

Examiner Hearing – October 5, 2000

Docket No. 28-00

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CASE 12489: Continued from September 7, 2000, Examiner Hearing.

Application of Ray Westall-Operator for approval to convert the Taylor Federal Wells No. 2, 4 and 11 to injection on its Taylor Unit (A. C. Taylor Lease) in the Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool, Eddy County, New Mexico. Applicant seeks approval to convert its Taylor Federal Wells 2, 4, and 11 to injection to improve the recovery efficiency of the waterflood patterns and enhance production of this waterflood project which was approved by the Division by order WFX-243 on September 19, 1966. The wells are located in Township 18 South, Range 31 East, NMPM, as follows: Well No. 2 – 1980 feet from the South and East lines of Section 12, Unit J; Well No. 4 – 1980 feet from the South line and 660 feet from the West line of Section 12, Unit L; and Well No. 11 – 660 feet from the North line and 1980 feet from the East line of Section 13, Unit B. Water will be injected into the Queen formation in the Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool. Injection will occur at an expected maximum rate of 300 barrels of water per day per well and an expected pressure of 800 pounds per square inch. This area is located approximately 12 miles southeast of Loco Hills, New Mexico.

CASE 12504: In the matter of the hearing of the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Foster Draw- Delaware Pool. The discovery well is the Fasken Oil & Ranch, Ltd. El Paso Federal Well No. 10 located in Lot 34 of Section 2, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Section 2: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Laguna Grande-Wolfcamp Gas Pool. The discovery well is the Kukui Operating Company Goodnight "35" Federal Well No. 1 located in Unit N of Section 35, Township 23 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM

Section 35: S/2

- (c) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Lost Lake-Wolfcamp Pool. The discovery well is the Southwestern Energy Production Company Lost Lake "25" Well No. 1 located in Unit M of Section 25, Township 8 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM

Section 25: SW/4

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Owen Mesa-Wolfcamp Gas Pool. The discovery well is the Mitchell Energy Corporation Corral Fly "35" Federal Com. Well No. 1 located in Unit F of Section 35, Township 24 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 35: N/2

- (e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Northwest Winchester-Wolfcamp Pool. The discovery well is the Marathon Oil Company Lightfoot "20" State Well No. 1 located in Unit M of Section 20, Township 19 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 20: SW/4

- (f) EXTEND the Artesia-Glorieta-Yeso Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 25: S/2

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 4: NW/4

Section 5: N/2

Section 6: W/2 and NE/4

- (g) EXTEND the Avalon-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Section 10: E/2

- (h) EXTEND the Southeast Crow Flats-Morrow Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM

Section 33: S/2

Section 34: S/2

- (i) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 26: N/2

- (j) EXTEND the Southwest Forty Niner Ridge-Delaware Pool in Eddy County, New Mexico, to include:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM

Section 30: NW/4

- (k) EXTEND the West Lusk-Morrow Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM

Section 16: N/2

- (l) EXTEND the Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 33: SW/4

- (m) EXTEND the Northeast Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 26: E/2

- (n) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 20: E/2

Section 29: NE/4

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