

DOCKET: COMMISSION HEARING - THURSDAY - DECEMBER 11, 1997

9:00 A.M. - 2040 SOUTH PACHECO - SANTA FE, NEW MEXICO

The Land Commissioner's designee for this hearing will be Jami Bailey or Gary Carlson

CASE 11844: (De Novo)

**Application of Chesapeake Operating, Inc. for an unorthodox oil well location, Lea County, New Mexico.** Applicant seeks approval to drill its proposed Gandy "19" Well No. 1 at an unorthodox oil well location 2523 feet from the North line and 2370 feet from the East line (Unit G) of Section 19, Township 16 South, Range 36 East, to the base of the Strawn formation, said location being unorthodox for any and all oil producing formations, and if productive, to be dedicated to a standard 40-acre oil spacing and proration unit consisting of the SW/4 NE/4 of said Section 19. Said location is located approximately 3 ½ miles southwest of Lovington, New Mexico. Upon application of Marathon Oil Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11838: (De Novo)

**Application of Premier Oil & Gas, Inc. to have a wellbore of its included in the Avalon (Delaware) Unit operated by Exxon Company USA, Eddy County, New Mexico.** Applicant seeks to include its FV-1 Well located 1980 feet from the North line and 990 feet from the East line (Unit H) of Section 25, Township 20 South, Range 27 East, as a unit wellbore in the Avalon (Delaware) Unit, including but not limited to amending Exhibit H of the Unit Operating Agreement to include said wellbore and to qualify said wellbore a useable wellbore committed to its Avalon (Delaware) Unit prior to October 1, 1997. Said unit is located approximately 7 miles southeast of Lakewood, New Mexico. Upon application of Premier Oil & Gas, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

THIS HEARING WILL BE LIMITED TO ARGUMENTS REGARDING DISMISSAL OF THIS CASE AT THE DIVISION LEVEL.CASE 11808: (De Novo)

**Application of Burlington Resources Oil & Gas Company for compulsory pooling and a non-standard gas proration and spacing unit, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests, including working interests, royalty interests and overriding royalty interests, below the base of the Dakota formation (base of the Cretaceous aged formation) to the top of the Pre-Cambrian aged formation underlying all of Irregular Section 9, Township 31 North, Range 10 West, forming a non-standard 636.01-acre gas spacing and proration unit for any formations and/or pools developed on 640-acre gas spacing within said vertical extent. Said unit is to be dedicated to its Scott Well No. 24 to be drilled at a standard gas well location 1535 feet from the North line and 2500 feet from the West line (Unit F) of said 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 well is located approximately 2 ½ miles southeast of Cedar Hills, New Mexico. Upon the application of Total Minatone Corporation, Timothy B. Johnson, Trustee for Ralph A. Bard, Jr. Trust U/A/D February 12, 1983 et al., and Lee Wayne Moore and Joann Montgomery Moore, Trustees, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 11809: (De Novo)

**Application of Burlington Resources Oil & Gas Company for compulsory pooling, an unorthodox gas well location and a non-standard proration unit, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral owners, including working interests, royalty interests and overriding royalty interests below the base of the Dakota formation (base of the Cretaceous aged formation) to the top of the Pre-Cambrian aged formation underlying all of Irregular Section 8, Township 31 North, Range 10 West, forming a non-standard 639.78-acre gas spacing and proration unit for any formations and/or pools developed on 640-acre gas spacing within said vertical extent. Said unit is to be dedicated to its Marcotte Well No. 2 to be drilled at an unorthodox gas well location 1540 feet from the South line and 935 feet from the East line (Unit I) of said Section 8. 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 well is located approximately 2 ½ miles southeast of Cedar Hills, New Mexico. Upon the applications of Total Minatome Corporation, Timothy B. Johnson, Trustee for Ralph A. Bard, Jr. Trust U/A/D February 12, 1983 et al., Lee Wayne Moore and Joann Montgomery Moore, Trustees, and Bert Harris, this case will be heard De Novo pursuant to the provisions of Rule 1220.

**THE FOLLOWING CASES ARE AWAITING FINAL COMMISSION ACTION:**

**CASE 11856:** Application of Burlington Resources Oil & Gas Company to amend New Mexico Oil Conservation Division Rule 1105.C to expand and extend the confidentiality provisions of said rule.

**CASE 11723:** Application of Mewbourne Oil Company for an unorthodox gas well location and non-standard gas proration unit, Eddy County, New Mexico.

**CASE 11755:** Application of Fasken Oil and Ranch, Ltd. for a non-standard gas proration and spacing unit and two alternate unorthodox gas well locations, Eddy County, New Mexico.

**CASE 11868:** Application of Texaco Exploration and Production Inc. for clarification or, in the alternative, an exception to the special pool rules and regulations for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico.