

**CASE 11339: (Readvertised)**

**Application of Yates Petroleum Corporation for directional drilling and unorthodox bottomhole locations, Eddy County, New Mexico.** Applicant seeks authority to drill its Zinnia Federal Unit Well No. 1 from a surface location 1980 feet from the North line and 910 feet from the West line (Unit E) to an unorthodox bottomhole location in the Strawn formation, East Burton Flat-Strawn Gas Pool, 2065 feet from the North line and 2480 feet from the East line (Unit G) and as a wildcat well in the Wolfcamp formation 2055 feet from the North line and 2277 feet from the West line (Unit F) of Section 27, Township 20 South, Range 29 East. The N/2 of said Section 27 is dedicated to this well forming a standard 320-acre oil proration unit. Said well is located approximately 11 miles northeast of Carlsbad, New Mexico.

**CASE 11485:** Application of Robert N. Enfield for salt water disposal, Lea County, New Mexico. Applicant seeks authority to inject produced salt water into the Penrose interval of the Buffalo-Queen Pool through the perforated interval from approximately 4423 feet to 4432 feet in its Hudson "31" Federal Well No. 1, located 2310 feet from the North line and 330 feet from the East line (Unit H) of Section 31, Township 18 South, Range 33 East. Said well is located approximately 8 miles south-southeast of Loco Hills, New Mexico.

**CASE 11486:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Walter J. Cambern d/b/a Cambern & Associates Oil and Gas, Sunwest Bank of Rio Arriba, N.A., and all other interested parties to appear and show cause why the Smith Well No. 1 located in Unit I of Section 21, Township 31 North, Range 3 East, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond.

**CASE 11487:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Schwartz Carbonic Company, Federal Insurance Company, and all other interested parties to appear and show cause why the De Baca Well No. 2 located in Unit B of Section 31, Township 20 North, Range 31 East, Harding County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond.

**CASE 11488:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Sofia Exploration Company, First National Bank in Clayton, and all other interested parties to appear and show cause why the Roxana State Well No. 1 located in Unit F of Section 36, Township 26 North, Range 26 East, Union County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond.

**CASE 11489:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Santa Rita Exploration Corp., Allied Fidelity Insurance Company, and all other interested parties to appear and show cause why the Moonlight 4 West Well No. 1 located in Unit D of Section 4, Township 8 South, Range 28 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond.

**CASE 11490:** In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Salkar, Inc., the Travelers Indemnity Company, and all other interested parties to appear and show cause why the El Cheapo Well No. 1 located in Unit F of Section 35, Township 18 South, Range 27 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond.

**CASE 11399: (Continued from February 8, 1996, Examiner Hearing.)**

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Diamond Back Petroleum Inc. and all other interested parties to appear and show cause why the following two wells located in Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug any or all of said wells, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond, if any, covering said wells:

Margie Kay Well No. 1, located 1980 feet from the North line and 1980 feet from the West line (Unit F) of Section 7, Township 17 South, Range 28 East.

Margie Kay Well No. 1, located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 7, Township 17 South, Range 28 East.

**CASE 11448:** (Continued from February 8, 1996, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Rhonda Operating Co., owner/operator, American Employers' Insurance Company, surety, and all other interested parties to appear and show cause why the State 29 Well No. 2, located 1977 feet from the North line and 670 feet from the East line (Unit H) of Section 29, Township 8 South, Range 33 East, Chaves County, New Mexico (which is approximately 17 miles southeast of Kenna, 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 11467:** (Continued from February 22, 1996, Examiner Hearing.)

Application of the Oil Conservation Division for a show cause hearing requiring Southwest Water Disposal, Inc. (SWD) to appear and show cause why it should not be ordered to comply with its permit requirements and close its commercial clay lined surface evaporation pond located in the SE/4 SW/4, Section 32, Township 30 North, Range 9 West, San Juan County, New Mexico. Said facility is located approximately 3 miles north-northeast of Blanco, New Mexico.

**CASE 11457:** (Continued from February 22, 1996, Examiner Hearing.)

In the matter of the application of the New Mexico Oil Conservation Division for a show cause hearing requiring Petro-Thermo Corporation to appear and show cause why its Goodwin Treating Plant located in the SW/4 NW/4 of Section 31, Township 18 South, Range 37 East, Lea County, New Mexico should not: (1) be ordered to cease operations, (2) have its permit to operate revoked, (3) be closed and cleaned up, (4) be closed by the Division if Petro-Thermo does not close it, (5) have the costs of closure and cleanup assessed against Petro-Therm closed by the Division, and (6) have its \$25,000 bond forfeited. Said plant is located approximately 9 miles west of Hobbs, New Mexico.