

DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 10, 1994
8:15 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

Dockets Nos. 34-94 and 35-94 are tentatively set for December 1, 1994 and December 15, 1994. 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 11131: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Donald Sharratt, and all other interested parties to appear and show cause why the Baker "C" Well No. 1 (API No. 30-02510469) located 660 feet from the North and East lines (Unit A) of Section 26, Township 22 South, Range 37 East, Lea County, New Mexico (which is approximately 5 miles south southeast of Eunice, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon Norwest Bank New Mexico, formerly the United New Mexico Bank at Lea County, Hobbs, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

CASE 11080: (Continued from October 27, 1994, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described areas in Section 20, Township 23 South, Range 29 East, and in the following manner: The S/2 forming 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, including the Laguna Salado-Atoka Gas Pool; and the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said unit is to be dedicated to its Harroun Trust 20 Fed. Com Well No. 1, to be drilled at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of said Section 20. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles east of Loving, New Mexico.

CASE 11132: Application of Meridian Oil Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle gas production from the Blanco-Mesaverde Pool (W/2 equivalent dedication), Chacra formation (SW/4 equivalent dedication) and South Blanco-Pictured Cliffs Pool (SW/4 equivalent dedication) within the wellbore of its Navajo Indian "B" Well No. 3 located 1180 feet from the South line and 1450 feet from the West line (Unit N) of Section 19, Township 27 North, Range 8 West. Said well is located approximately 12 miles northeast of the Huerfano Training Post, New Mexico. In the absence of objection, this application will be taken under advisement.

CASE 11107: (Continued from October 27, 1994, Examiner Hearing.)

Application of Maralo, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation, underlying the NE/4 NW/4 (Unit C) of Section 30, Township 23 South, Range 30 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well 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, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 10 miles east by south of Loving, New Mexico.

CASE 10280: (Reopened)

In the matter of Case No. 10280 being reopened pursuant to the provisions of Division Orders Nos. R-9594 and R-9594-A, which orders promulgated temporary special rules and regulations for the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, including a provision for 80-acre spacing. Operators in the subject pool may appear and show cause why said special pool rules should not be rescinded and why the Milnesand-Abo Pool should not be developed on other than 40-acre spacing and proration units.

CASE 10804: (Reopened)

In the matter of Case No. 10804 being reopened pursuant to the provisions of Division Order No. R-10010, which order promulgated temporary special rules and regulations for the Happy Valley-Delaware Pool in Eddy County, New Mexico, including provisions for a limiting gas/oil ratio of 10,000 cubic feet of gas per barrel of oil and a special depth bracket allowable of 160 barrels of oil per day. Operators in said Happy Valley-Delaware Pool may appear and present evidence and show cause why said special rules and regulations should remain in effect.

CASE 10530: (Reopened - Continued from October 13, 1994, Examiner Hearing.)

In the matter of Case No. 15030 being reopened pursuant to the provisions of Order Nos. R-9722 and R-9722-A, which promulgated special rules and regulations for the West Lovington-Strawn Pool including a provision for 80-acre spacing. Operators in the subject pool should be prepared to appear and show cause why the temporary special rules and regulations for the West Lovington-Strawn Pool should not be rescinded and said pool not be developed on 40-acre spacing units.

CASE 11124: (Continued from October 27, 1994, Examiner Hearing.)

Application of Conoco Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated North Dagger Draw-Upper Pennsylvanian Pool underlying the NW/4 of Section 32, Township 19 South, Range 25 East, forming a standard 160-acre oil spacing and proration unit for said pool, said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the costs 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 the operator of the well and a charge for the risk involved in drilling and completing said well. Said unit is located approximately 10 1/2 miles west of Lakewood, New Mexico.

CASE 11133: Application of Meridian Oil Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production (158.47-acre dedication comprising Lots 11, 12, and 13 and the NW/4 SW/4, being the SW/4 equivalent) with gas from the Basin-Fruitland Coal (Gas) Pool (314.89-acre dedication comprising Lots 3, 4, 5, 6, 11, 12, and 13 and the NW/4 SW/4, being the W/2 equivalent) within the wellbore of its existing Murphy "B" Well No. 1 located at a standard gas well location for both intervals 1050 feet from the South line and 1600 feet from the West line (Lot 13/Unit N) of Section 25, Township 30 North, Range 11 West. Said well is located approximately 3 miles southeast of Aztec, New Mexico. In the absence of objection, this application will be taken under advisement.

CASE 11134: Application of Meridian Oil Inc. for downhole commingling and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production (157.77-acre dedication comprising Lots 6, 11, and 12 and the NE/4 SE/4, being the SE/4 equivalent) with gas from the Basin-Fruitland Coal (Gas) Pool within the wellbore of its existing Payne Well No. 2 located 1180 feet from the South line and 1750 feet from the East line (Lot 11/Unit O) of Section 35, Township 30 North, Range 11 West. Said well location is considered to be an "off-pattern" unorthodox coal gas well location and is to be dedicated to a standard 316.83-acre gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool comprising Lots 9 through 13, the SE/4 SW/4, and the W/2 SE/4 (S/2 equivalent) of said Section 35. Said well is located approximately 4 miles southeast of Aztec, New Mexico.

CASE 11135: Application of Meridian Oil Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production (159.75-acre dedication comprising Lot 5, the N/2 NE/4, and the SE/4 NE/4, being the NE/4 equivalent) with gas from the Basin-Fruitland Coal (Gas) Pool (319.43-acre dedication comprising Lots 1 through 5, the N/2 NE/4, and the SE/4 NE/4, being the N/2 equivalent) within the wellbore of its existing Wood Well No. 2 located at a standard gas well location for both intervals 1650 feet from the North line and 1800 feet from the East line (Lot 5/Unit G) of Section 35, Township 30 North, Range 11 West. Said well is located approximately 4 miles southeast of Aztec, New Mexico. In the absence of objection, this application will be taken under advisement.

CASE 11136: Application of Meridian Oil Inc. for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production (156.28-acre dedication comprising Lots 1, 2, 7, and 8, being the NE/4 equivalent) with gas from the Basin-Fruitland Coal (Gas) Pool (313.36-acre dedication comprising Lots 1, 2, 7, 8, 9, 10, 14, and 15, being the E/2 equivalent) within the wellbore of its existing Albright "A" Well No. 1 located at a standard gas well location for both intervals 990 feet from the North and East lines (Lot 1/Unit A) of Section 25, Township 30 North, Range 11 West. Said well is located approximately 3 miles southeast of Aztec, New Mexico. In the absence of objection, this application will be taken under advisement.

CASE 11137: Application of Meridian Oil Inc. for downhole commingling and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production (160-acre, SE/4 dedication) with coal gas from the Basin-Fruitland Coal (Gas) Pool within the wellbore of its existing Garrett Com Well No. 1 located 1650 feet from the South and East lines (Unit J) of Section 12, Township 29 North, Range 11 West. Said well location is considered to be an "off-pattern" unorthodox coal gas well location and is to be dedicated to a standard 320-acre gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool comprising the E/2 of said Section 12. Said well is located approximately 2 miles northeast of Bloomfield, New Mexico.

CASE 11080: (Continued from November 10, 1994, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described areas in Section 20, Township 23 South, Range 29 East, and in the following manner: The S/2 forming 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, including the Laguna Salado-Atoka Gas Pool; and the SE/4 forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said unit is to be dedicated to its Harroun Trust 20 Fed. Com Well No. 1, to be drilled at an unorthodox gas well location 1980 feet from the South line and 660 feet from the East line of said Section 20. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 5 miles east of Loving, New Mexico.

CASE 11163: Application of Marathon Oil Company to amend the special rules and regulations for the Lea-Devonian Pool, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend the Special Rules and Regulations for the Lea-Devonian Pool, as promulgated by Division Order No. R-1826-A, as amended, to provide for standard oil well locations not closer than 330 feet to the outer boundary nor closer than 330 feet to any interior boundary of a 160-acre oil spacing and proration unit with no more than one well in each quarter-quarter section. The pool currently includes all or portions Sections 11, 12, and 13, Township 20 South, Range 34 East, which is located approximately 9 miles south the old Hobbs Army Air Forces Auxiliary Airfield No. 4.

CASE 11164: Application of Marathon Oil Company for an unorthodox oil well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox infill oil well location 900 feet from the South line and 1756 feet from the East line (Unit O) of Section 13, Township 20 South, Range 34 East, Lea-Devonian Pool. The existing 160-acre standard oil spacing and proration unit comprising the SE/4 of said Section 13 is to be simultaneously dedicated to the proposed infill well and to the existing Lea Unit Well No. 3, located at a standard oil well location in Unit "J" of said Section 13. Said unit is located approximately 9 miles south the old Hobbs Army Air Forces Auxiliary Airfield No. 4.

CASE 11165: Application of Naumann Oil & Gas Inc. for compulsory pooling, a non-standard gas proration unit, and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the East Custer-Devonian Gas Pool underlying Lots 3 through 7, the SE/4 NW/4, and the E/2 SW/4 (W/2 equivalent) of Section 6, Township 25 South, Range 37 East, forming a non-standard 312.95-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to the existing and temporarily abandoned Dakota Resources, Inc. Custer Wells Well No. 1 (API No. 30-025-27374), which is located at an unorthodox gas well location for the proposed stand-up, W/2 spacing unit, 1810 feet from the North line and 2164 feet from the West line (Lot 5/Unit E) of said Section 6. Also to be considered will be the costs of re-entering, deepening and the recompletion of said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well, and a charge for the risk involved in the re-entry and deepening of said well. Said unit is located approximately 3 miles north of Jal, New Mexico.

CASE 10280: (Reopened - Continued from November 10, 1994, Examiner Hearing.)

In the matter of Case No. 10280 being reopened pursuant to the provisions of Division Orders Nos. R-9594 and R-9594-A, which orders promulgated temporary special rules and regulations for the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, including a provision for 80-acre spacing. Operators in the subject pool may appear and show cause why said special pool rules should not be rescinded and why the Milnesand-Abo Pool should not be developed on other than 40-acre spacing and proration units.

CASE 11166: Application of Manzano Oil Corporation for an unorthodox oil well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 182 feet from the North line and 507 feet from the West line (Unit D) of Section 26, Township 13 South, Range 29 East, to test the Undesignated South Lone Wolf-Devonian Pool. The NW/4 NW/4 of said Section 26 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 17 miles east by north of Hagerman, New Mexico.

CASE 11153: (Continued from December 1, 1994, Examiner Hearing.)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Blanco-Mesaverde Pool gas production with Basin-Dakota Pool gas production within the wellbore of its Martinez Gas Com Well No. 1G located 1198 feet from the North line and 790 feet from the East line (Unit A) of Section 24, Township 29 North, Range 10 West. Said well is located inside the town in Blanco, New Mexico.

CASE 11154: (Continued from December 1, 1994, Examiner Hearing.)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional West Kutz-Pictured Cliffs Pool gas production (160-acre standard dedication comprising the NE/4) with gas production from the Basin-Fruitland Coal (Gas) Pool (320-acre standard dedication comprising the N/2) within the wellbore of its existing McGrady Gas Com "C" Well No. 1-E located at a standard gas well location for both intervals 1000 feet from the North line and 1740 feet from the East line (Unit B) of Section 14, Township 27 North, Range 12 West. Said well is located approximately 12 miles southeast by south of Farmington, New Mexico.

CASE 11155: (Continued from December 1, 1994, Examiner Hearing.)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Blanco-Pictured Cliffs Pool gas production (160-acre standard dedication comprising the NE/4) with gas production from the Basin-Fruitland Coal (Gas) Pool (320-acre standard dedication comprising the N/2) within the wellbore of its proposed Ruth Well No. 1 located at a standard gas well location for both intervals 940 feet from the North line and 790 feet from the East line (Unit A) of Section 8, Township 31 North, Range 10 West. Said well is located approximately 1.5 miles south southwest of Blanco, New Mexico.

CASE 11167: Application of Yates Petroleum Corporation for an unorthodox infill gas well location and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its Vandiver "CN" Com Well No. 2 at an unorthodox gas well location 1242 feet from the North line and 808 feet from the East line (Unit A) of Section 18, Township 18 South, Range 26 East, West Atoka-Morrow Gas Pool. Further, the applicant seeks an exception to Division General Rule 104(C)(2), as outlined by Division Memoranda dated July 27, 1988 and August 3, 1990, to continuously and concurrently produce gas from the West Atoka-Morrow Gas Pool from both its proposed Vandiver "CN" Com Well No. 2 and from its existing Vandiver "CN" Com Well No. 1, located at a previously approved unorthodox gas well location (Division Order No. R-4508) 1650 feet from the North line and 660 feet from the West line (Lot 2/Unit E) of said Section 18 and for the simultaneous dedication of said wells to the 317.32-acre gas spacing and proration unit comprising Lots 1 and 2, the NE/4, and E/2 NW/4 (N/2 equivalent) of said Section 18 for production from the West Atoka-Morrow Gas Pool. Said unit is located approximately 2.5 miles northwest by west of Dayton, New Mexico.

CASE 11156: (Continued from December 1, 1994, Examiner Hearing.)

Application of Maralo, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation, underlying the NE/4 NW/4 (Unit C) of Section 30, Township 23 South, Range 30 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well 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, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 10 miles east by south of Loving, New Mexico.

CASE 11168: Application of OXY USA, Inc. for waterflood expansion and qualification for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Myers Langlie-Mattix Unit Waterflood Project, Langlie-Mattix Pool, located in Townships 23 and 24, Ranges 36 and 37, herein authorized by Division Order No. R-4680, by initiating a 40-acre 5-spot pattern through the conversion of 16 current producing wells to water injectors and to reactivate a plugged injection well. Applicant further seeks an order pursuant to the rules and procedures for Qualification of Enhanced Oil Recovery Projects and Certification for the Recovered Oil Tax Rate, as promulgated by Division Order No. R-9708, qualifying that portion of said waterflood project encompassing the planned pattern change, for the recovered oil tax rate under the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said project area is centered approximately 9 miles north of Jal, New Mexico.

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 19, 1995

8:15 A.M. - 2040 SOUTH PACHECO

SANTA FE, NEW MEXICO

Dockets Nos. 4-95 and 5-95 are tentatively set for February 2, 1995 and February 16, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

(DE NOVO)

CASE 10280: (Reopened - Continued from December 15, 1994, Examiner Hearing.)

In the matter of Case No. 10280 being reopened pursuant to the provisions of Division Orders Nos. R-9594 and R-9594-A, which orders promulgated temporary special rules and regulations for the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, including a provision for 80-acre spacing. Operators in the subject pool may appear and show cause why said special pool rules should not be rescinded and why the Milnesand-Abo Pool should not be developed on other than 40-acre spacing and proration units. *Upon the application of Petroleum Production Management, Inc., this case will be heard De Novo pursuant to the provisions of*

CASE 11129: (Reopened)

~~Division Order No. 1220~~
Rule 1220.

Application of AnSon Gas Corporation for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Atoka formation underlying the N/2 SE/4 of Section 15, Township 17 South, Range 37 East, forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent, which presently includes both the Undesignated Humble City-Atoka Pool and the Undesignated Humble City-Strawn Pool. Said unit is to be dedicated to a well to be drilled at an unorthodox oil well location 2310 feet from the South line and 410 feet from the East line (Unit I) of said Section 15. 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 3 miles north northwest of Humble City, New Mexico.

CASE 10530: (Reopened - Continued from January 5, 1995, Examiner Hearing.)

In the matter of Case No. 10530 being reopened pursuant to the provisions of Order Nos. R-9722 and R-9722-A, which promulgated special rules and regulations for the West Lovington-Strawn Pool including a provision for 80-acre spacing. Operators in the subject pool should be prepared to appear and show cause why the temporary special rules and regulations for the West Lovington-Strawn Pool should not be rescinded and said pool not be developed on 40-acre spacing units.

CASE 11176: Application of Amoco Production Company to amend Division Order No. R-10174 to include provisions for an unorthodox surface gas well location, simultaneous dedication, and an exception to Rule 2(b) of the Special Rules governing the Blanco-Mesaverde Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-10174, issued in Case 11054 and dated August 25, 1994, which order authorized Amoco Production Company to initiate a high angle/horizontal directional drilling pilot project within an existing non-standard 327.11-acre gas spacing and proration unit in the Blanco-Mesaverde Pool comprising Lots 8, 9, 10, and 11 and the SE/4 (E/2 equivalent) of Section 6, Township 30 North, Range 8 West, by changing the surface location of its proposed Florance "H" Well No. 37-R to an unorthodox surface gas well location 465 feet from the South line and 1660 feet from the East line (Unit O) of said Section 6. Applicant further seeks an exception to Rule 2(b) of the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, allowing for a third well to be drilled on a spacing unit and for production from all three wells to be simultaneously dedicated to said 327.11-acre proration unit. Said project area is located approximately 5 miles northwest of the Navajo Reservoir Dam. In the absence of objection, this application will be taken under advisement.

CASE 11153: (Readvertised)

Application of Amoco Production Company for surface commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to surface commingle Blanco-Mesaverde Pool gas production with Basin-Dakota Pool gas production within the wellbore from its Martinez Gas Com Well No. 1G located 1198 feet from the North line and 790 feet from the East line (Unit A) of Section 24, Township 29 North, Range 10 West. Said well is located inside the town in Blanco, New Mexico.

CASE 11155: (Continued from December 15, 1994, Examiner Hearing.)

Application of Amoco Production Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Blanco-Pictured Cliffs Pool gas production (160-acre standard dedication comprising the NE/4) with gas production from the Basin-Fruitland Coal (Gas) Pool (320-acre standard dedication comprising the N/2) within the wellbore of its proposed Ruth Well No. 1 located at a standard gas well location for both intervals 940 feet from the North line and 790 feet from the East line (Unit A) of Section 8, Township 31 North, Range 10 West. Said well is located approximately 1.5 miles south southwest of Blanco, New Mexico.

CASE 11176: (Continued from January 5, 1995, Examiner Hearing.)

Application of Amoco Production Company to amend Division Order No. R-10174 to include provisions for an ~~unorthodox~~ surface gas well location, simultaneous dedication, and an exception to Rule 2(b) of the Special Rules governing the Blanco-Mesaverde Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-10174, issued in Case 11054 and dated August 25, 1994, which order authorized Amoco Production Company to initiate a high angle/horizontal directional drilling pilot project within an existing non-standard 327.11-acre gas spacing and proration unit in the Blanco-Mesaverde Pool comprising Lots 8, 9, 10, and 11 and the SE/4 (E/2 equivalent) of Section 6, Township 30 North, Range 8 West, by changing the surface location of its proposed Florance "H" Well No. 37-R to an unorthodox surface gas well location 1350 feet from the North line and 1850 feet from the East line (Lot 10/Unit G) of said Section 6. Applicant further seeks an exception to Rule 2(b) of the Special Rules and Regulations for the Blanco-Mesaverde Pool, as promulgated by Division Order No. R-8170, as amended, allowing for a third well to be drilled on a spacing unit and for production from all three wells to be simultaneously dedicated to said 327.11-acre proration unit. Said project area is located approximately 5 miles northwest of the Navajo Reservoir Dam. In the absence of objection, this application will be taken under advisement.

CASE 11183: (Continued from January 5, 1995, Examiner Hearing.)

Application of David Petroleum Corporation for Compulsory Pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the N/2 NE/4 of Section 33, Township 15 South, Range 35 East, in the following described manner: the N/2 NE/4 forming a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Lovington-Strawn Pool; and, the NW/4 NE/4 forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent. Said unit(s) are to be dedicated to the Barton Fee Well No. 1 to be drilled at a standard location 760 feet from the North line and 2090 feet from the East line (Unit B) of Section 33. 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles Northwest of Lovington, New Mexico.

CASE 11187: Application of Maralo, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation, underlying the SW/4 SE/4 (Unit O) of Section 30, Township 23 South, Range 30 East, forming 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 at a standard oil well 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, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 10 miles east by south of Loving, New Mexico.

CASE 11188: Application of Texaco Exploration and Production Inc., for certification of a positive production response pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant, in the above-styled cause, seeks certification, pursuant to the Rules and Procedures for Qualification of Enhanced Oil Recovery Projects and Certification for the Recovered Oil Tax Rate, as promulgated by Division Order No. R-9708, for a positive production response on its Vacuum Glorieta West Unit Waterflood Project, which qualified for the recovered oil tax rate under the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5) by Division Order No. R-9714. Said project is located in portions of Townships 17 and 18 South, Ranges 34 and 35 East and encompasses the immediate area in and around Buckeye, New Mexico.

CASE 11189: Application of ORYX Energy Company for an unorthodox infill gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its Conoco State Gas Com Well No. 2 at an unorthodox infill gas well location 800 feet from the South and West lines (Unit M) of Section 2, Township 22 South, Range 23 East, in the Indian Basin-Upper Pennsylvanian Gas Pool. Said well is to be dedicated to an existing 654.28-acre gas spacing and proration unit comprising all of said irregular Section 2, which is presently dedicated to its Conoco State Gas Com Well No. 1 located at a standard gas well location 1775 feet from the North line and 1980 feet from the West line (Unit F) of said Section 2. Said unit is located approximately 3 miles south of the Marathon Oil Company Indian Basin Gas Plant.