

CASE 10598: (Readvertised)

Application of Santa Fe Energy Operating Partners, L.P. for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks approval for an unorthodox gas well location, in both the Undesignated Frontier Hills-Strawn Gas Pool and South Carlsbad-Morrow Gas Pool, 660 feet from the North and West lines (Unit D) of Section 28, Township 23 South, Range 26 East. The N/2 of said Section 28 is to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for both pools. Said unit is located approximately 5 miles south-southwest of the Cavern City Airport in Carlsbad.

CASE 10629: (Continued from December 3, 1992, 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 27, Township 21 South, Range 24 East, and in the following manner: the entire section forming a standard 640-acre gas spacing and proration unit for any and all formations and/or pools developed on 640-acre spacing within said vertical extent, which presently includes only the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin-Morrow Gas Pool, and the W/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. Said units are to be dedicated to a single well to be drilled at an unorthodox gas well location 500 feet from the South line and 660 feet from the West line (Unit M) of said Section 27. 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles west by north of Carlsbad, New Mexico.

CASE 10635: Application of Mewbourne Oil Company for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the San Andres formation to the base of the Morrow formation underlying the following described areas in Section 15, Township 18 South, Range 28 East, and in the following manner: the E/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, 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, the W/2 SE/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, the NW/4 SE/4 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 units are to be dedicated to a single well to be drilled at an unorthodox location 1500 feet from the South line and 1980 feet from the East line (Unit J) 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 9 miles east-southeast of Artesia, New Mexico.

CASE 10636: Application of Mewbourne Oil Company for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Abo formation to the base of the Morrow formation underlying the following described areas in Section 27, Township 17 South, Range 28 East, and in the following manner: the E/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, 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, the E/2 SE/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, the NE/4 SE/4 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 units are to be dedicated to a single well to be drilled at an unorthodox location 1756 feet from the South line and 660 feet from the East line (Unit I) of said Section 27. 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles east-southeast of Riverside, New Mexico.

CASE 10637: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Abo formation to the base of the Morrow formation underlying the E/2 of Section 35, Township 17 South, Range 27 East, forming a standard 320-acre, more or less, gas spacing and proration unit for said pool. Said unit is to be dedicated to the applicant's Chalk Bluff "35" Federal Well No. 1 to be drilled at an orthodox location within said E/2 proration unit. 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 6 miles southeast of Artesia, New Mexico.

DOCKET: EXAMINER HEARING - THURSDAY - DECEMBER 17, 1992
8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM, STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO

Dockets Nos. 1-93 and 2-93 are tentatively set for January 7, 1993 and January 21, 1993. Applications for hearing must be filed at least 23 days in advance of hearing date.

The following cases will be heard before Michael E. Stogner, Examiner or David R. Catanach, Alternate Examiner:

CASE 10630: Application of Giant Exploration & Production Company for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal (Gas) Pool underlying the E/2 of Section 22, Township 25 North, Range 13 West, forming a standard 320.00-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 of said Section 22. 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 south of Jeffers Lake.

CASE 10631: Application of Meridian Oil Inc. for unorthodox coal gas well location, San Juan County, New Mexico. Applicant seeks an approval to drill a replacement coal gas well in the Basin Fruitland Coal Gas Pool at an unorthodox NW/4 location 2330 feet from the North line and 790 feet from the West line (Unit E) of Section 35, Township 31 North, Range 9 West. The W/2 equivalent of said Section 35 is to be dedicated to said well forming a standard 314.25-acre, more or less, gas spacing and proration unit for said pool. Said unit is located approximately 7 miles southeast of Cedar Hill.

CASE 10632: Application of Meridian Oil Inc. for compulsory pooling and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant seeks an order pooling certain working, royalty and overriding royalty interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 of Section 17, Township 30 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a well to be drilled at an unorthodox SE/4 gas well location 2270 feet from the South line and 640 feet from the East line (Unit I) of said Section 17. 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles west of the Navajo Lake State Park Airport.

CASE 10633: Application of Conoco Inc. for unorthodox oil well location, North Dagger Draw-Upper Pennsylvanian Pool, Eddy County, New Mexico. Applicant seeks an order approving the drilling of a well in the North Dagger Draw-Upper Pennsylvanian Pool at an unorthodox location 1980 feet from the North line and 1530 feet from the West line (Unit F) of Section 18, Township 19 South, Range 25 East. The NW/4 of said Section 18 is to be dedicated to said well forming a standard 160.00-acre oil spacing and proration unit for said pool. Said unit is located approximately 1 3/4 miles southwest of the Port of Entry on U.S. 62/180.

CASE 10100: (Continued from December 3, 1992, Examiner Hearing.)

In the matter of Case 10100 being reopened pursuant to the provisions of Division Order No. R-9390, which order promulgated special operating rules and regulations for the San Isidro (Shallow) Unit in Sandoval County. Operators in said unit may appear and show cause why the continuation of the foregoing special operating rules and regulations governing the Rio Puerco-Mancoas Oil Pool within said Unit Area are consistent with sound engineering and conservation practices and show cause why such procedures should remain in effect.

CASE 10634: Application of Exxon Corporation for downhole commingling, an exception to Division Order No. R-8170, as amended, and a non-standard spacing and proration unit or in the alternative an unorthodox gas well location, Lea County, New Mexico. Applicant seeks approval to downhole commingle the Blinberry and Paddock formations in its J.L. Greenwood Well No. 9 located 1980 feet from the South line and 2080 feet from the East line of Section 9, Township 22 South, Range 37 East. Applicant further seeks an exception to Order No. R-8170, as amended, to allow said well to produce with an unrestricted allowable. Also, applicant seeks approval of a non-standard spacing and proration unit for said well comprising the E/2 SW/4 and W/2 SE/4 of said Section 9, or in the alternative a standard spacing and proration unit consisting of the SE/4 of said Section 9 with an unorthodox gas well location. Said well is located approximately 2 miles south of Eunice, New Mexico.

CASE 10617: (Readvertised)

Application of C. W. Trainer for designation of a tight formation, Chaves County, New Mexico. Applicant seeks the designation of the Mississippian formation underlying an area comprising 11,009.08 acres, more or less, of State (approximately 5.8%) and fee (approximately 94.2%) lands in Sections 35 and 36, Township 11 South, Range 28 East; Sections 21 through 23 and 26 through 35, Township 11 South, Range 29 East; Sections 1 and 2, Township 12 South, Range 29 East; and, Sections 2 through 6, Township 12 South, Range 29 East, as a "Tight Formation" pursuant to Section 107 of the Natural Gas Policy Act of 1978 and 18 C.F.R. Sections 271.701-705. Said area is located approximately 29 miles east by south of Roswell, New Mexico.

CASE 10625: Application of Sea Coast, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in Section 8, Township 29 North, Range 12 West, and in the following described manner: Lots 5 through 8 and the NE/4 (E/2 equivalent) to form a standard 322.86-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes only the Basin-Fruitland Coal (Gas) Pool and the NE/4 to form 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 (which presently includes but is not necessarily limited to the Undesignated Crouch Mesa-Fruitland Sand Pool, Undesignated West Kutz-Fruitland Sand Pool and Undesignated Fulcher Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well to be drilled at a standard gas 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, and a charge for risk involved in drilling said well. The applicant also requests that Marlex Resources, Inc. be designated operator of the well. Said area is located on the east end of Farmington, New Mexico.

CASE 10626: Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW/4 of Section 32, Township 6 South, Range 26 East, 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, which presently includes but is not necessarily limited to the Undesignated Pecos Slope-Abo Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 16 miles west by north of Elkins, New Mexico.

CASE 10627: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NE/4 of Section 17, Township 10 South, Range 25 East, forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 160-acre spacing, which presently includes but is not necessarily limited to the South Pecos Slope-Abo Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard gas 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 7 miles northeast of Roswell, New Mexico.

CASE 10628: Application of Yates Petroleum Corporation 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 27, Township 21 South, Range 24 East, and in the following manner: the entire section forming a standard 640-acre gas spacing and proration unit for any and all formations and/or pools developed on 640-acre spacing within said vertical extent, which presently includes only the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin-Morrow Gas Pool, and the W/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. Said units are to be dedicated to the plugged and abandoned Pan American Petroleum Corp. Pardue Federal Gas Com Well No. 1 located at an unorthodox gas well location 1140 feet from the South line and 1350 feet from the West line (Unit N) of said Section 27. Also to be considered will be the cost of re-entering and recompleting said 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 re-entering and recompleting said well. Said area is located approximately 15 miles west by north of Carlsbad, New Mexico.

CASE 10629: 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 27, Township 21 South, Range 24 East, and in the following manner: the entire section forming a standard 640-acre gas spacing and proration unit for any and all formations and/or pools developed on 640-acre spacing within said vertical extent, which presently includes only the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin-Morrow Gas Pool, and the W/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. Said units are to be dedicated to a single well to be drilled at an unorthodox gas well location 500 feet from the South line and 660 feet from the West line (Unit M) of said Section 27. 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 operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles west by north of Carlsbad, New Mexico.

- CASE 10620:** Application of Yates Petroleum Corporation for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Undesignated Ingle Wells-Bone Spring Pool oil production with Undesignated West Sand Dunes-Delaware Pool oil production within the wellbore of its Pauline ALB State Well No. 6 located 1980 feet from the South and East lines (Unit J) of Section 32, Township 23 South, Range 31 East, being approximately 3 miles west of New Mexico State Highway 128 at Mile Marker 17.
- CASE 10621:** Application of Fortson Oil Company 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 Abo formation underlying the SW/4 SW/4 (Unit M) of Section 30, Township 19 South, Range 39 East, forming a standard 40-acre oil spacing and proration unit 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles east of Nadine, New Mexico.
- CASE 10622:** Application of Sea Coast, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in Section 6, Township 29 North, Range 12 West, and in the following described manner: Lots 6 and 7, the E/2 SW/4 and SE/4 (S/2 equivalent) to form a standard 317.98-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes only the Basin-Fruitland Coal (Gas) Pool and Lots 6 and 7 and the E/2 SW/4 (SW/4 equivalent) to form a standard 157.98-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated Crouch Mesa-Fruitland Sand Pool, Undesignated West Kutz-Fruitland Sand Pool and Fulcher Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well to be drilled at a standard gas 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, and a charge for risk involved in drilling said well. The applicant also requests that Marlex Resources, Inc. be designated operator of the well. Said area is located on the east side of Farmington, New Mexico.
- CASE 10623:** Application of Sea Coast, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in Section 7, Township 29 North, Range 12 West, and in the following described manner: Lots 5 through 9, the N/2 NE/4, and the NW/4 SE/4 (E/2 equivalent) to form a standard 321.45-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes only the Basin-Fruitland Coal (Gas) Pool and Lots 5 and 6 and the N/2 NE/4 (NE/4 equivalent) to form a standard 160.46-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Fulcher Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well to be drilled at a standard gas 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, and a charge for risk involved in drilling said well. The applicant also requests that Marlex Resources, Inc. be designated operator of the well. Said area is located on the east end of Farmington, New Mexico.
- CASE 10624:** Application of Sea Coast, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation in Section 8, Township 29 North, Range 12 West, and in the following described manner: Lots 1 through 4, 9 and 10, and the N/2 NW/4 (W/2 equivalent) to form a standard 325.77-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent (which presently includes only the Basin-Fruitland Coal (Gas) Pool and Lots 3, 4, 9 and 10 (SW/4 equivalent) to form a standard 164.44-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent (which presently includes but is not necessarily limited to the Undesignated Crouch Mesa-Fruitland Sand Pool, Undesignated West Kutz-Fruitland Sand Pool and Undesignated Fulcher Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well to be drilled at a standard gas 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, and a charge for risk involved in drilling said well. The applicant also requests that Marlex Resources, Inc. be designated operator of the well. Said area is located on the east end of Farmington, New Mexico.