

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 2, 2000

8:15 A.M. - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos. 33-00 and 34-00 are tentatively set for November 16 and December 7, 2000. 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 12497: Continued from October 19, 2000, Examiner Hearing.

Application of OXY USA Inc., for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the W/2 of Section 21, Township 22 South, Range 26 East, to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within the vertical extent, including the South Happy Valley-Atoka Gas Pool and the Happy Valley-Morrow Gas Pool, to be dedicated to its Wonder Federal Well No. 1 to be drilled and completed at a standard gas well location in Unit N of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs in accordance with COPAS Bulletin No. 2 as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well, a charge for risk involved in this well and provisions for the drilling of an optional second well in accordance with Division Rule 104. This unit is located approximately 4-1/2 miles southwest of Carlsbad, New Mexico.

CASE 12518: Continued from October 19, 2000, Examiner Hearing.

Application of Concho Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations and pools developed on 320-acre spacing in the E/2 of Section 14, Township 23 South, Range 26 East, which includes but is not necessarily limited to the Undesignated Happy Valley-Morrow Gas Pool, Undesignated East McKittrick Hills-Atoka Gas Pool, Southeast Revelation-Strawn Gas Pool, and the McKittrick Canyon-Upper Pennsylvanian Gas Pool. The units are to be dedicated to its Filaree "24" Federal Com Well No. 2 to be drilled at a standard location 1300 feet from the South line and 750 feet from the East line of Section 24 to a depth sufficient to test all formations from the surface to the base of the Morrow formation. Also to be considered will be the cost of drilling and completing the 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 the well. The area is located approximately 6 miles west of Carlsbad, New Mexico.

CASE 12320: Continued from October 19, 2000, 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 efficiency of the waterflood patterns and enhance production of the EMSU secondary recovery project. The wells are located in the following locations: No. 210 - Section 4, Unit K, Township 21 South, Range 36 East; No. 252 - Section 5, Unit I, Township 21 South, Range 36 East; No. 222 - Section 6, Unit O, Township 21 South, Range 36 East; No. 252 - Section 6, Unit W, Township 21 South, Range 36 East; No. 258 - Section 4, Unit U, Township 21 South, Range 36 East. Water will be injected into the unitized interval of the Eunice Monument Grayburg-San Andres Pool which has an upper limit of 100 feet below mean sea level or the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation. Injection will occur at an expected maximum pressure rate of 1500 barrels of water per day and an expected maximum pressure of 750 pounds per square inch. This area is approximately one mile west-southwest of Oil Center, New Mexico

CASE 12511: Continued from October 19, 2000, Examiner Hearing.

Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 28, Township 28 North, Range 10 West, and in the following manner: The E/2 of Section 28 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated Blanco-Mesaverde Gas Pool and Basin-Dakota Gas Pool; the SE/4 of Section 28 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent, including but not limited to the Undesignated Otero-Chacra Gas Pool; and the NW/4 SE/4 of Section 28 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated Kutz-Gallup Pool. The units are to be dedicated to applicant's Federal Gas Com. Well No. 1E, to be drilled at an orthodox gas well location/unorthodox oil well location 1610 feet from the South line and 1570 feet from the East line of Section 28. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 7 miles southeast of Bloomfield, New Mexico.

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CASE 12523: **Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 17, Township 28 North, Range 10 West, and in the following manner: The E/2 of Section 17 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated Blanco-Mesaverde Gas Pool and Basin-Dakota Gas Pool; the SE/4 of Section 17 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent, including but not limited to the Otero-Chacra Gas Pool; and the SE/4 SE/4 of Section 17 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated Armenta-Gallup Pool. The units are to be dedicated to applicant's Federal E Well No. 1E, to be drilled at an orthodox gas well location/unorthodox oil well location 1255 feet from the South line and 930 feet from the East line of Section 17. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 5 miles southeast of Bloomfield, New Mexico.

CASE 12524: **Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 4, Township 27 North, Range 10 West, and in the following manner: The E/2 of Section 4 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Basin-Dakota Gas Pool; the SE/4 of Section 4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent, including but not limited to the Undesignated Otero-Chacra Gas Pool; and the SW/4 SE/4 of Section 4 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated Kutz-Gallup Pool. The units are to be dedicated to applicant's Federal F Well No. 2E, to be drilled at an orthodox gas well location/unorthodox oil well location 1060 feet from the South line and 1805 feet from the East line of Section 4. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 7 1/2 miles southeast of Bloomfield, New Mexico.

CASE 12525: **Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 16, Township 27 North, Range 10 West, and in the following manner: The E/2 of Section 16 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Basin-Dakota Gas Pool; the SE/4 of Section 16 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and the SW/4 SE/4 of Section 16 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated Kutz-Gallup Pool. The units are to be dedicated to applicant's Federal F Well No. 1E, to be drilled at an orthodox gas well location/unorthodox oil well location 1125 feet from the South line and 1665 feet from the East line of Section 16. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 10 miles southeast of Bloomfield, New Mexico.

CASE 12501: **Continued from October 19, 2000, Examiner Hearing.**

Application of Santa Fe Snyder Corporation for pool creation and special pool rules, Eddy County, New Mexico. Applicant seeks the creation of the North Hackberry-Bone Spring Pool, covering the SE/4 of Section 6, Township 19 South, Range 31 East, and the promulgation of Special Pool Rules for the North Hackberry-Bone Spring Pool, including provisions for 160-acre spacing, special well location requirements, and a gas:oil ratio of 30,000 cubic feet of gas for each barrel of oil produced. The proposed pool is centered approximately 10 miles southeast of Loco Hills, New Mexico.

CASE 12510: **Continued from October 19, 2000, Examiner Hearing.**

Application of Pogo Producing Company for salt water disposal, Lea County, New Mexico. Applicant seeks approval to use its Red Tank "30" State Well No. 3, located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 30, Township 22 South, Range 33 East, to dispose of produced water into the Undesignated West Red Tank-Delaware Pool through the perforated and open hole interval from 4946-6400 feet subsurface. The well is located approximately 21 1/2 miles southwest of Oil Center, New Mexico.