

**Examiner Hearing – March 7, 2002**

**Docket No. 07-02**

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East, which is located approximately 9 miles east of McDonald, New Mexico.

**CASE 12763:** This case will be continued to the May 2, 2002, Examiner Hearing.

**Application of Paladin Energy Corp. for an unorthodox gas well location, Lea County, New Mexico.** Applicant seeks approval of an unorthodox well location in the Wolfcamp formation, King-Wolfcamp Pool, for its State "C" Well No. 1 to be re-entered and recompleated at an unorthodox well location 1550 feet from the North line and 10 feet from the West line of Section 36, Township 13 South, Range 37 East. Said well is located approximately 9 miles east of McDonald, New Mexico.

**CASE 12540:** Continued from February 7, 2002, Examiner Hearing.

In the matter of Case 12540 being reopened pursuant to the provisions of Division Order No. R-1 1526, which order promulgated temporary special pool rules for the Arena Blanca-Entrada Pool in McKinley County, New Mexico. Operators in the Arena Blanca-Entrada Pool should appear and show cause why the temporary special rules for the pool should not be rescinded.

**CASE 12812:** Continued from February 21, 2002, Examiner Hearing.

**Application of Agave Energy Company for Approval of a Salt Water Disposal Well, Eddy County, New Mexico.** Applicant seeks approval to utilize its Metropolis "AZL" State Com Well No. 1 (API No. 30-015-31905) located 1650 feet from the South and West lines (Unit K) of Section 36, Township 18 South, Range 25 East, to dispose of produced water into the Devonian and Ellenburger formations from a depth of 9,900 feet to 11,400 feet. This well is located approximately 4 miles northwest of Lakewood, New Mexico.

**CASE 12831:** **Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico.** Applicant seeks approval of the New Grass State Exploratory Unit for an area comprising 3200 acres of State of New Mexico lands in Sections 9, 15, 16, 21, 22, 23, and 24 of Township 15 South, Range 34 East, which is located approximately 7 miles northwest of Lovington, New Mexico.

**CASE 12832:** **Application of Yates Petroleum Corporation for an unorthodox gas well location, Chaves County, New Mexico.** Applicant seeks an exception to the applicable gas well location set-back requirements governing all formations or pools from the surface to the base of the Granite Wash or top of the basement formation for its Pay "AYY" Federal Com. Well No. 1 to be drilled 660 feet from the North line and 330 feet from the West line (Unit D) of Section 11, Township 8 South, Range 26 East, to be dedicated to the following described spacing units: (i) the W/2 of Section 11 to form a standard 320-acre stand-up gas spacing unit for all formations or pools developed on 320-acre spacing, which presently includes but not necessarily limited to the North Foor Ranch-Permian Gas Pool; and (ii) the NW/4 to form a standard 160-acre spacing and proration unit for all formations or pools developed on 160-acre spacing, which presently includes but not necessarily limited to the Pecos Slope-Abo Gas Pool. The proposed well location is approximately one mile north of U. S. Highway No. 70 at mile marker No. 357.

**CASE 12320:** Continued from February 7, 2002, Examiner Hearing.

**Application of Chevron U.S.A. Production Co. for Approval to convert the EMSU Wells No. 210, 212, 222, 252 and 258 to Injection in the Eunice Monument South Unit, Lea County, New Mexico.** Applicant seeks approval to convert its EMSU Wells No. 210, 212, 222, 252 and 258 to injection in the Eunice Monument South Unit (EMSU). These wells are designed to improve recovery