

Dockets Nos. 11-78 and 12-78 are tentatively set for hearing on March 22 and April 5, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 8, 1978

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

- CASE 6167: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Saguaro Oil Company and all other interested parties to appear and show cause why the Tenneco Santa Fe Well No. 1 located in Unit D of Section 31, Township 18 North, Range 8 West, McKinley County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6168: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Rutter and Wilbanks Brothers, Maryland Casualty Company, and all other interested parties to appear and show cause why the Magruder State Well No. 1 located in Unit E of Section 36, Township 17 South, Range 27 East, Eddy County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6169: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Petroleum Products Refining and Producing Company, and all other interested parties to appear and show cause why the Santa Fe Pacific Wells Nos. 1 and 2 located in Units F and K, respectively, of Section 21, Township 21 North, Range 8 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.
- CASE 6170: Application of Aminoil USA, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Westlake Unit Area comprising 1920 acres, more or less, of State lands in Township 24 South, Range 34 East, Lea County, New Mexico.
- CASE 6171: Application of J. M. Huber Corporation for a non-standard proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard proration unit comprising the SW/4 NE/4, W/2 SE/4 and SE/4 SE/4 of Section 10, Township 23 South, Range 26 East, Yarrow-Delaware Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled at an unorthodox location 990 feet from the South line and 1650 feet from the East line of said Section 10.
- CASE 6172: Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 22, Township 19 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 6173: Application of Harvey E. Yates Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Crosby Well No. 1 located 990 feet from the North line and 660 feet from the West line of Section 34, Township 7 South, Range 30 East, Cato Field, Chaves County, New Mexico, the W/2 of said Section 34 to be dedicated to the well.
- CASE 6174: Application of Yates Petroleum Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location for its Moore "JD" Well No. 1 to be located 660 feet from the South and East lines of Section 34, Township 17 South, Range 26 East, Kennedy Farms Field, Eddy County, New Mexico, the S/2 of said Section 34 to be dedicated to the well.
- CASE 6096: (Continued from February 8, 1978, Examiner Hearing)
Application of Texas Oil & Gas Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Wolfcamp and Pennsylvanian formations underlying the S/2 of Section 14, Township 21 South, Range 34 East, Lea County, New Mexico, to be dedicated to applicant's South Wilson State Well No. 1 to be drilled at a standard location thereon. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6175: Application of Petroleum Corporation of Texas for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation through the open-hole interval from 3000 feet to 3258 feet in its Jenkins "B" Fed. Well No. 1 located in Unit E of Section 20, Township 17 South, Range 30 East, Grayburg-Jackson Pool, Eddy County, New Mexico.

CASE 6176: Application of Read & Stevens, Inc., for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Scharb Com Well No. 1 located in the center of Unit J of Section 7, Township 19 South, Range 35 East, Scharb-Bone Spring Pool, Lea County, New Mexico.

CASE 6156: (Readadvertised)

Application of Southland Royalty Company for an unorthodox location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its East Well No. 5A to be located 1120 feet from the North line and 1790 feet from the West line of Section 24, Township 31 North, Range 12 West, Blanco-Mesaverde Pool, San Juan County, New Mexico.

CASE 6177: Application of Texas International Petroleum Corporation for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of a proposed gas well, the surface location of which would be 1650 feet from the South line and 1800 feet from the East line of Section 29, Township 20 South, Range 30 East, Golden Lane Field, Eddy County, New Mexico, in such a manner as to bottom said well in the Morrow formation within 100 feet of a point 1980 feet from the North line and 1985 feet from the West line of said Section 29, the N/2 of the Section to be dedicated to the well.

CASE 6178: In the matter of the application of the Oil Conservation Commission of New Mexico upon its own motion for an order creating and extending certain pools in Chaves, Eddy, Lea, and Roosevelt Counties, New Mexico, and the assignment of a discovery allowable in Eddy County, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Alacran Hills-Atoka Gas Pool. The discovery well is the Read and Stevens, Inc. WR State Com Well No. 1 located in Unit X of Section 6, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 6: Lots 9, 10, 15, 16 & SE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the West Malaga-Atoka Gas Pool. The discovery well is the HNG Oil Company Valdez 5 Com Well No. 1 located in H of Section 5, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 5: E/2

(c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Palmillo-Wolfcamp Pool, and assign 43,300 barrels of discovery allowable to the discovery well, Southland Royalty Company Palmillo State Well No. 1 located in Unit G of Section 32, Township 18 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 32: NE/4

(d) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Railroad Mountain-San Andres Pool. The discovery well is the Harlow Corporation Graves Well No. 1 located in Unit F of Section 11, Township 8 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 28 EAST, NMPM
Section 11: NW/4

(e) EXTEND the Angell Ranch-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 31: All

(f) EXTEND the Avalon-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM
Section 31: S/2
Section 32: S/2

CASE 6184: Application of Mesa Petroleum Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 24, Township 18 South, Range 24 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6185: (This Case will be dismissed)

Application of Mesa Petroleum Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 32, Township 18 South, Range 35 East, Lea County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6186: Application of Sun Production Company for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the NE/4 of Section 20 and the NW/4 of Section 21, both in Township 22 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be dedicated to applicant's Boren & Greer Gas Unit Well No. 2 to be located 890 feet from the North line and 1780 feet from the West line of said Section 21.

CASE 6187: Application of Continental Oil Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinetry and Drinkard production in the wellbore of its Hawk B-1 Well No. 1 located in Unit F of Section 9, Township 21 South, Range 37 East, Lea County, New Mexico.

CASE 6170: Application of Aminoil USA, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Westlake Unit Area comprising 1920 acres, more or less, of State lands in Township 24 South, Range 33 East, Lea County, New Mexico.

CASE 6188: Application of Sam D. Ares for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Seven Rivers formation through the open-hole interval from 3465 feet to 3497 feet in his Zattu Cushing Well No. 1 located in Unit F of Section 23, Township 24 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico.

CASE 6189: Application of Merrion & Bayless for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs and Mesaverde production in the wellbore of its North Lindrith Com Well No. 2, to be drilled in the NW/4 of Section 20, Township 26 North, Range 2 West, Rio Arriba County, New Mexico.

Dockets Nos. 12-78 and 13-78 are tentatively set for hearing on April 5 and 19, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 22, 1978

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Daniel S. Nutter, Alternate Examiner:

CASE 6151: (Continued from February 22, 1978, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Vega Petroleum Corporation, American Employers' Insurance Company, and all other interested parties to appear and show cause why the North Caprock Queen Unit No. 1 Well No. 5Y located in Unit E of Section 8, Township 13 South, Range 32 East, Lea County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6152: (Continued from February 22, 1978, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Al Greer, American Employers' Insurance Company, and all other interested parties to appear and show cause why the Thompson Well No. 1 located in Unit N of Section 10, Township 30 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6179: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit McCoy and Phillips and all other interested parties to appear and show cause why the John Bergin Well No. 1 located 2515 feet from the North line and 1410 feet from the West line of Section 21, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6180: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Elvis L. Roberts, The Travelers Indemnity Company, and all other interested parties to appear and show cause why the Wade Well No. 1 located 850 feet from the North line and 1750 feet from the East line of Section 21, Township 29 North, Range 11 West, San Juan County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6137: (Continued from February 8, 1978, Examiner Hearing)

Application of Amoco Production Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Nellis Federal Well No. 3 to be located 1980 feet from the North line and 660 feet from the West line of Section 8, Township 19 South, Range 33 East, West Tonto-Pennsylvanian Gas Pool, Lea County, New Mexico, the N/2 of said Section 8 to be dedicated to the well.

CASE 6172: (Continued from March 8, 1978, Examiner Hearing)

Application of Morris R. Antweil for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 22, Township 19 South, Range 25 East, Eddy County, New Mexico, to be dedicated to a well to be drilled at a standard location thereon. 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. Also to be considered will be the designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 6181: Application of Yates Petroleum Corporation for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Rio Pecos "GB" Well No. 2 to be located 1980 feet from the South line and 1100 feet from the West line of Section 20, Township 18 South, Range 27 East, Red Lake Field, Eddy County, New Mexico, to test the Wolfcamp and Pennsylvanian formations, the S/2 of said Section 20 to be dedicated to the well.

CASE 6182: Application of Union Oil Company of California for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Laguna Deep Unit Area comprising 2,558 acres, more or less, of State, Federal and fee lands in Townships 19 and 20 South, Range 33 East, Lea County, New Mexico.

CASE 6183: Application of Mesa Petroleum Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its North Scharb Unit Area comprising 1911 acres, more or less, of State and fee lands in Township 18 South, Range 35 East, Lea County, New Mexico.

CASE 6197: Application of Amerada Hess Corporation for a non-standard gas proration unit, an unorthodox location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas proration unit comprising the N/2 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, Lea County, New Mexico, to be simultaneously dedicated to its State LMT Well No. 5 at an unorthodox location in Unit A of said Section 36 and its Well No. 2 in Unit F.

CASE 6170: (Continued from March 22, 1978, Examiner Hearing)

Application of Aminoil USA, Inc., for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Westlake Unit Area comprising 1920 acres, more or less, of State lands in Township 24 South, Range 33 East, Lea County, New Mexico.

CASE 6189: (Continued from March 22, 1978, Examiner Hearing)

Application of Merrion & Bayless for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Pictured Cliffs and Mesaverde production in the wellbore of its North Lindrith Com Well No. 2, to be drilled in the NW/4 of Section 20, Township 26 North, Range 2 West, Rio Arriba County, New Mexico.

CASE 6137: (Continued from March 22, 1978, Examiner Hearing)

Application of Amoco Production Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Nellis Federal Well No. 3 to be located 1980 feet from the North line and 660 feet from the West line of Section 8, Township 19 South, Range 33 East, West Tonto-Pennsylvanian Gas Pool, Lea County, New Mexico, the N/2 of said Section 8 to be dedicated to the well.

Docket No. 13-78

DOCKET: COMMISSION HEARING - WEDNESDAY - APRIL 12, 1978

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 6149: (Continued from February 21, 1978, Commission Hearing)

Application of The Permian Corporation for amendment of Order No. R-5208, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Order No. R-5208 which, as amended by R-5208-A, authorizes salt water disposal into the Delaware formation through applicant's State CS Well No. 1 located in Unit L of Section 17, Township 21 South, Range 27 East, Eddy County, New Mexico, with a maximum wellhead surface pressure of 600 psi. Applicant seeks to have the aforesaid pressure limitation increased or removed.

CASE 6077: (Continued from February 23, 1978, Commission Hearing)

Application of Bass Enterprises Production Company for a drilling permit in the Potash-Oil Area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Big Eddy Unit Well No. 52 and its Rodke Federal Well No. 3 located, respectively, in Units I and F of Section 27, Township 20 South, Range 31 East, Eddy County, New Mexico, said location being within the boundaries of the Potash-Oil Area as defined by Commission Order No. R-111-A and having been objected to by the owners of potash leases in the area.

Dockets Nos. 14-78 and 15-78 are tentatively set for hearing on April 19 and May 3, 1978. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 5, 1978

9 A.M. - OIL CONSERVATION COMMISSION CONFERENCE ROOM
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Daniel S. Nutter, Examiner, or Richard L. Stamets, Alternate Examiner:

CASE 6190: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Peter Siemens, Fidelity & Casualty Co. of New York, and all other interested parties to appear and show cause why the Wright Well No. 1 located in Unit F of Section 12, Township 10 North, Range 5 East, Bernalillo County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6191: In the matter of the hearing called by the Oil Conservation Commission on its own motion to permit Daryl Davis and all other interested parties to appear and show cause why the State Well No. 1 located in Unit K of Section 1, Township 4 South, Range 26 East, Chaves County, New Mexico, should not be plugged and abandoned in accordance with a Commission-approved plugging program.

CASE 6177: (Continued & Readvertised)

Application of Texas International Corporation for directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the directional drilling of a proposed gas well, the surface location of which would be 1650 feet from the South line and 1800 feet from the East line of Section 29, Township 20 South, Range 30 East, Eddy County, New Mexico, in such a manner as to penetrate the Strawn formation within 100 feet of a point 1980 feet from the North line and 1985 feet from the West line of said Section 29, and to bottom said well in the Morrow formation within 100 feet of a point 1501 feet from the North line and 1552 feet from the West line of said Section 29. The N/2 of the section would be dedicated to the Strawn formation, Golden Lane-Strawn Gas Pool, and all of Section 29 would be dedicated to the Morrow formation, Dos Hermanos-Morrow Gas Pool.

CASE 6192: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Federal "DC" Well No. 1 to be located 1980 feet from the South line and 660 feet from the West line of Section 29, Township 20 South, Range 28 East, Eddy County, New Mexico, the S/2 of said Section 29 to be dedicated to the well.

CASE 6193: Application of Zia Energy, Inc., for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Elliott Federal Well No. 1 located 2310 feet from the South line and 330 feet from the East line of Section 26, Township 20 South, Range 36 East, Eumont Gas Pool, Lea County, New Mexico, the N/2 SE/4 and W/2 NE/4 of said Section 26 to be simultaneously dedicated to the aforesaid well and to Well No. 2 in Unit J.

CASE 6194: Application of Tenneco Oil Company for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla "A" Well No. 10 to be located 1190 feet from the South line and 1590 feet from the East line of Section 18, Township 26 North, Range 5 West, Tapacito-Gallup Associated Pool, Rio Arriba County, New Mexico, the SE/4 of said Section 18 to be dedicated to the well.

CASE 6195: Application of Tenneco Oil Company for an unorthodox location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Jicarilla "A" Well No. 9 to be located 1850 feet from the North line and 1450 feet from the West line of Section 20, Township 26 North, Range 5 West, Tapacito-Gallup Associated Pool, Rio Arriba County, New Mexico, the NW/4 of said Section 20 to be dedicated to the well.

CASE 6196: Application of Sun Oil Company for an unorthodox gas well location and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 280-acre non-standard gas proration unit comprising the NE/4, W/2 NW/4 and the SE/4 NW/4 of Section 24, Township 20 South, Range 33 East, to be dedicated to applicant's Teas Federal Well No. 1, a wild-cat Pennsylvanian well to be drilled at an unorthodox location 2180 feet from the North and West lines of said Section 24.