SE/4 of said Section 27 is to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 7.5 miles east by south of Tatum, New Mexico.

**CASE 11412:** Application of Amoco Production Company for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to surface commingle Blanco Mesaverde Pool gas production with Basin Dakota Pool gas production within the wellbore of its Houck Com Well No. 1, located 1580 feet from the South line and 890 feet from the East line (Unit I) of Section 1, Township 29 North, Range 10 West. Said well is located approximately 3 1/2 miles west of Turley, New Mexico.

**CASE 11413:** Application of Amoco Production Company for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to surface commingle Blanco Mesaverde Pool gas production with Basin Dakota Pool gas production within the wellbore of its Blanco Com Well No. 1A, located 1120 feet from the South line and 950 feet from the East line (Unit P) of irregular Section 2, Township 30 North, Range 11 West. Said well is located approximately 1 1/2 miles northeast of Aztec, New Mexico.

**CASE 11328:** (Continued from October 5, 1995, Examiner Hearing.)

Application of Merrion Oil & Gas Corporation for a high angle/horizontal directional drilling pilot project and for the promulgation of special operating rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the Media-Entrada Oil Pool within its proposed Media Entrada Secondary (Federal) Unit comprising portions of Sections 14, 15, 22, and 23, Township 19 North, Range 3 West. Further, the applicant seeks the promulgation of special operating rules and procedures for wells within said Unit Area including provisions for administrative authorization for horizontal wells, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, the assignment of a special oil allowable or formula for the project area and the designation of a target window such that horizontal or producing portions of such a wellbore shall be no closer than 330 feet to the outer boundary of the project area. Said area is located approximately 14 miles southwest of Cuba, New Mexico.

**CASE 11414:** In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order abolishing and extending certain existing pools in Lea County, New Mexico.

- (a) ABOLISH the South Red Tank-Delaware Pool in Lea County, New Mexico, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 25: SW/4

Section 36: NW/4

- (b) EXTEND the West Red Tank-Delaware Pool in Lea County, New Mexico, to include therein

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 25: SW/4

Section 36: NW/4