

CASE 10757: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 27, Township 21 South, Range 24 East, and in the following manner: all of Section 27 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; 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. Said unit is to be dedicated to a well to be re-entered at a previously approved unorthodox location 1140 feet from the South line and 1350 feet from the West line 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles north of Walt Spring.

CASE 10758: Application of Mewbourne Oil Company for an unorthodox oil well location, Eddy County, New Mexico. Applicant seeks authorization to deepen its Cedar Breaks 2 State Well No. 1 currently completed in the Bone Spring formation at a location 2130 feet from the North line and 1980 feet from the East line (Unit G) of Section 2, Township 18 South, Range 30 East, to test the Strawn formation (undesignated Cedar Lake-Strawn Pool). The NE/4 of Section 2 will be dedicated to the well. Said unit is located approximately 4 miles southeast of Loco Hill.

CASE 10687: (Continued from June 17, 1993, Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from 500 feet below the top of the San Andres formation to the base of the Morrow formation underlying the following described areas in Section 17, 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; 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 Illinois Camp "17" State Well No. 2, to be drilled at a standard 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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2 miles north of Illinois Camp.

CASE 10688: (Continued from June 17, 1993, Examiner Hearing.)

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 following described areas in Section 31, Township 17 South, Range 28 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; 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; and the SW/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 unit is to be dedicated to its Chalk Bluff "31" State Well No. 1, to be drilled at a standard location within said S/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 operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 1 mile southwest of the Baylor Triangulation Station.

CASE 10759: Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N/2 of Section 9, Township 24 South, Range 25 East, 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 unit is to be dedicated to its Mosley Canyon 9 State Com Well No. 1, to be drilled at an orthodox location within said N/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 and completing said well. Said well is located approximately 4 miles north of White City.

CASE 10760: Application of Breck Operating Corporation 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 W/2 of Section 20, Township 28 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool developed within said vertical extent. Said unit is to be dedicated to its Kutz-Government Well No. 9, recompleted at an approved unorthodox location within said W/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 and completing said well. Said well is located approximately 5 miles southeast of Bloomfield, New Mexico.

CASE 10761: Application of Mewbourne Oil Company for statutory unitization, Lea County, New Mexico. Applicant seeks an order unitizing, for the purpose of establishing a secondary recovery project, all mineral interests in the Querecho Plains-Upper Bone Spring Pool underlying 2,400 acres, more or less, of federal land comprising all or portions of Sections 13, 14, 22, 23, 24, 26, 27 and 28, Township 18 South, Range 32 East, to be designated the Querecho Plains Bone Spring Unit Area. To be considered will be those matters required by the New Mexico Statutory Unitization Act, Sections 70-7-1 et. seq. NMSA (1987 Repl.), and other provisions of the Unit Agreement and Unit Operating Agreement. Said unit area is centered approximately 8 miles south of Maljamar, New Mexico.

CASE 10762: Application of Mewbourne Oil Company for a waterflood project and qualification for the recovered oil tax rate, Lea County, New Mexico. Applicant seeks approval of its Querecho Plains Bone Spring Waterflood Project by injection of water into the Querecho Plains-Upper Bone Spring Pool at pressures in excess of .2 psi per foot of depth through 15 injection wells located in Township 18 South, Range 32 East as follows: Section 13 - S/2 SW/4; Section 14 - SE/4; Section 22 - E/2 SE/4, SW/4 SE/4; Section 23 - All; Section 24 - W/2 NW/4, SW/4 SW/4; Section 26 - N/2; Section 27 - All; and Section 28 - E/2. The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within said area without the necessity of further hearings and the adoption of any provisions necessary for such other matters as may be appropriate for said waterflood operations. Applicant further seeks to qualify this project for the recovered oil tax rate under the "Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said area of interest is located approximately 8 miles south of Maljamar, New Mexico.

CASE 10513: (Continued from June 17, 1993, Examiner Hearing.)

Application of Hanley Petroleum Inc. for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as a working interest owner in the Santa Fe Energy Operating Partners, L.P. Kachina "8" Federal Well No. 2 located 1830 feet from the North line and 660 feet from the West line (Unit E) of Section 8, Township 18 South, Range 33 East, South Corbin-Wolfcamp Pool, which was drilled pursuant to the compulsory pooling provisions of Division Order Nos. R-9480, R-9480-A, and R-9480-B, all entered in Case Nos. 10211 and 10219, and to which is dedicated the W/2 NW/4 (Units D and E) of said Section 8, seeks an order ascertaining the reasonableness of actual well costs for the subject well. Said unit is located approximately 7.5 miles southeast by south of Maljamar, New Mexico.