

EXAMINER HEARING - THURSDAY - AUGUST 20, 1992

- CASE 10532:** Application of Nearburg Producing Company for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 2080 feet from the South line and 1400 feet from the West line (Unit K) of Section 32, Township 24 South, Range 29 East, to test the Undesignated Willow Lake-Delaware Pool. The NE/4 SW/4 of said Section 32 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 5.25 miles southeast of Malaga, New Mexico.
- CASE 10533:** Application of BTA Oil Producers for directional drilling and an unorthodox bottomhole gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to deviate from its existing Indian 9201 JV-P Well No. 1 located 1650 feet from the North and East lines (Unit G) of Section 20, Township 22 South, Range 23 East, and recompleat said well in the Indian Basin-Upper Pennsylvanian Gas Pool at a new unorthodox bottomhole location within 50 feet of a point 1300 feet from the North and East lines of said Section 20. Said wellsite is located approximately 7 miles South-southwest of the Marathon Oil Company's Indian Basin Gas Plant.
- CASE 10534:** Application of American Hunter Exploration, Ltd. for a pressure maintenance project, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project in the West Puerto Chiquito-Mancos Oil Pool by the reinjection of gas into the Niobrara member of the Mancos shale through its existing Jicarilla 2-A Well No. 1, surface location 442 feet from the North line and 1177 feet from the East line (Unit A) of Section 2, Township 27 North, Range 1 West, which is approximately 9.5 miles west of El Vado, New Mexico.
- CASE 10535:** Application of American Hunter Exploration, Ltd. for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to RULE 4 of the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool, as promulgated by Division Order No. R-6469-B, as amended, for a well to be drilled at an unorthodox oil well location 1000 feet from the North line and 1300 feet from the East line (Unit A) of Section 2, Township 27 North, Range 2 West, Undesignated West Puerto Chiquito-Mancos Oil Pool, all of said Section 2 to be dedicated to said well forming a standard 640-acre oil spacing and proration unit for said pool. Said unit is located approximately 15 miles west of El Vado, New Mexico.
- CASE 10536:** Application of American Hunter Exploration, Ltd. for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to RULE 4 of the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool, as promulgated by Division Order No. R-6469-B, as amended, for a well to be drilled at an unorthodox oil well location 1000 feet from the South line and 2250 feet from the West line (Unit N) of Section 24, Township 27 North, Range 2 West, Undesignated West Puerto Chiquito-Mancos Oil Pool, all of said Section 24 to be dedicated to said well forming a standard 640-acre oil spacing and proration unit for said pool. Said unit is located approximately 15 miles west by south of El Vado, New Mexico.
- CASE 10537:** Application of American Hunter Exploration, Ltd. for directional drilling, an unorthodox bottomhole oil well location, and a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to directionally drill from a surface location 830 feet from the North line and 1075 feet from the East line (Unit A) of irregular Section 5, Township 27 North, Range 1 West, to an unorthodox bottomhole oil well location in the West Puerto Chiquito-Mancos Oil Pool within 50 feet of a point 660 feet from the North line and 1900 feet from the East line (Unit B) of said Section 5. All of said Section 5 is to be dedicated to said well forming a non-standard 655.48-acre oil spacing and proration unit. Said unit is located approximately 12.5 miles west of El Vado, New Mexico.
- CASE 10538:** Application of American Hunter Exploration, Ltd. for an unorthodox oil well location and a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to RULE 4 of the Special Rules and Regulations for the Gavilan-Mancos Oil Pool, as promulgated by Division Order No. R-7407, as amended, for a well to be drilled at an unorthodox oil well location 500 feet from the North line and 1450 feet from the East line (Unit B) of irregular Section 28, Township 27 North, Range 2 West, Undesignated Gavilan-Mancos Oil Pool, all of said Section 28 to be dedicated to said well forming a non-standard 430.56-acre oil spacing and proration unit for said pool. Said unit is located approximately 18 miles west by south of El Vado, New Mexico.

CASE 10525: (Continued from August 6, 1992, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Eddy and Chaves Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Bandana Point-Morrow Gas Pool. The discovery well is the Azotea AJZ Federal Well No. 1 located in Unit E of Section 9, Township 23 South, Range 24 East, NMPM.

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM

Section 9: W/2

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the South Bandana Point-Strawn Gas Pool. The discovery well is the Azotea AJZ Federal Well No. 1 located in Unit E of Section 9, Township 23 South, Range 24 East, NMPM.

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM

Section 9: W/2

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Yates production and designated as the South Burton-Yates Gas Pool. The discovery well is the State Well No. 1 located in Unit M of Section 20, Township 20 South, Range 29 East, NMPM.

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM

Section 21: SW/4

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Cottonwood Spring-Upper Pennsylvanian production. The discovery well is the Chelsi Well No. 1 located in Unit J of Section 2, Township 26 South, Range 25 East, NMPM.

TOWNSHIP 26 SOUTH, RANGE 25 EAST, NMPM

Section 2: E/2

- (e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the South Golden Lane-Delaware production. The discovery well is the Big Eddy Unit Well No. 113 located in Unit K of Section 8, Township 21 South, Range 29 East, NMPM.

- (f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production and designated as the Saladar-Upper Pennsylvanian Gas Pool. The discovery well is the Eddy FV State Com Well No. 1 located in Unit H of Section 25, Township 20 South, Range 27 East, NMPM.

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 25: E/2

- (g) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the North San Lorenzo-Bone Spring Pool. The discovery well is the Salt Draw Federal Com Well No. 1 located in Unit G of Section 11, Township 25 South, Range 28 East, NMPM.

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM

Section 11: NE/4

- (h) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the West Sand Draw-Delaware Pool. The discovery well is the Mobil Federal Well No. 1 located in Unit J of Section 29, Township 23 South, Range 31 East, NMPM.

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM

Section 29: SE/4