

DOCKET: EXAMINER HEARING - THURSDAY - MARCH 5, 1998

8:15 AM - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos 7-98 and 8-98 are tentatively set for March 19, 1998 and April 2, 1998. 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 11932:** Application of Pioneer Natural Resources USA, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NE/4 SW/4 of Section 18, Township 20 South, Range 39 East to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to a well to be drilled to a depth sufficient to test the Abo formations (approximately 8,000 feet) at a standard location in said Section 18. 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 the risk involved in drilling said well. Said unit is located approximately 4 miles southeast of Nadine, New Mexico.

**CASE 11933:** Application of Bass Enterprises Production Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests underlying the following described acreage in Section 13, Township 16 South, Range 36 East, in the following manner: from the surface to the top of the Pennsylvanian formation, at an approximate depth of 10,890 feet, the NW/4 SE/4 to form a 40-acre spacing and proration unit for all formations and/or pools developed on 40-acre spacing within said vertical extent; and within the Pennsylvanian formation from the approximate depth of 10,890 feet to the total depth drilled of 11,450 feet; the W/2 NE/4 to form an 80-acre spacing and proration unit for all formations and/or pools developed on 80-acre spacing within said vertical extent. Said units are to be dedicated to the proposed Montieth "C" Well no. 1 which will be drilled at a standard location 660 feet from the North line and 1830 feet from the East line (Unit B) of said Section 13. 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 the risk involved in drilling said well. Said units are located approximately 2 miles east of Lovington, New Mexico.

**CASE 11934:** Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests underlying the following described acreage in Section 2, Township 16 South, Range 35 East, in the following manner: the W/2 to form 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; the NW/4 to form a standard 160-acre spacing and proration units for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; the S/2 NW/4 to form a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent; and the SW/4 NW/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said units are to be dedicated to the proposed Fields "APK" State Com Well No. 3 which will be drilled at a standard location 1980 feet from the North line and 760 feet from the West line (Unit E) of said Section 2. 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 the risk involved in drilling said well. Said units are located approximately 4 miles west of Lovington, New Mexico.

**CASE 11935:** Application of Chevron U.S.A. Production Company for reinstatement of underproduction for its Federal Com. "33" Well Nos. 1 and 2 gas proration unit, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in accordance with Rule 14(b) of the General Rules for prorated gas pools of New Mexico, seeks an order reinstating canceled underproduction from the proration periods ending in March, 1996 and March, 1997 for a gas proration unit ("GPU") in the Indian Basin-Upper Pennsylvanian Gas Pool consisting of all of Section 33, Township 21 South, Range 23 East, and dedicated to its Federal Com. "33" Well Nos. 1 and 2. Said unit is located approximately 22 miles west of Carlsbad, New Mexico.

**CASE 11936:** Application of Chevron U.S.A. Production Company for reinstatement of underproduction for its Bogel Flats Unit Well Nos. 5 and 18 gas proration unit, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in accordance with Rule 14(b) of the General Rules for prorated gas pools of New Mexico, seeks an order reinstating canceled underproduction from the proration periods ending in March, 1996, and March, 1997 for a gas proration unit ("GPU") in the Indian Basin-Upper Pennsylvanian Gas Pool consisting of all of Section 16, Township 22 South, Range 23 East, and dedicated to its Bogel Flats Unit Well Nos. 5 and 18. Said unit is located approximately 22 miles west of Carlsbad, New Mexico.

*(De Novo)*  
**CASE 11937:** Application of Chevron U.S.A. Production Company for reinstatement of underproduction for its Bogel Flats Unit Nos. 3 and 17 gas proration unit, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in accordance with Rule 14(b) of the General Rules for prorated gas pools of New Mexico, seeks an order reinstating canceled underproduction from the proration periods ending in March, 1996 and March, 1997 for a gas proration unit ("GPU") in the Indian Basin-Upper Pennsylvanian Gas Pool consisting of all of Section 9, Township 22 South, Range 23 East, and dedicated to its Bogel Flats Unit Well Nos. 3 and 17. Said unit is located approximately 22 miles west of Carlsbad, New Mexico.

*Upon application of Chevron U.S.A. Production Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.*

**CASE 11938:** Application of Chevron U.S.A. Production Company for reinstatement of underproduction for its Bogel Flats Unit Com. Well Nos. 1 and 10 gas proration unit, Indian Basin-Upper Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant, in accordance with Rule 14(b) of the General Rules for prorated gas pools of New Mexico, seeks an order reinstating canceled underproduction from the proration periods ending in March, 1996 and March, 1997 for a gas proration unit ("GPU") in the Indian Basin-Upper Pennsylvanian Gas Pool consisting of all of Section 3, Township 22 South, Range 23 East, and dedicated to its Bogel Flats Unit Com. Well Nos. 1 and 10. Said unit is located approximately 22 miles west of Carlsbad, New Mexico.

**CASE 11939:** Application of Manzano Oil Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the SE/4 SW/4 of Section 25, Township 17 South, Range 37 East for all formations developed on 40-acre spacing. Applicant proposes to dedicate this pooled unit to its "SV" Grand Slam Well No. 1 to be drilled at a standard location 400 feet from the South line and 2310 feet from the West line (Unit N) of said Section 25. 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 the risk involved in drilling said well. Said area is located approximately 4 miles northwest of Hobbs, New Mexico.

**CASE 11940:** Application of Manzano Oil Corporation for compulsory pooling and unorthodox well location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described area in Section 4, Township 22 South, Range 27 East in the following manner: the S/2 for all formations developed on 320-acre spacing which presently includes but is not necessarily limited to the South Carlsbad-Morrow Gas Pool and the Undesignated South Carlsbad-Strawn Pool; the SE/4 for all formations developed on 160-acre spacing; the E/2 SE/4 for all formations developed on 80-acre spacing; and the SE/4 SE/4 for all formations developed on 40-acre spacing which presently includes but is not limited to the Esperanza-Delaware Pool. Applicant proposes to dedicate these pooled units to its Esperanza Well No. 1 to be drilled at an unorthodox location 660 feet from the South line and 990 feet from the East line (Unit P) of said Section 4. 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 the risk involved in drilling said well. Said area is located approximately 2 miles southeast of Carlsbad, New Mexico.

**CASE 11877:** (Readvertised)

**Application of Fasken Land and Minerals, Ltd. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described area in Section 12, Township 23 South, Range 24 East, and in the following manner: all of said Section 12 to form a standard 640-acre gas spacing and proration unit for any and all formations and/or pools developed on 640-acre gas spacing within said vertical extent, which presently may include but is not necessarily limited to the Rock Tank-Upper Morrow Gas Pool and the Rock Tank-Lower Morrow Gas Pool; and the N/2 of said Section 12 to form a standard 320-acre gas spacing and proration unit for any and all formations/pools developed on 320-acre gas spacing within said vertical extent. Said units are to be dedicated to its Carrero "12" Federal Com Well No. 1 to be drilled and completed at an unorthodox gas well location 500 feet from the North line and 2265 feet from the West line (Unit C) of said Section 12. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Fasken Oil and Ranch, Ltd. as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 15 miles southwest of Carlsbad, New Mexico.

**CASE 11927:** (Continued from February 19, 1998, Examiner Hearing.)

**Application of Redstone Oil & Gas Company for compulsory pooling and unorthodox gas well location, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 12, Township 23 South, Range 24 East, and in the following manner: All of Section 12 to form a standard 640-acre gas spacing and proration unit for any formations and/or pools developed on 640-acre spacing within said vertical extent, including but not limited to the Rock Tank-Upper Morrow Gas Pool and the Rock Tank-Lower Morrow Gas Pool; and the N/2 of Section 12 to form 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. Said units are to be dedicated to a well to be located at an unorthodox gas well location 500 feet from the North line and 2515 feet from the East line (Unit B) of said Section 12. 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 the risk involved in drilling said well. Said unit is located approximately 11 miles northwest of Whites City, New Mexico.