

**CASE 10817:** Application of Meridian Oil Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 35, Township 17 South, Range 30 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, which presently includes but is not necessarily limited to the Cedar Lake-Morrow Gas Pool. Said unit is to be dedicated to its Loco Hills "35" Federal Well No. 1 to be drilled and completed at a standard location within Unit J (NW/4 SE/4) of said Section 35. Also to be considered will be the cost of drilling and completing 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 risk involved in drilling and completing said well. Said unit is located approximately 3 miles southeast of Loco Hills, New Mexico.

**CASE 10818:** Application of Petroleum Development Company for a short-radius horizontal directional drilling project area and special operating rules therefor, Chaves County, New Mexico. Applicant seeks authority to institute a short-radius horizontal directional drilling project in the Tomahawk-San Andres Pool on its Strange Federal Lease comprising the S/2 of Section 25, Township 7 South, Range 31 East. Initially the applicant proposes to utilize three existing wells on said lease, the No. 1, 2, and 3 wells located in Units "P", "O", and "J", respectively, of said Section 25 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole in said pool. Applicant further seeks special rules and provisions within the project area including the designation of a prescribed area limiting the horizontal displacement of any drainhole in said project area to within 100 feet of the boundary circumventing the S/2 of said Section 25. Further, the applicant seeks the promulgation of special operating rules and procedures for said project area including provisions for administrative authorization of any further drainholes, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with horizontal wellbores or to assign a special project allowable for the area should it be deemed necessary. The center of said project area is located approximately 12 miles south by east of Kenna, New Mexico.

**CASE 10819:** Application of Petroleum Development Company for a short-radius horizontal directional drilling project area and special operating rules therefor, Roosevelt County, New Mexico. Applicant seeks authority to institute a short-radius horizontal directional drilling project in the Tomahawk-San Andres Pool on its Mountain Federal Lease comprising the NE/4 and E/2 NW/4 of Section 30, Township 7 South, Range 32 East. Initially the applicant proposes to utilize the existing Mountain Federal Well Nos. 4 and 5 located in Units "B" and "C", respectively, of said Section 30 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole in said pool. Applicant further seeks special rules and provisions within the project area including the designation of a prescribed area limiting the horizontal displacement of any drainhole in said project area to within 100 feet of the boundary circumventing said project area as described above. Further, the applicant seeks the promulgation of special operating rules and procedures for said project area including provisions for administrative authorization of any further drainholes, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with horizontal wellbores or to assign a special project allowable for the area should it be deemed necessary. The center of said project area is located approximately 11.5 miles south-southeast of Kenna, New Mexico.

**CASE 10820:** Application of Petroleum Development Company for a high angle/horizontal directional drilling pilot project and for special operating rules therefor, Chaves County, New Mexico. Applicant seeks authority to initiate a short-radius high angle/horizontal directional drilling pilot project in the NW/4 NE/4 of Section 6, Township 8 South, Range 31 East, being a standard 40-acre oil spacing and proration unit in the Cato-San Andres Pool. The applicant proposes to utilize the previously plugged and abandoned Exxon Corporation Wattam Federal Well No. 1 located 660 feet from the North line and 1980 feet from the East line (Unit B) of said Section 6 by kick-off from vertical, build angle to approximately 90 degrees with a short radius curve and continue with a horizontal drainhole in said pool. Applicant further seeks special rules and provisions within the project area including the designation of a prescribed area limiting the horizontal displacement of the well's producing interval within 100 feet to the outer boundary of said 40-acre unit. Said project area is located approximately 13.5 miles south by west of Kenna, New Mexico.

**CASE 10821:** Application of Petroleum Development Company for a short-radius horizontal directional drilling project area and special operating rules therefor, Chaves County, New Mexico. Applicant seeks authority to institute a short-radius horizontal directional drilling project in the Tom Tom-San Andres Pool on a portion of its Wattam Federal Lease comprising Lots 2, 3, and 4, the E/2, SE/4 NW/4, and E/2 SW/4 of Section 7 and the S/2 NW/4 and SW/4 of Section 8, Township 8 South, Range 31 East. Initially the applicant proposes to utilize the existing Wattam Federal Well Nos. 2 and 6 located in Units "L" and "A", respectively, of said Section 7 by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole in said pool. Applicant further seeks special rules and provisions within the project area including the designation of a prescribed area limiting the horizontal displacement of any drainhole in said project area to within 100 feet of the boundary circumventing said project area as described above. Further, the applicant seeks the promulgation of special operating rules and procedures for said project area including provisions for administrative authorization of any further drainholes, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, and the assignment of a special oil allowable to units with horizontal wellbores or to assign a special project allowable for the area should it be deemed necessary. The center of said project area is located approximately 13 miles south by west of Kenna, New Mexico.

**CASE 10687:** (Continued from August 26, 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 August 26, 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 10822:** Application of Cross Timbers Operating Company for a waterflood project, Lea County, New Mexico. Applicant seeks authority to convert its State "BY" Well No. 6, located 2310 feet from the South line and 430 feet from the East line (Unit D) of Section 32, Township 17 South, Range 33 East, and utilize said well for secondary recovery purposes for the applicant's State "BY" Lease by injecting produced and fresh water into the Grayburg formation through the perforated interval from approximately 4602 to 4708 feet. The applicant requests that the Division establish procedures for the administrative approval of additional injection wells on said lease without the necessity of further hearings, and the adoption of any other provisions necessary for such other matters as may be appropriate for said waterflood operations. Said well is located approximately 4 miles west-southwest of Buckeye, New Mexico.

**CASE 10823:** Application of Nearburg Producing Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Cisco/Canyon formation, underlying the W/2 of Section 10, Township 22 South, Range 24 East, forming a standard 320-acre oil and gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, including the Undesignated Indian Basin-Upper Pennsylvanian Associated Pool. Said unit is to be dedicated to a well to be drilled at an orthodox 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 said well. Said unit is located approximately 12 miles west of Carlsbad, New Mexico.

BEFORE THE  
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

APPLICATION OF PETROLEUM DEVELOPMENT  
COMPANY FOR A SHORT-RADIUS HORIZONTAL  
DIRECTIONAL DRILLING PROJECT AREA AND  
SPECIAL OPERATING RULES THEREFORE,  
CHAVES COUNTY, NEW MEXICO.

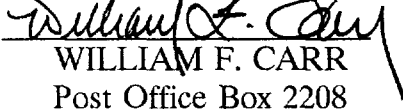
CASE NO. 10818

ENTRY OF APPEARANCE

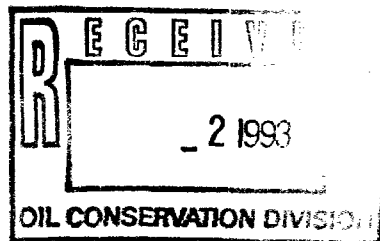
COMES NOW CAMPBELL, CARR, BERGE & SHERIDAN, P.A., and hereby  
enters its appearance in the above referenced case on behalf of Yates Petroleum  
Corporation.

Respectfully submitted,

CAMPBELL, CARR, BERGE  
& SHERIDAN, P.A.,

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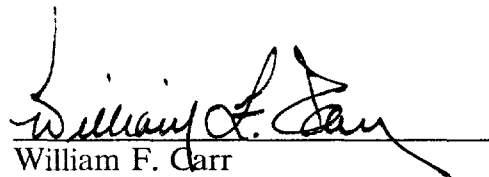
ATTORNEYS FOR YATES  
PETROLEUM CORPORATION



## CERTIFICATE OF MAILING

I hereby certify that on this 2<sup>nd</sup> day of September, 1993, I have caused to be mailed a copy of our Entry of Appearance in the above-captioned case to:

C. E. Johnson, President  
Petroleum Development Company  
9720-B Candelaria, NE  
Albuquerque, NM 87112

  
William F. Carr