

CASE 11811: (Continued from August 7, 1997, Examiner Hearing.)

Application of the Oil Conservation Division for an order requiring Hanson Energy to plug seventeen (17) wells in Eddy County, New Mexico. In the matter of the hearing called by the Oil Conservation Division ("Division") to permit the operator, Hanson Energy, Gulf Insurance Company, and all other interested parties to appear and show cause why seventeen (17) wells located in Township 18 South, Range 28 East and Township 17 South, Ranges 27 and 28 East, 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 said wells, the Division seeks an order (i) authorizing the Division to plug said wells, (ii) declaring forfeiture of the plugging bond, if any, covering said wells, and (iii) authorizing the Division to recover from the operator the costs of plugging the wells in excess of the amount of the bond. Said wells are located approximately 10 miles south-southeast of Artesia, New Mexico.

CASE 11855: (Continued from September 18, 1997, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division for the creation and extension of certain pools in Rio Arriba, San Juan, and Sandoval Counties, New Mexico.

- (a) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Farmington Sand production and designated as the Blanco-Farmington Sand Pool. The discovery well is the Amoco Production Company Abrams Gas Com A Well No. 1 located in Unit I of Section 26, Township 29 North, Range 10 West, NMPM. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 10 WEST, NMPM

Section 26: SE/4

- (b) CREATE a new pool in San Juan County, New Mexico, classified as a gas pool for Fruitland Sand production and designated as the South Crouch Mesa-Fruitland Sand Pool. The discovery well is the Burlington Resources Oil and Gas Company Cooper Well No. 6 located in Unit F of Section 6, Township 29 North, Range 11 West, NMPM. Said pool would comprise:

TOWNSHIP 29 NORTH, RANGE 11 WEST, NMPM

Section 6: NW/4

- (c) EXTEND the Aztec-Fruitland Sand Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 10 WEST, NMPM

Section 17: NE/4

- (d) EXTEND the Barker Dome-Desert Creek Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 32 NORTH, RANGE 14 WEST, NMPM

Section 30: W/2

- (e) EXTEND the Blanco-Mesaverde Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM

Section 20: E/2

Section 29: E/2

Section 32: E/2

Sections 33 and 34: All

- (f) EXTEND the Eagle Mesa-Entrada Oil Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 19 NORTH, RANGE 4 WEST, NMPM

Section 13: SW/4 NW/4

- (g) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 14: W/2

Section 15: S/2 and NE/4

Section 16: S/2

Section 17: SE/4

Section 21: N/2 and SE/4

Section 22: All

Section 23: W/2

- (h) EXTEND the Otero-Chacra Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 8 WEST, NMPM

Section 4: N/2 and SW/4

Sections 5 and 6: All

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 1: All

- (i) EXTEND the Pinon-Gallup Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 20: SW/4

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.