

CAMPBELL & BLACK, P.A.
LAWYERS

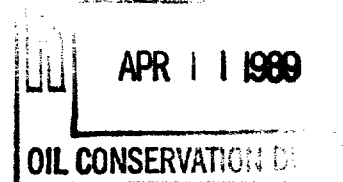
JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
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April 11, 1989

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503



Re: Case No. 9637:
In the Matter of the Application of Grand Resources Inc.
for a Waterflood Project, San Juan County, New Mexico

Dear Mr. LeMay:

Enclosed please find an original and two copies of Oil Conservation Division Form C-108 which is the written application of Grand Resources Inc. in the above-referenced case which has been set for hearing before a Division examiner on April 26, 1989.

Your attention to this matter is appreciated.

Very truly yours,

A handwritten signature in dark ink, appearing to read "William F. Carr". The signature is fluid and cursive, with a large, sweeping flourish at the end.

WILLIAM F. CARR

WFC:mlh
Enclosures

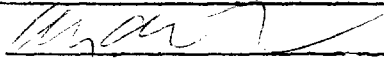
cc w/enclosures: Certified Mail - Return Receipt Requested

Bureau of Land Management
435 Montano Rd., NE
Albuquerque, New Mexico 87107

Dugan Production Corporation
Post Office Box 5820
Farmington, New Mexico 87499

Air Mex Corporation
First Western National Bank Building
Post Office Box 249
Moab, Utah 84532
Attn: Skip Nightengale

APPLICATION FOR AUTHORIZATION TO INJECT

- I. Purpose: ☒ Secondary Recovery ☐ Pressure Maintenance ☐ Disposal ☐ Storage
Application qualifies for administrative approval? ☐ yes ☐ no
- II. Operator: GRAND RESOURCES, INC.
Address: 2250 E. 73rd St., Ste 400
Contact party: MARVIN ROBINOWITZ Phone: (918) 491-2366
- III. Well data: Complete the data required on the reverse side of this form for each well proposed for injection. Additional sheets may be attached if necessary.
- IV. Is this an expansion of an existing project? ☐ yes ☒ no
If yes, give the Division order number authorizing the project _____.
- V. Attach a map that identifies all wells and leases within two miles of any proposed injection well with a one-half mile radius circle drawn around each proposed injection well. This circle identifies the well's area of review.
- VI. Attach a tabulation of data on all wells of public record within the area of review which penetrate the proposed injection zone. Such data shall include a description of each well's type, construction, date drilled, location, depth, record of completion, and a schematic of any plugged well illustrating all plugging detail.
- VII. Attach data on the proposed operation, including:
1. Proposed average and maximum daily rate and volume of fluids to be injected;
 2. Whether the system is open or closed;
 3. Proposed average and maximum injection pressure;
 4. Sources and an appropriate analysis of injection fluid and compatibility with the receiving formation if other than reinjected produced water; and
 5. If injection is for disposal purposes into a zone not productive of oil or gas at or within one mile of the proposed well, attach a chemical analysis of the disposal zone formation water (may be measured or inferred from existing literature, studies, nearby wells, etc.).
- VIII. Attach appropriate geological data on the injection zone including appropriate lithologic detail, geological name, thickness, and depth. Give the geologic name, and depth to bottom of all underground sources of drinking water (aquifers containing water with total dissolved solids concentrations of 10,000 mg/l or less) overlying the proposed injection zone as well as any such source known to be immediately underlying the injection interval.
- IX. Describe the proposed stimulation program, if any.
- X. Attach appropriate logging and test data on the well. (If well logs have been filed with the Division they need not be resubmitted.)
- XI. Attach a chemical analysis of fresh water from two or more fresh water wells (if available and producing) within one mile of any injection or disposal well showing location of wells and dates samples were taken.
- XII. Applicants for disposal wells must make an affirmative statement that they have examined available geologic and engineering data and find no evidence of open faults or any other hydrologic connection between the disposal zone and any underground source of drinking water.
- XIII. Applicants must complete the "Proof of Notice" section on the reverse side of this form.
- XIV. Certification
- I hereby certify that the information submitted with this application is true and correct to the best of my knowledge and belief.
- Name: MARVIN ROBINOWITZ Title: PRESIDENT
Signature:  Date: April 7, 1989
- * If the information required under Sections VI, VIII, X, and XI above has been previously submitted, it need not be duplicated and resubmitted. Please show the date and circumstance of the earlier submittal. NA

DISTRIBUTION: Original and one copy to Santa Fe with one copy to the appropriate Division district office.

III. WELL DATA

A. The following well data must be submitted for each injection well covered by this application. The data must be both in tabular and schematic form and shall include:

- (1) Lease name; Well No.; location by Section, Township, and Range; and footage location within the section.
- (2) Each casing string used with its size, setting depth, sacks of cement used, hole size, top of cement, and how such top was determined.
- (3) A description of the tubing to be used including its size, lining material, and setting depth.
- (4) The name, model, and setting depth of the packer used or a description of any other seal system or assembly used.

Division District offices have supplies of Well Data Sheets which may be used or which may be used as models for this purpose. Applicants for several identical wells may submit a "typical data sheet" rather than submitting the data for each well.

B. The following must be submitted for each injection well covered by this application. All items must be addressed for the initial well. Responses for additional wells need be shown only when different. Information shown on schematics need not be repeated.

- (1) The name of the injection formation and, if applicable, the field or pool name.
- (2) The injection interval and whether it is perforated or open-hole.
- (3) State if the well was drilled for injection or, if not, the original purpose of the well.
- (4) Give the depths of any other perforated intervals and detail on the sacks of cement or bridge plugs used to seal off such perforations.
- (5) Give the depth to and name of the next higher and next lower oil or gas zone in the area of the well, if any.

XIV. PROOF OF NOTICE

All applicants must furnish proof that a copy of the application has been furnished, by certified or registered mail, to the owner of the surface of the land on which the well is to be located and to each leasehold operator within one-half mile of the well location.

Where an application is subject to administrative approval, a proof of publication must be submitted. Such proof shall consist of a copy of the legal advertisement which was published in the county in which the well is located. The contents of such advertisement must include:

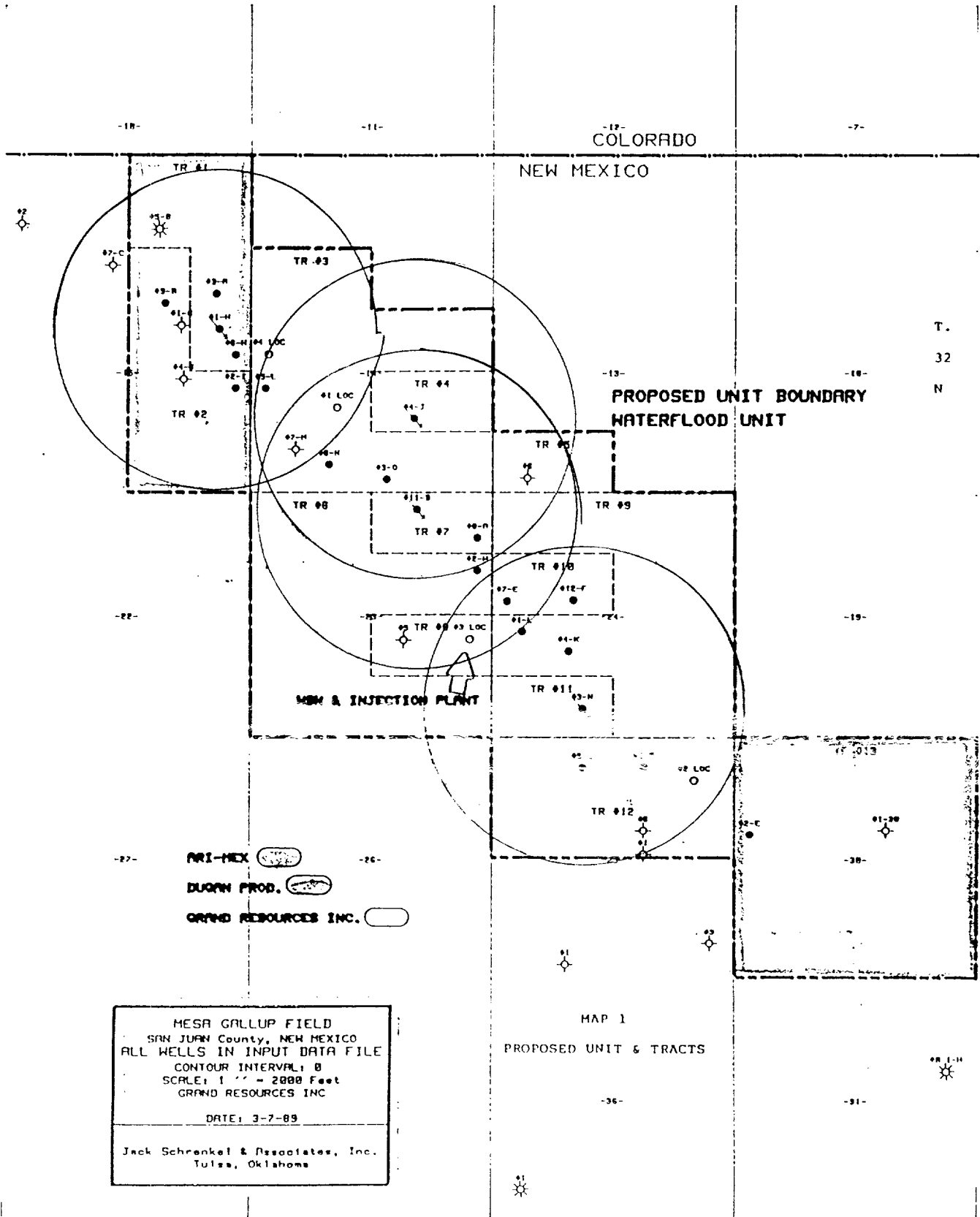
- (1) The name, address, phone number, and contact party for the applicant;
- (2) the intended purpose of the injection well; with the exact location of single wells or the section, township, and range location of multiple wells;
- (3) the formation name and depth with expected maximum injection rates and pressures; and
- (4) a notation that interested parties must file objections or requests for hearing with the Oil Conservation Division, P. O. Box 2088, Santa Fe, New Mexico 87501 within 15 days.

NO ACTION WILL BE TAKEN ON THE APPLICATION UNTIL PROPER PROOF OF NOTICE HAS BEEN SUBMITTED.

NOTICE: Surface owners or offset operators must file any objections or requests for hearing of administrative applications within 15 days from the date this application was mailed to them.

R. 18 W

R. 17 W



INJECTION WELL DATA SHEET

ARI-MEX	NAVAJO "C"	5-2-64
OPERATOR	LEASE	SPUD DATE
#1	4595FW-3580FS	15
WELL NO.	FOOTAGE LOCATION	SECTION
		32N
		TOWNSHIP
		18W
		RANGE

SchematicTabular DataSurface Casing

Size 7 " Cemented with 10 sx.
 TOC circ. feet determined by returns
 Hole size 8 3/4

Intermediate Casing

Size NONE " Cemented with sx.
 TOC feet determined by
 Hole size

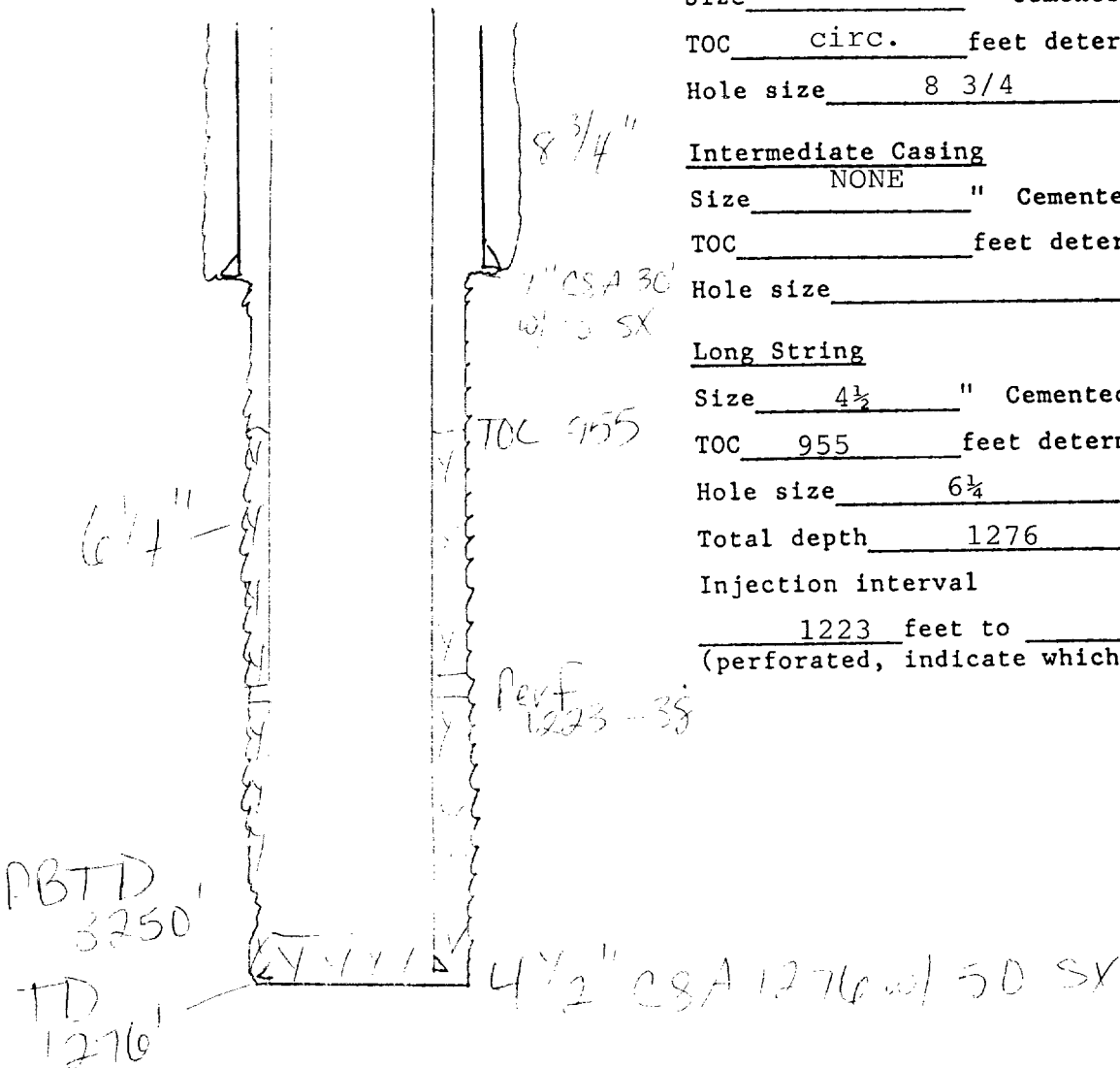
Long String

Size 4 1/2 " Cemented with 50 sx.
 TOC 955 feet determined by calculation
 Hole size 6 1/4

Total depth 1276

Injection interval

1223 feet to 1238 feet
 (perforated, indicate which)



Tubing size 2 3/8 lined with sealtight plastic set in
 Halliburton Model R (Material) 1100 feet
 (Brand and model) packer at

(or describe any other casing-tubing seal).

Other Data

- Name of the injection formation GALLUP
- Name of field or pool(if applicable) MESA GALLUP
- Is this a new well drilled for injection? Yes ☒ No
 If no, for what purpose was the well originally drilled? production
- Has the well ever been perforated in any other zone(s)? List all such perforated intervals and give plugging detail (sacks of cement or bridge plug(s) used) NO
- Give the depth to and name of any overlying and/or underlying oil or gas zones (pools) in this area. NONE

INJECTION WELL DATA SHEET

GRAND RESOURCES, INC.		NAVAJO		10-3-61	
OPERATOR		LEASE		SPUD DATE	
#4	1650FS-1710FE	14	32N	18W	
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE	

SchematicTabular DataSurface Casing

Size 7 " Cemented with 11 sx.
 TOC surface feet determined by returns
 Hole size 8 3/4"

Intermediate Casing

Size none " Cemented with sx.
 TOC feet determined by
 Hole size

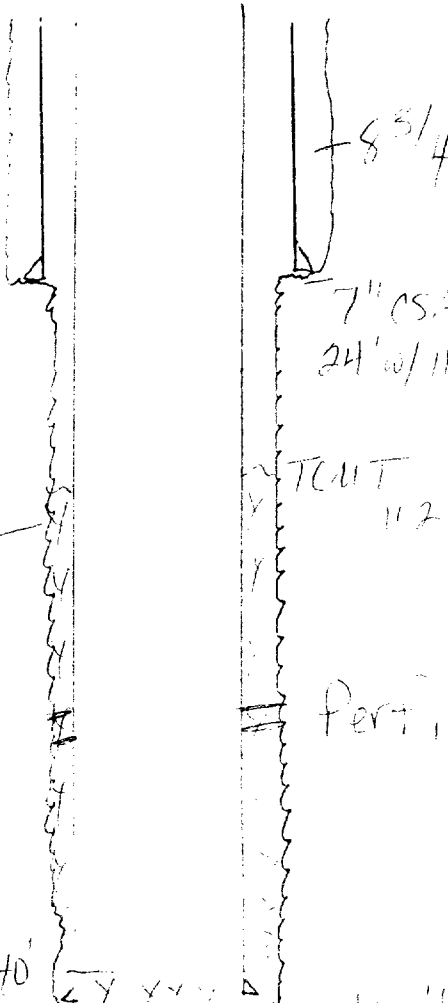
Long String

Size 4 1/2 " Cemented with 35 sx.
 TOC 1120 feet^s determined by calculation
 Hole size 6 1/4

Total depth 1365

Injection interval

1315 feet to 1323 feet
 (perforated, indicate which)



Pert 1315'-23' w 45 PF

4 1/2" CSA 1357' w/35 SX

Tubing size 2 3/8 lined with sealtight plastic set (r a
 Hall. MODEL R (Material) 1200 feet
 (Brand and model) packer at

(or describe any other casing-tubing seal).

Other Data

- Name of the injection formation GALLUP
- Name of field or pool(if applicable) MESA GALLUP
- Is this a new well drilled for injection? Yes X No
 If no, for what purpose was the well originally drilled? production
- Has the well ever been perforated in any other zone(s)? List all such
 perforated intervals and give plugging detail (sacks of cement or bridge plug(s)
 used) NO
- Give the depth to and name of any overlying and/or underlying oil or gas zones
 (pools) in this area. NONE

INJECTION WELL DATA SHEET

8-10-61

GRAND RESOURCES, INC. NAVAJO
 OPERATOR LEASE SPUD DATE
 #3 660FS-1980FN 24 32N 18W
 WELL NO. FOOTAGE LOCATION SECTION TOWNSHIP RANGE

SchematicTabular DataSurface Casing

Size 7 " Cemented with 5 sx.
 TOC circ. feet determined by returns
 Hole size 8 3/4

Intermediate Casing

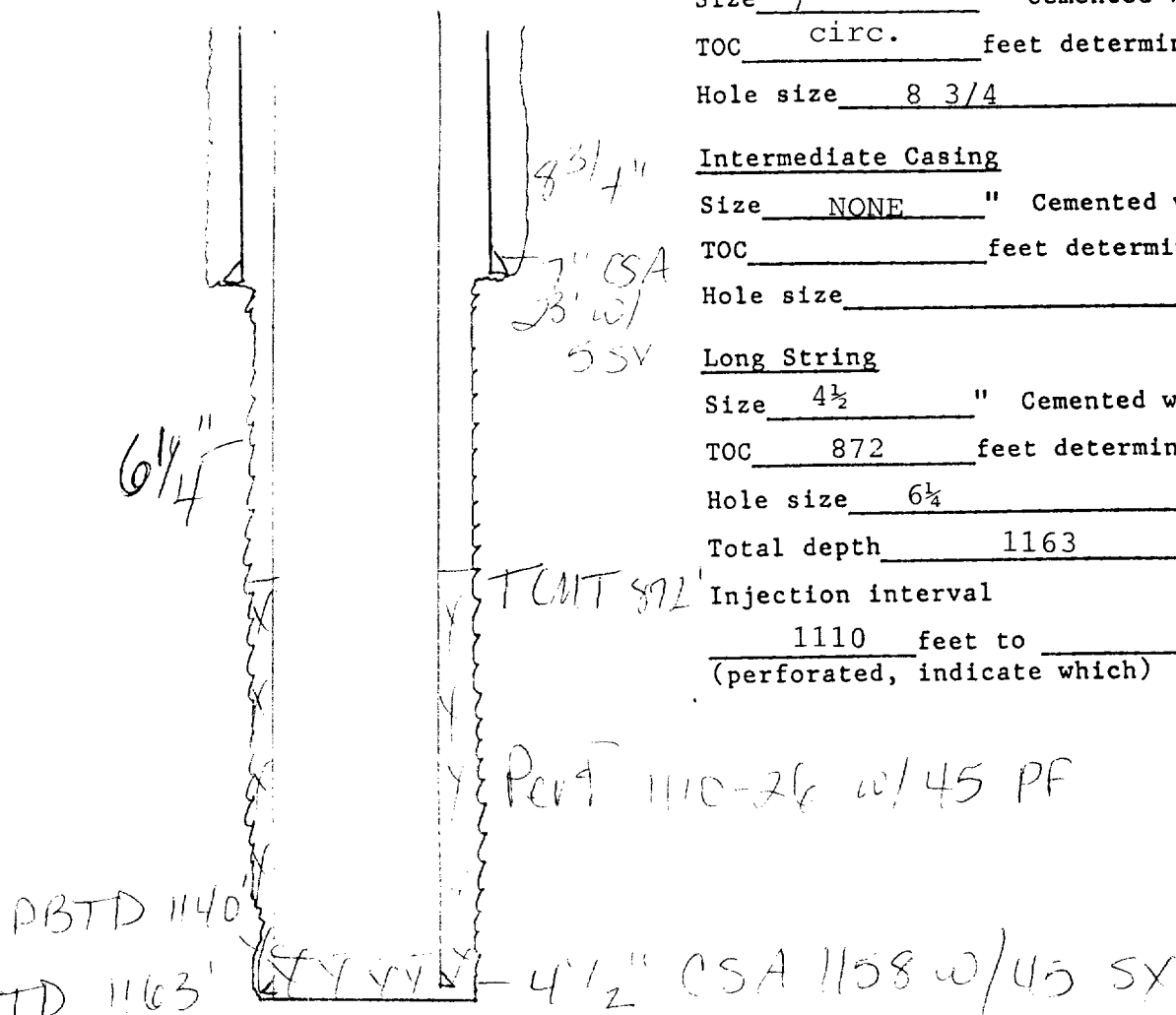
Size NONE " Cemented with sx.
 TOC feet determined by
 Hole size

Long String

Size 4 1/2 " Cemented with 45 sx.
 TOC 872 feet determined by calculations
 Hole size 6 1/4
 Total depth 1163

Injection interval

1110 feet to 1126 feet
 (perforated, indicate which)



Tubing size 2 3/8 lined with sealtight plastic set in a
Halliburton Model R (Material) 1000 feet
 (Brand and model) packer at

(or describe any other casing-tubing seal).

Other Data

- Name of the injection formation GALLUP
- Name of field or pool(if applicable) MESA GALLUP
- Is this a new well drilled for injection? Yes ☒ No
 If no, for what purpose was the well originally drilled? production
- Has the well ever been perforated in any other zone(s)? List all such
 perforated intervals and give plugging detail (sacks of cement or bridge plug(s)
 used) no
- Give the depth to and name of any overlying and/or underlying oil or gas zones
 (pools) in this area. NONE

INJECTION WELL DATA SHEET

GRAND RESOURCES, INC.		NAVAJO		1-24-62
OPERATOR	LEASE	SPUD DATE		
#11	330FN-1650FE	23	32N	18W
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE

SchematicTabular DataSurface Casing

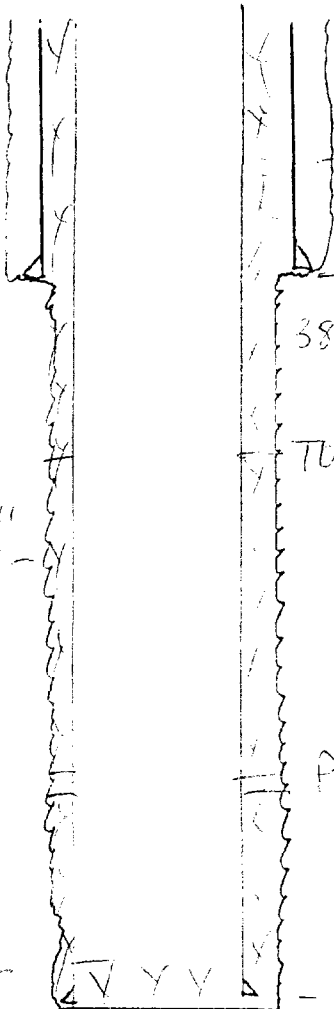
Size 7 " Cemented with 8 3x.
 TOC surface feet determined by returns
 Hole size 8 3/4

Intermediate Casing

Size NONE " Cemented with 3x.
 TOC feet determined by
 Hole size

Long String

Size 4 " Cemented with 40 3x.
 TOC 1159 feet determined by calculated
 Hole size 6 1/4
 Total depth 1438
 Injection interval
1381 feet to 1392 feet
 (perforated, indicate which)



8 3/4"
 7" CSA
 38' w/ 8 SX

TOC
 1159'

Perf 1381-92 w/ 45 PF

TD - 1420
 4 1/2" CSA 1438" w/ 40 SX

Tubing size 2 3/8 lined with sealtight plastic set in a
Halliburton Model R (Material) 1200 feet
 (Brand and model) packer at

(or describe any other casing-tubing seal).

Other Data

- Name of the injection formation GALLUP
- Name of field or pool(if applicable) MESA GALLUP
- Is this a new well drilled for injection? Yes X No
 If no, for what purpose was the well originally drilled? PRODUCTION
- Has the well ever been perforated in any other zone(s)? List all such
 perforated intervals and give plugging detail (sacks of cement or bridge plug(s)
 used) NO
- Give the depth to and name of any overlying and/or underlying oil or gas zones
 (pools) in this area. NONE

WELL IN AREA OF REVIEW

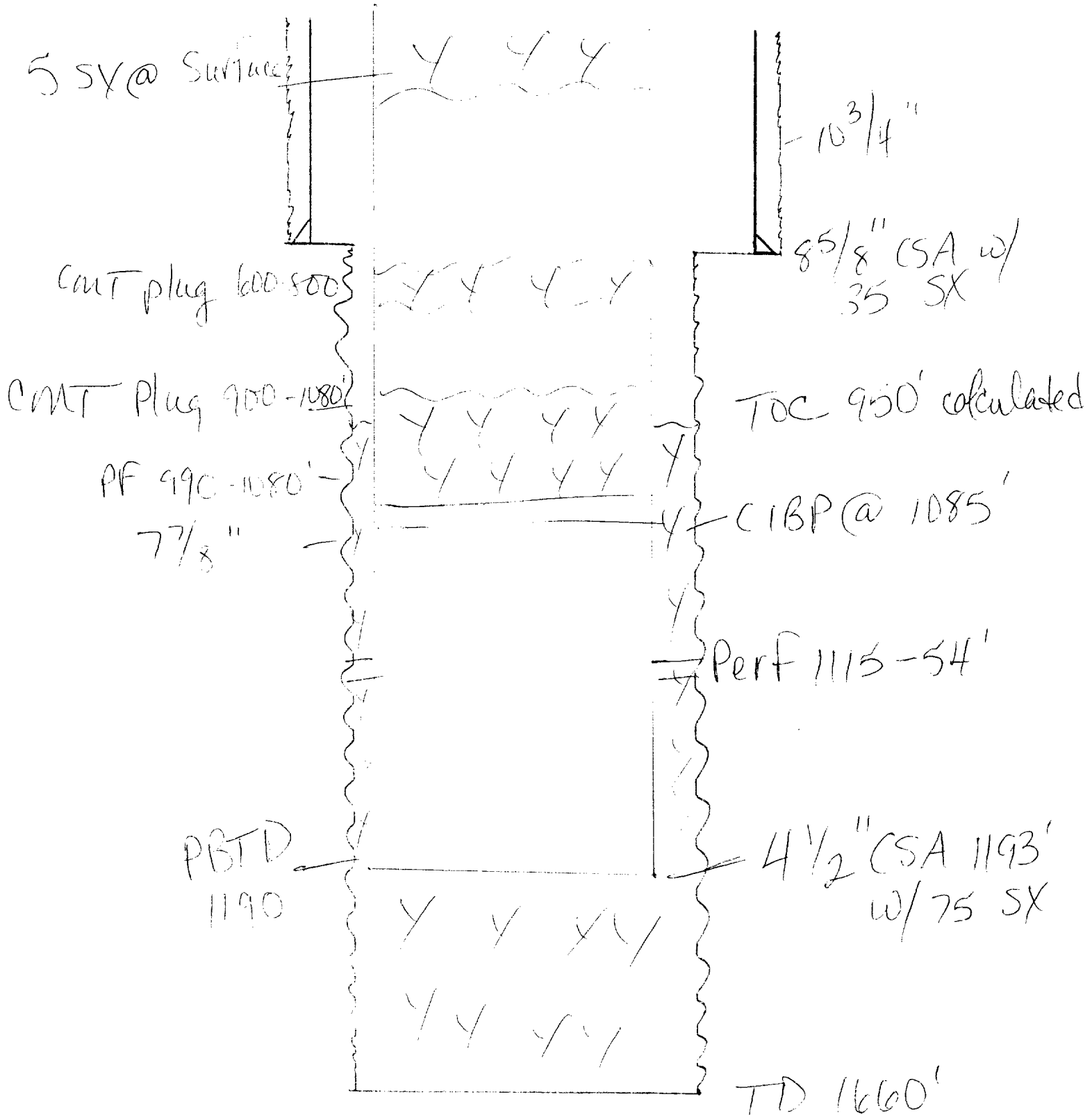
OPERATOR	WELL NAME	SPUD DATE	LOCATION	SECTION	TOTAL DEPTH	COMPLETION INTERVAL	I.P. (BOPD)	FORMATION	CASING SIZE & DEPTH	CEMENT SXS	STATUS
ZOLLER & DANNENBERG	BLUEHILL #1	7-26-65	2319FW-1980FE	25,32N-18W	1573	-	-	"	7"@30	circ.	P&A
	GRAND NAV "A" #4	11-8-61	B600FN-1980FE	25,32N-18W	1120	1051-66	8	GALLUP	4½"@1045	100	P
	GRAND NAV "A" #5	12-4-61	C610FN-1980FW	25,32N-18W	1062	1037-45	5	"	3½"@1057	100	P
	RL BAYLESS NAV #6	7-2-64	3300FS-3300FW	25,32N-18W	1093	-	-	"	5½"@52	circ.	P&A
NAVAJO											
GRAND	#3	8-10-61	N660FS-1980FW	24,32N-18W	1163	1110-26	49	"	4½"@1158	45	P
GRAND	#4	10-3-61	J1650FS-1710FE	14,32N-18W	1365	1315-23	6	"	4½"@1357	35	P
EXPL/DRILL/CO	#5	11-29-61	J2135FS-1935FE	23,32N-18W	1254	-	-	"	7"@30	circ.	P&A
EXPL/DRILL/CO	#6	12-30-61	365FS-760FW	13,32N-18W	1472	-	-	"	7"@66	circ.	P&A
GRAND	#7	1-13-62	E2310FN-330FW	24,32N-18W	1482	1423-38	88	"	4½"@1481	40	P
GRAND	#8	2-10-62	A950FN-330FE	23,32N-18W	1445	1383-94	88	"	4½"@1437	40	P
GRAND	#11	1-24-62	B330FN-1650FE	23,32N-18W	1438	1381-92	87	"	4½"@1438	40	P
GRAND	#12	2-18-62	F2290FN-1780FW	24,32N-18W	1573	1521-28	8	"	4½"@1572	40	P
NAVAJO TRIBAL C											
GRAND	#1	2-26-62	L660FN-2310FS	24,32N-18W	1295	1225-36	92	"	4½"@1288	80	P
GRAND	#2	3-10-62	H1650FN-330FE	23,32N-18W	1478	1407-17	89	"	4½"@1476	80	P
GRAND	#3	3-17-62	O330FS-2310FE	14,32N-18W	1380	1312-20	36	"	4½"@1373	80	P
GRAND	#4	10-3-61	J1650FS-1710FE	14,32N-18W	1365	1315-23	6	"	4½"@1357	35	P
GRAND	#5	3-23-68	L2310FS-330FW	14,32N-18W	1762	1642-65	84	"	4½"@1749	35	P
GRAND	#6	3-12-69	N1700FW-650FS	14,32N-18W	1310	1252-69	77	"	4½"@1310	35	P
EXPL/DRILL/CO	#7	4-7-69	H990FS-990FW	24,32N-16W	1327	-	-	"	7"@30	circ.	P&A

WELL IN AREA OF REVIEW

OPERATOR	WELL NAME	SPUD DATE	LOCATION	SECTION	TOTAL DEPTH	COMPLETION INTERVAL	I.P. (BOPD)	FORMA-TION	CASING SIZE & DEPTH	CEMENT SXS	STATUS
AZTEC OIL & GAS	NAV #3	11-14-59	4745FW-790FS	25,32N-18W	1660			GALLUP	8 5/8@60	35	P&A
	HORSESHOE #2E	6-17-64	330FW-3210FS	30,32N-17W	1175	1101-10	10	GALLUP	4½"@1172	35	P
ARI-MEX	NAV B #2	10-15-70	4950FW-2310FS	15,32N-18W	1718	1612-14	10	"	4½"@1717	125	P
ARI-MEX	NAV #6	5-16-68	4950FW-3030FS	15,32N-18W	1360	1282-1304		"	4½"@1345	35	P
ARI-MEX	NAV C #1	5-2-64	4595FW-3580FS	15,32N-18W	1276	1223-38	32	"	4½"@1276	50	P
ARI-MEX	NAV #3A	5-30-64	4530FW-4335FS	15,32N-18W	1312	1250-60	19	"	4½"@1312	35	P
AAA FSHING TL	NAV #4	1-24-68	3850FW-2510FS	15,32N-18W	1414	-		"	7"@50	circ.	P&A
AAA FSHING TL	NAV B #1	12-18-70	1650FW-1650FE	15,32N-18W	1285	-		"	7"@60	25	P&A
ARI-MEX	NAV B #3	3-19-70	1115FW-1480FE	15,32N-18W	1275	1197-1205	6	"	4½"@1272	125	P
AAA FSHING TL	NAV #7	2-24-69	2310FW-4950FS	15,32N-18W	1295	-	-	"	7"@30	circ.	P&A
ARI-MEX	NAV #5	10-4-67	3300FW-440FS	10,32N-17W	1873	1664-78	6	"	4½"@1764	135	P
HARLAN DRLG	NAV #2	5-4-64	350FW-540FS	10,32N-17W	1183	-	-	"	7"@30	circ.	P&A

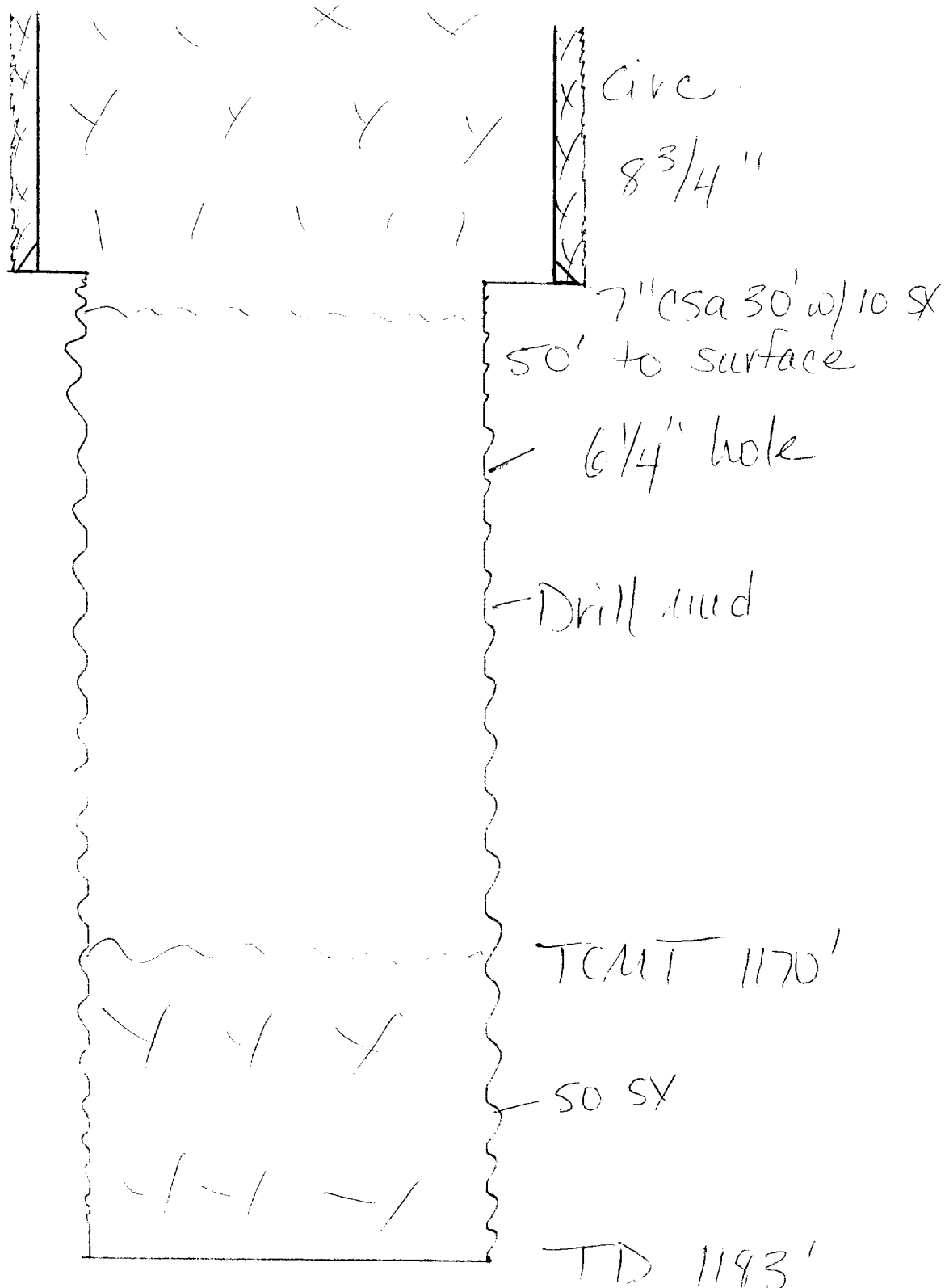
WELL DATA SHEET

AZTEC OIL & GAS CO.		NAVAJO	11-14-59	
OPERATOR		LEASE	SPUD DATE	
#3	790FS-535FE	25	32N	18W
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE



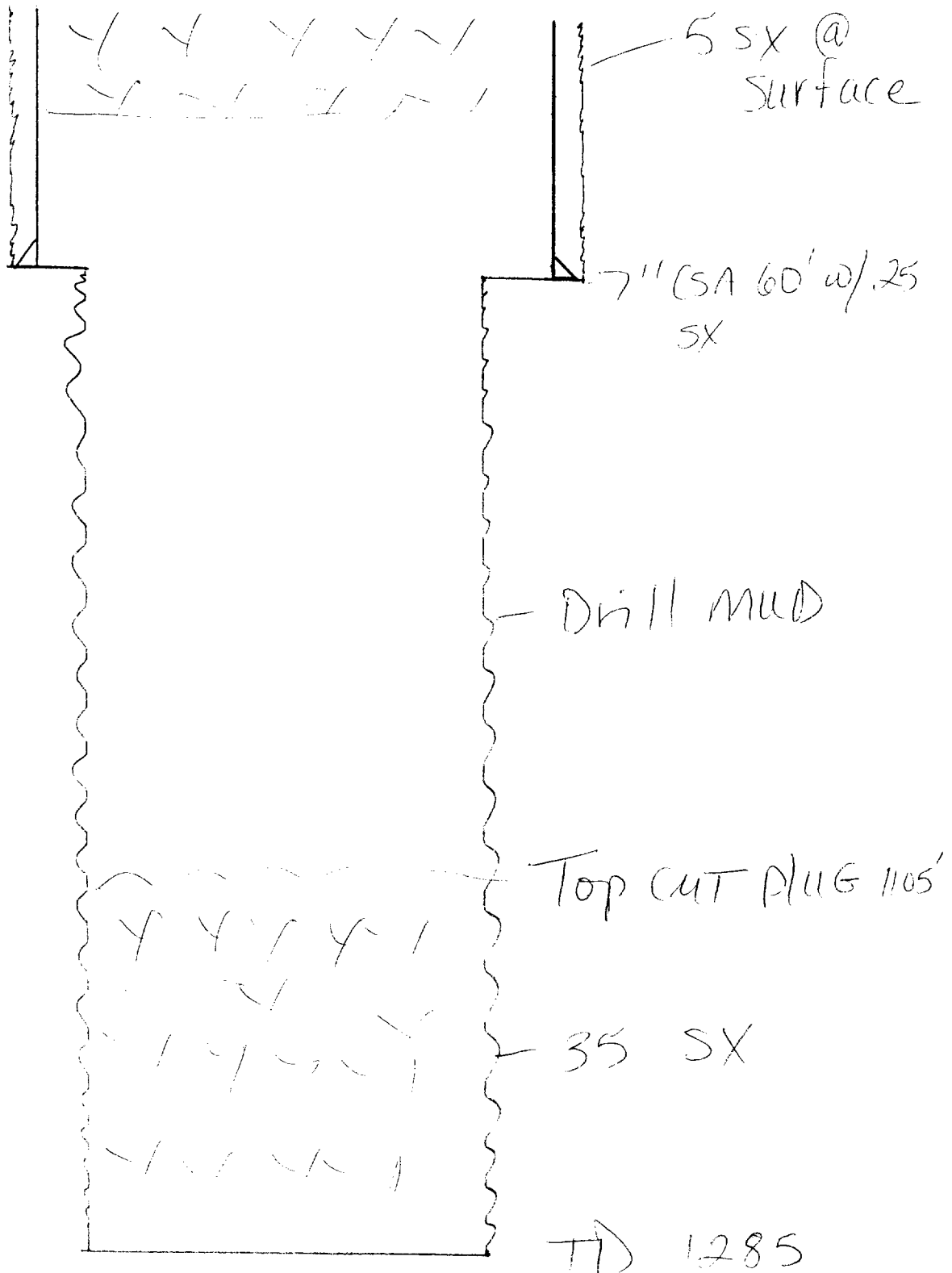
WELL DATA SHEET

HARLAN DRILLING CO.	NAVAJO	5-4-64
OPERATOR	LEASE	SPUD DATE
#2	350FW-540FS	10
		32N
		17W
WELL NO.	FOOTAGE LOCATION	SECTION
		TOWNSHIP
		RANGE



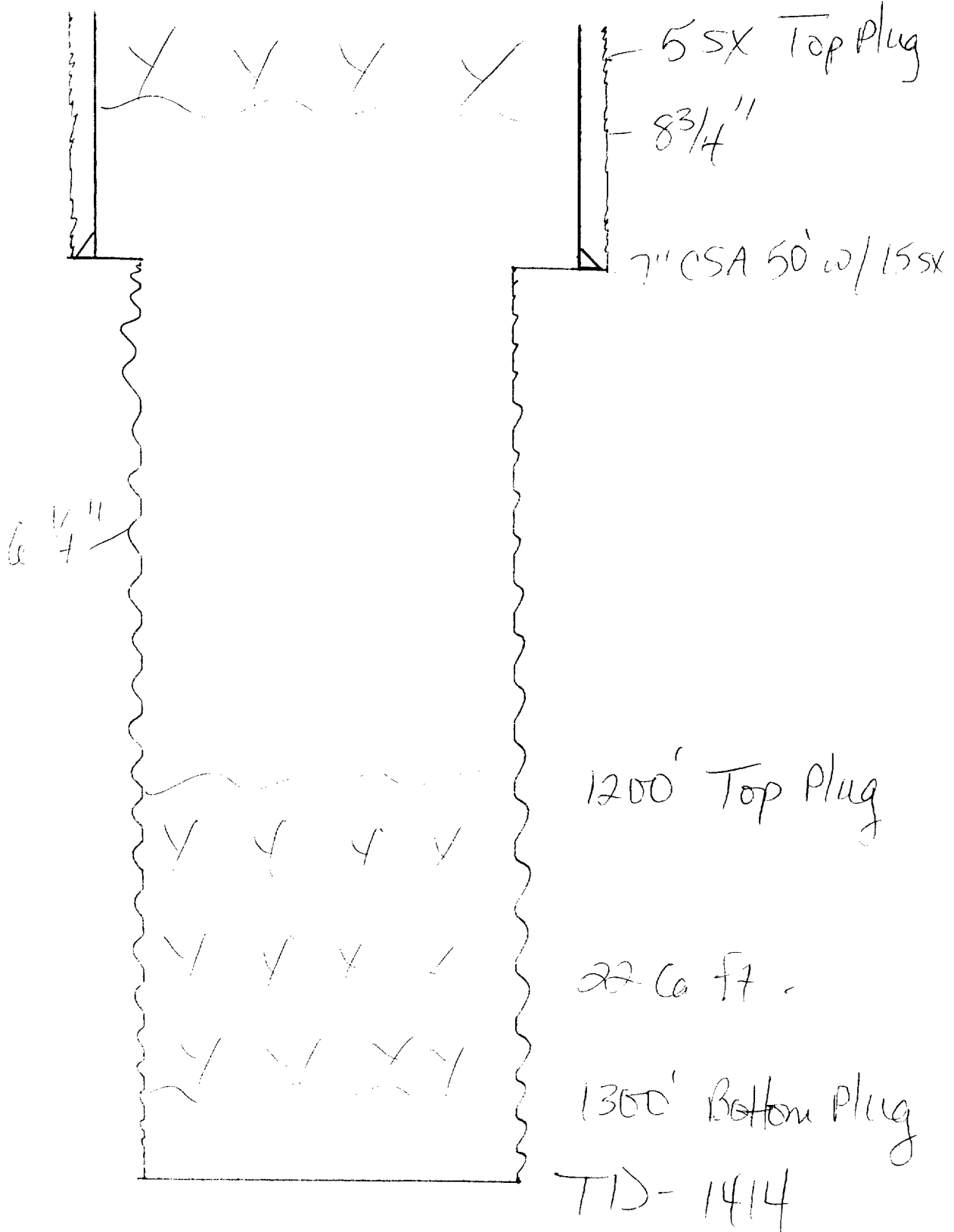
WELL DATA SHEET

AAA	FISHING TOOL	NAVAJO	12-3-70	
OPERATOR		LEASE	SPUD DATE	
B-1	1650FN-1650FE	15	32N	18W
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE



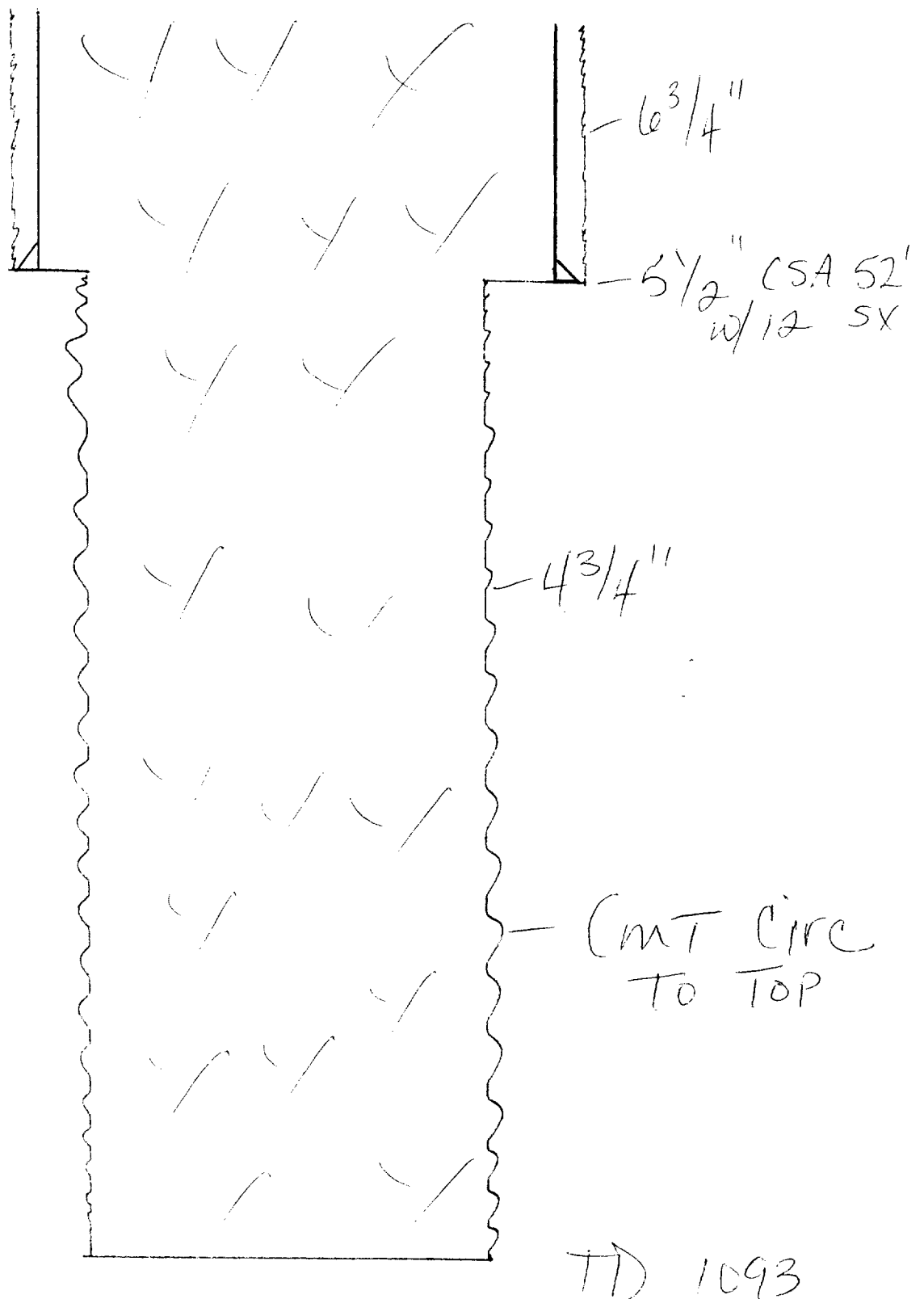
WELL DATA SHEET

AAA FISHING TOOL	NAVAJO	1-24-68		
OPERATOR	LEASE	SPUD DATE		
#4	3850FW-2510FS	15	32N	18W
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE



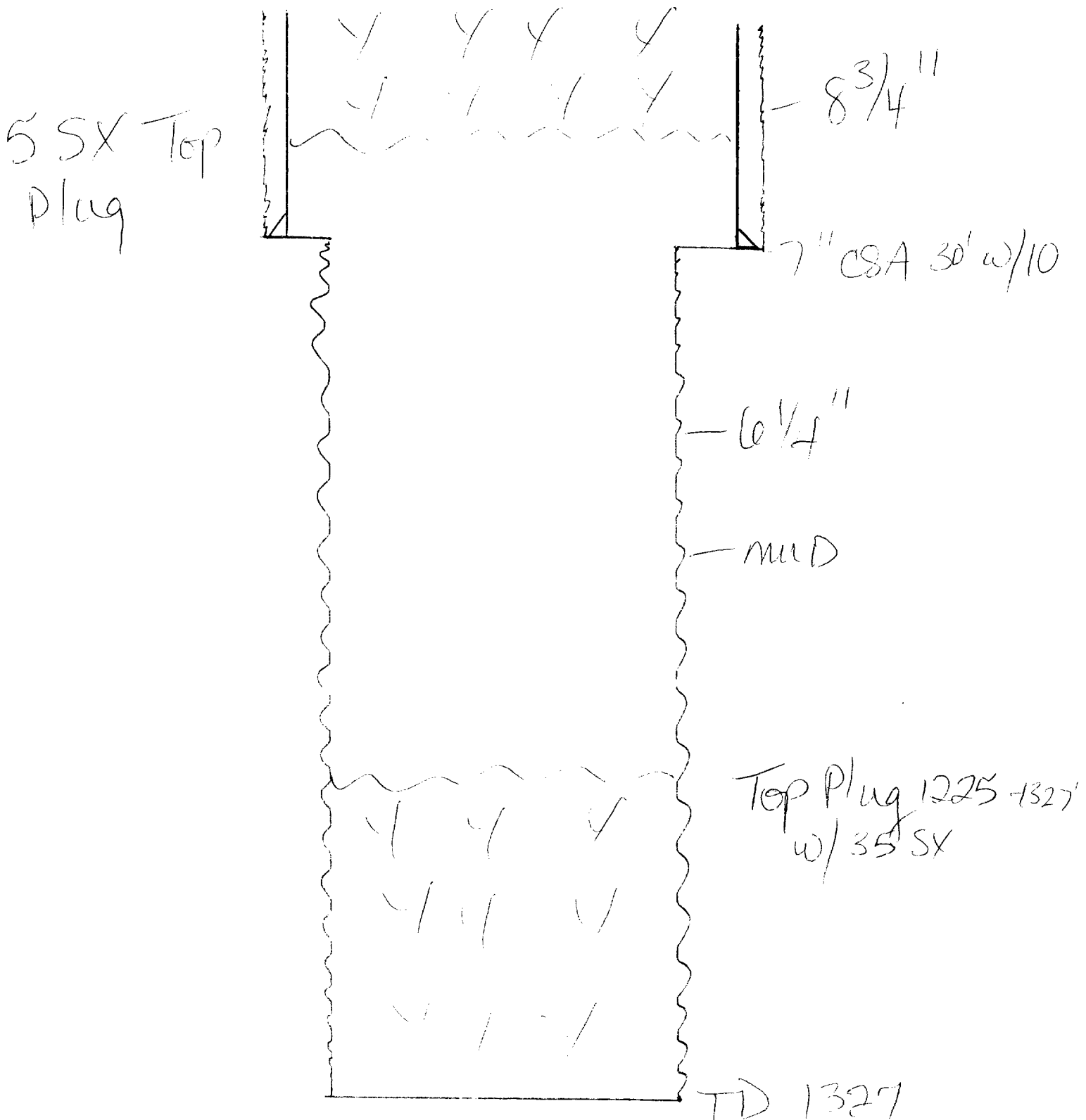
WELL DATA SHEET

R. L. BAYLESS	NAVAJO	7-1-64
OPERATOR	LEASE	SPUD DATE
#6	1980FN-1980FE	25
		32N
		18W
WELL NO.	FOOTAGE LOCATION	SECTION
		TOWNSHIP
		RANGE



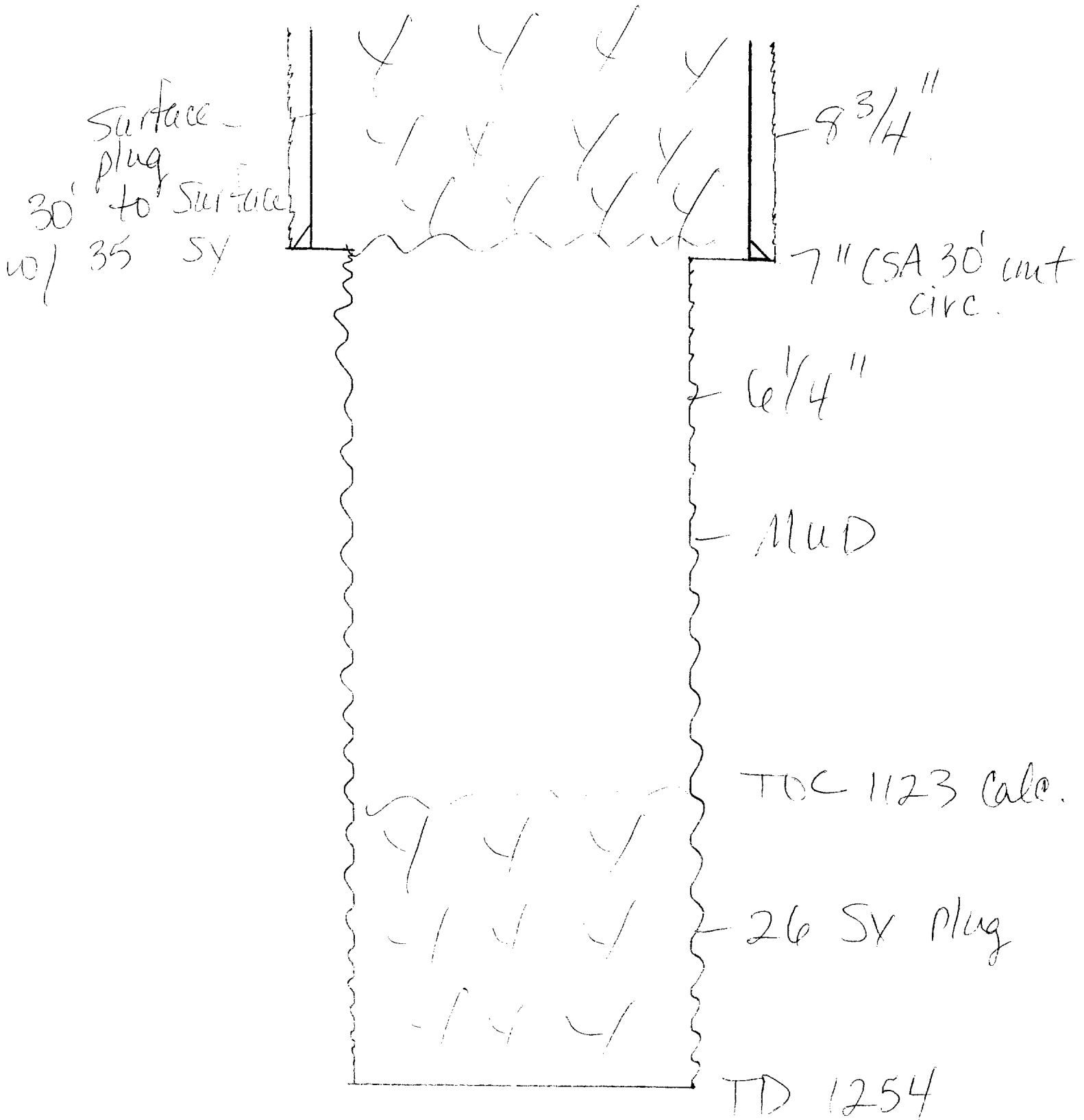
WELL DATA SHEET

EXPLORATION DRILLING CO.	NAVAJO	4-7-69		
OPERATOR	LEASE	SPUD DATE		
#7	990FS-990Fw	14	32N	18W
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP	RANGE



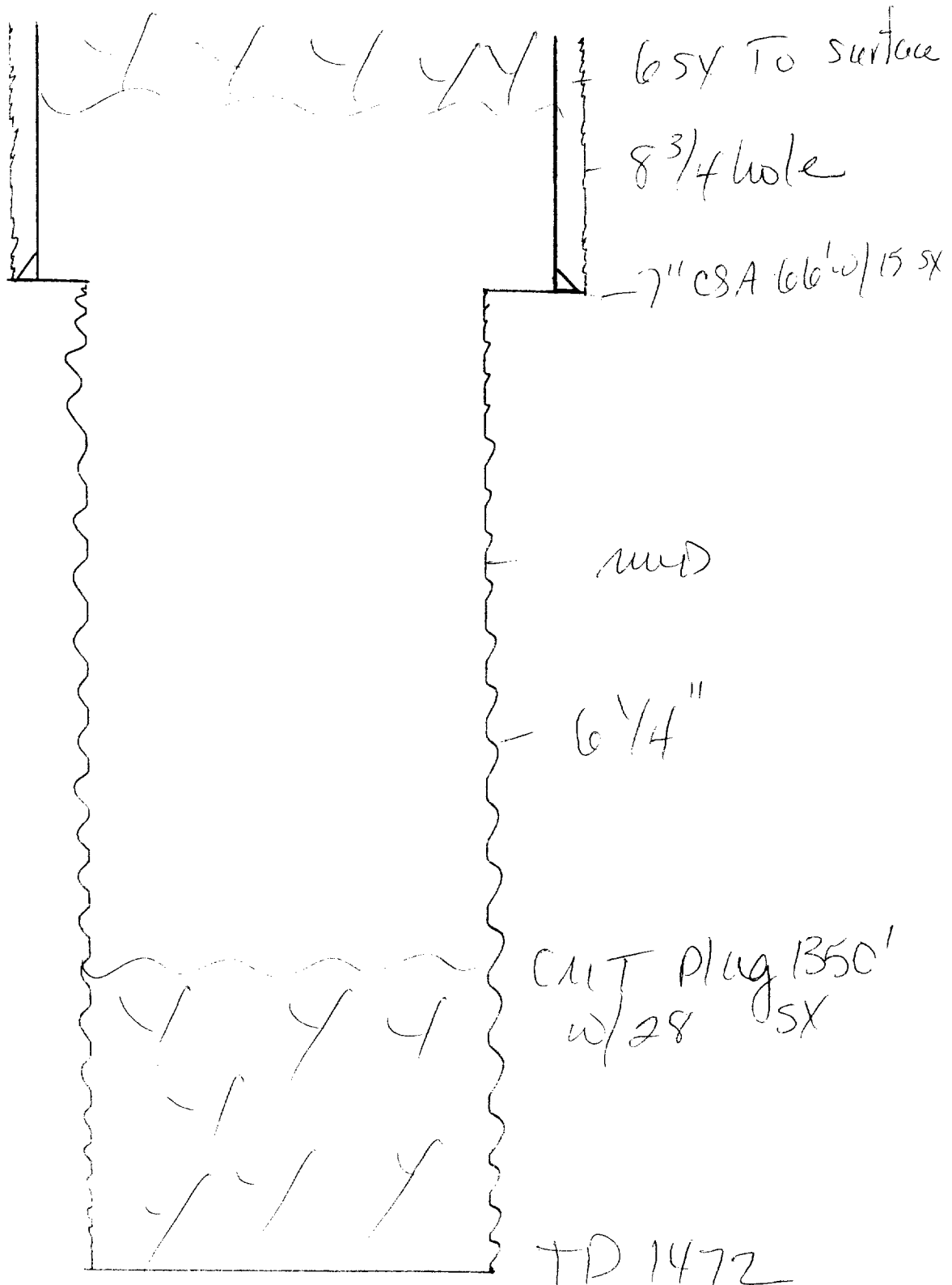
WELL DATA SHEET

EXPLORATION DRILLING CO.	NAVAJO	11-29-61	
OPERATOR	LEASE	SPUD DATE	
#5	2135FS-1935FE	23	32N 18W
WELL NO.	FOOTAGE LOCATION	SECTION	TOWNSHIP RANGE



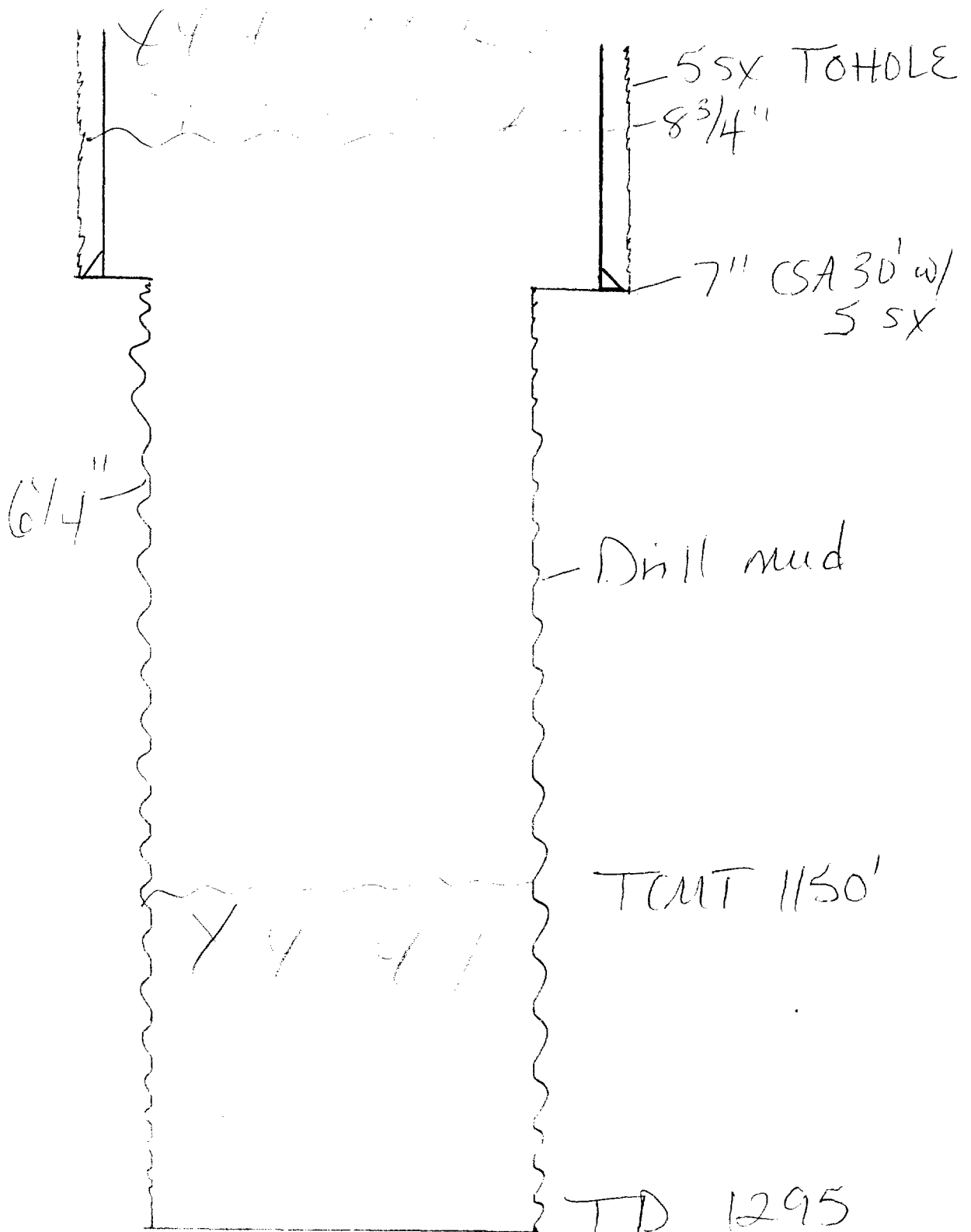
WELL DATA SHEET

EXPLORATION DRILLING CO.	NAVAJO	12-30-61
OPERATOR	LEASE	SPUD DATE
#6	365FS-760FW	13 32N 18W
WELL NO.	FOOTAGE LOCATION	SECTION TOWNSHIP RANGE



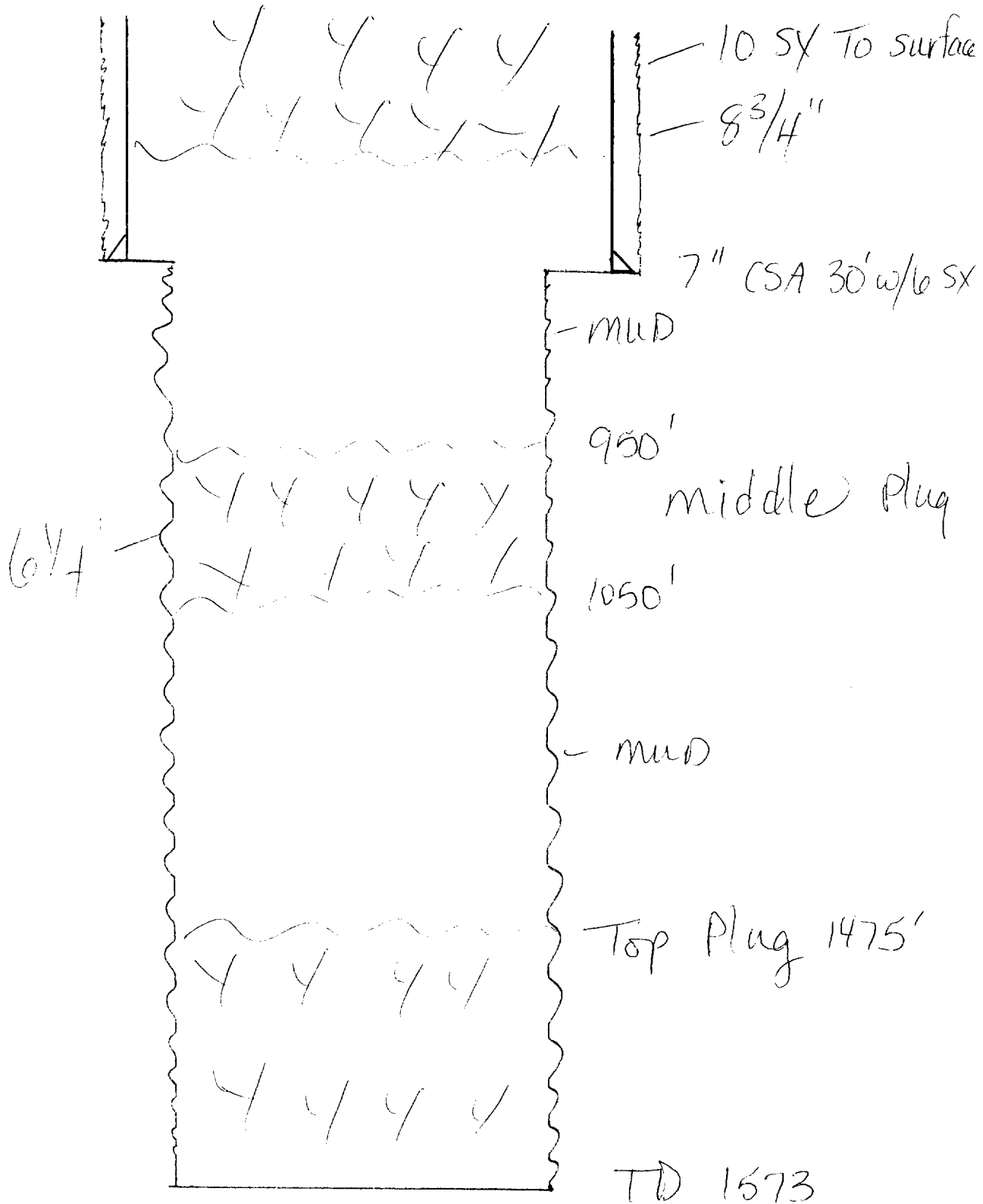
WELL DATA SHEET

AAA FISHING TOOL	NAVAJO	2-24-69
OPERATOR	LEASE	SPUD DATE
#7	2310FW-4950FS	15
		32N
		18W
WELL NO.	FOOTAGE LOCATION	SECTION
		TOWNSHIP
		RANGE



WELL DATA SHEET

ZOLLER & DANNEBERG	BLUEHILL	7-26-65
OPERATOR	LEASE	SPUD DATE
#1	2319FN-1980FE	25
		32N
		18W
WELL NO.	FOOTAGE LOCATION	SECTION
		TOWNSHIP
		RANGE



GRAND RESOURCES, INC. WATERFLOOD PERMIT

- VII. 1. Average daily injection rate 300 BWPD per injection well. For 4 injection wells total average injection rate is 1200 BWPD. With a 11-year life total injection volume should be approximately 4.8 MMBW. Maximum injection rate should not exceed 500 BWPD per well.
2. System will be a closed system.
3. Maximum injection pressure will be 1000 psi. The average to be determined by a step-rate test after start-up.
4. An adequate source of water should be derived from the Morrison Water Sand at approximately 3000 feet. This water source is widely used in the area.
- VIII. The Gallup formation is a reasonably clean sand stone with calcarious cementation present. The reservoir produces a solution gas drive with no apparent water leg. Average pay thickness 11.2 feet. Porosity is 13.1%. Average permeability is in the 70 md range. Connate water saturation of 31%. The Gallup sand is encountered between 1000 to 1400 from the surface depending on the topography of the location.
- IX. Since all wells have been frac stimulated, there is no proposed restimulation program in the future

Attached please find a representative log for well #1C, Nav., Section, 24- 32N-18W. (See Exhibit "A")

NAME: MARVIN ROBINOWITZ

TITLE: PRESIDENT

SIGNATURE: 

DATE: April 7, 1989


LOC(P.I.)	24 32N 18W
	2310 N/S 660 E/W NW SW
CO.	Texas Pacific Coal & Oil
	Company
WELL	#1-C Navajo
FIELD	Unnamed
	San Juan, New Mexico

LOG NO. 36969 IR
24 32N 18W

DENVER
CASPER
BILLINGS

PI

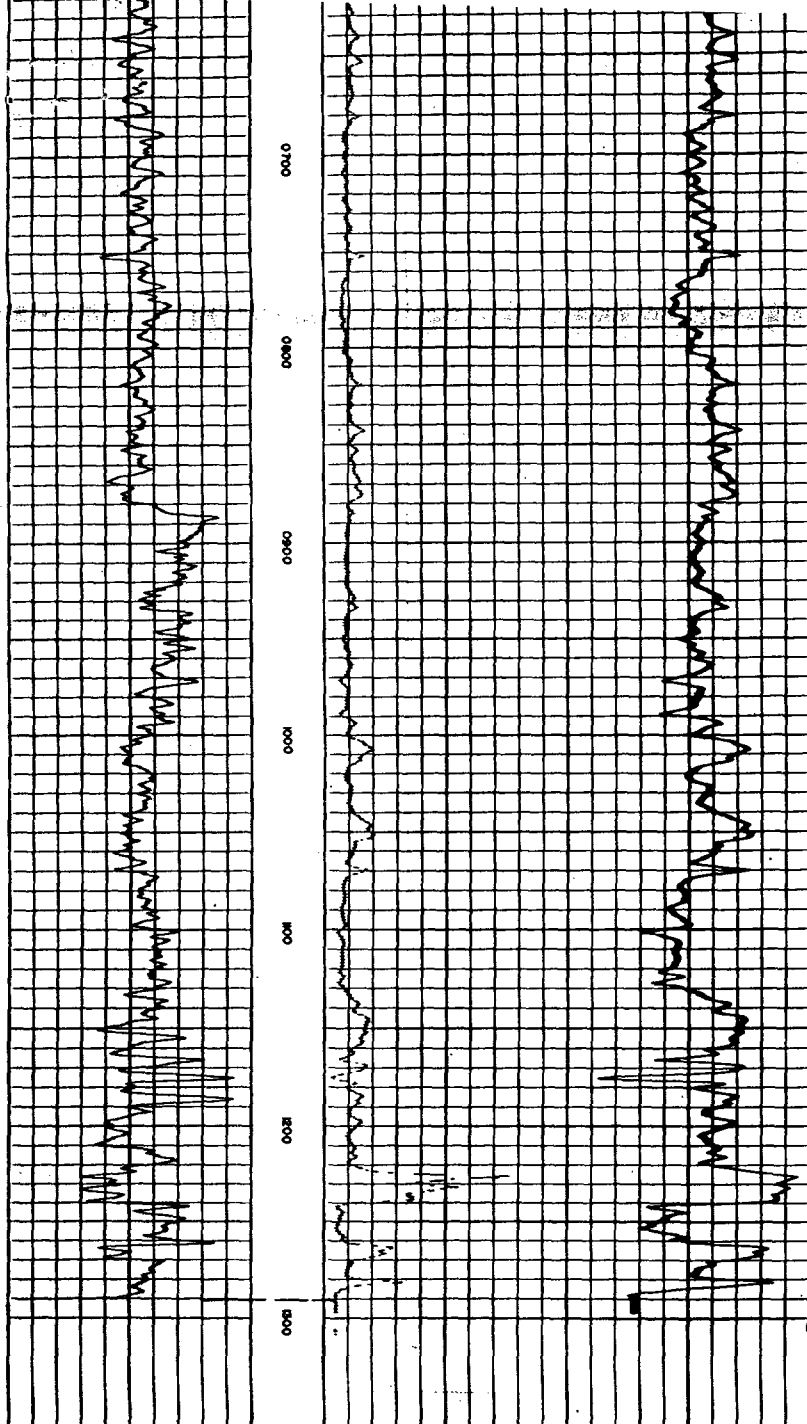
DURANGO
BISMARCK

SUNDRIDGE WELL SURVEYING CORPORATION FIRTH, IOWA		COMBINATION INDUCTION-GAMMA RAY LOG	
		Location of Well "	
COUNTY <u>SAN JUAN, N.M.</u> FIELD or LOCATION <u>UNDESIGNATED GALLUP</u> WELL <u>NAVAJO TRIBAL C #1</u>		COMPANY <u>TEXAS PACIFIC</u> COAL & OIL COMPANY	
COMPANY <u>TEXAS PACIFIC</u> COAL & OIL COMPANY		COUNTY <u>SAN JUAN</u> STATE <u>NEW MEXICO</u>	
FIELD <u>UNDESIGNATED GALLUP</u> LOCATION <u>SEC. 24-32N-18W</u>		Elevation <u>D.F. 54361</u> <u>N.B. 11</u> or <u>G.L. 54321</u>	
FIELD <u>UNDESIGNATED GALLUP</u> LOCATION <u>SEC. 24-32N-18W</u>		SEC. <u>24-32N-18W</u> 660' F.W.L. 2310' F.S.	
RUN NO. <u>ONE</u>		FILING No. _____	
Date <u>3-4-62</u>			
First Reading <u>1291</u>			
Last Reading <u>1100</u>			
Feet Measured <u>1191</u>			
C.G. Schum. _____			
C.G. Driller <u>38 f</u>			
Depth Reached <u>1295</u>			
Bottom Driller _____			
Depth Bottom <u>DF</u>			
Mud No. <u>011</u>			
" Density _____			
" Viscosity _____			
" Ratio. _____			
" Red. Bkt. _____			
" pH _____			
" Wtr. loss _____			
Max. Temp. " _____			
Bit Size _____			
SFGS. _____			
IND. <u>SEF37</u>			
Opt. Rig Time <u>1 HOUR</u>			
Test No. <u>25165A8H</u>			
Recorded by <u>DILL</u>			
Witness _____			
MR. FEEHSTER _____			

REMARKS

CARTRIDGE NO 177
PAGEI NO 41
SONDF NO 19
GR CALIBRATION: 160-520-8 1/4 (1000) RAM GR-1800' PER HOUR TC 2 SENS 600
BACKOFF 2 DIVISIONS

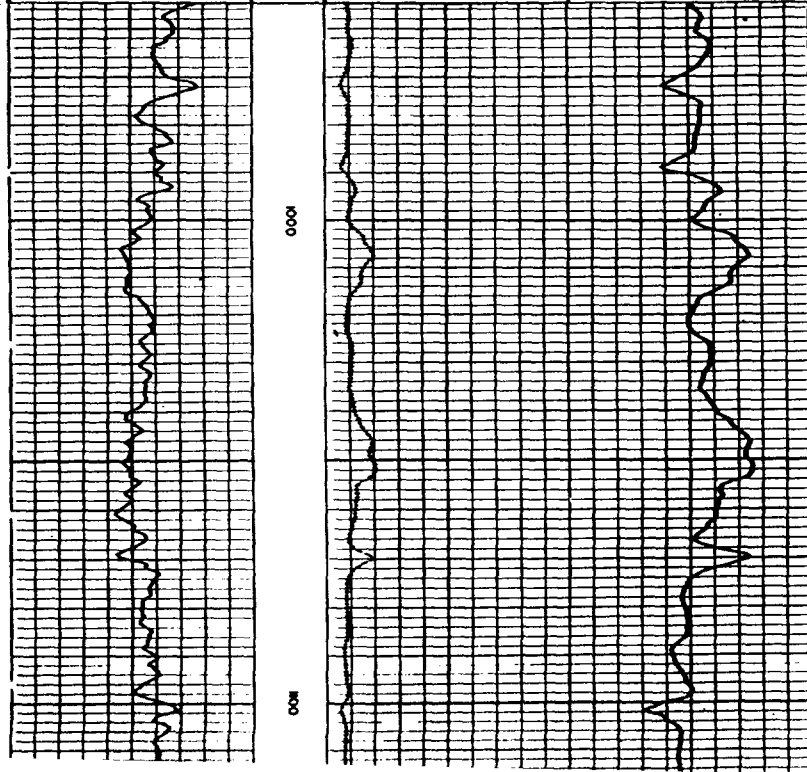
GAMMA RAY API UNITS		DEPTHS	CONDUCTIVITY millimhos/m = $\frac{1000}{\text{ohms. m}^2/\text{m}}$	
24	144	2"=100	INDUCTION	0
			400	280
			RESISTIVITY -ohms. m ² /m	
			0	100
			0	1000

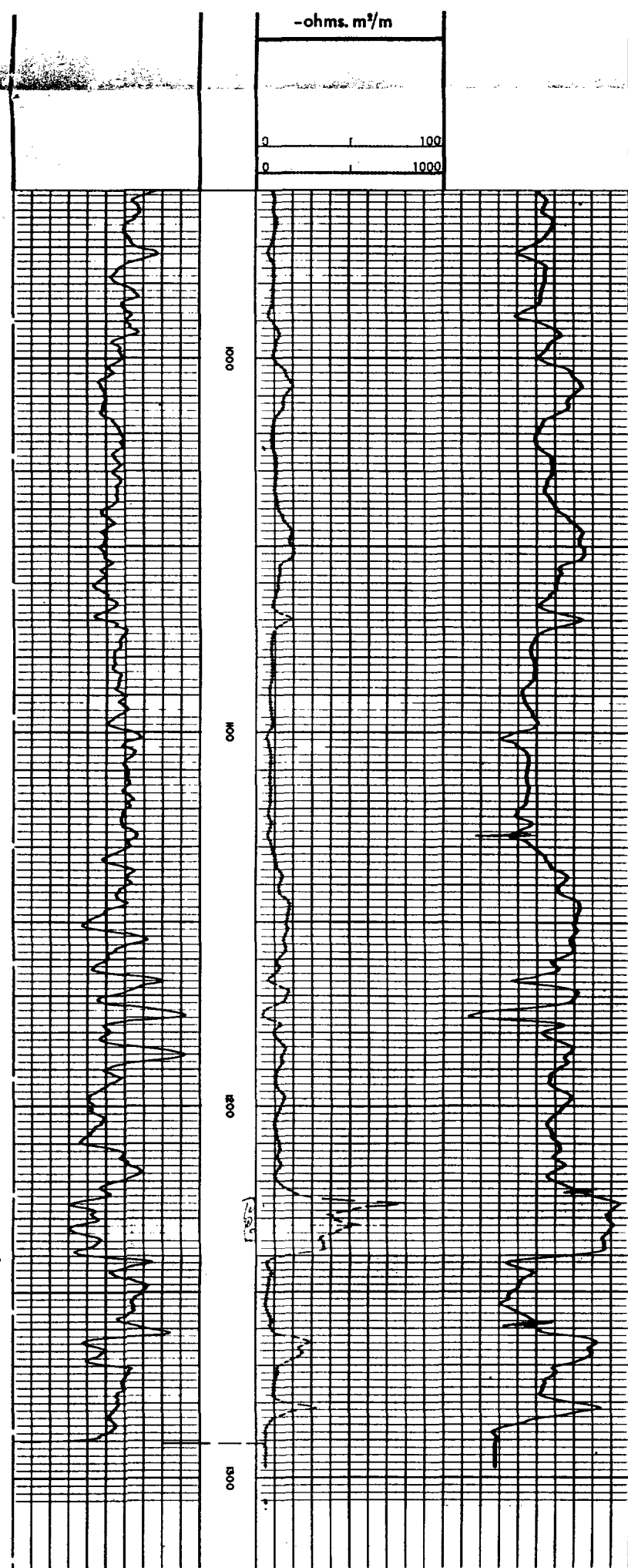


DETAIL LOG

5" = 100'

GAMMA RAY API UNITS	DEPTH	CONDUCTIVITY millimhos/m - $\frac{1000}{\text{ohms. m}^2/\text{m}}$
24 144		INDUCTION 400 200 0
		RESISTIVITY -ohms. m ² /m 0 100 0 1000





		<div><div>0100</div><div>01000</div></div> <div>RESISTIVITY -ohms. m²/m</div> <div>INDUCTION</div> <div><div>400</div><div>200</div><div>0</div></div>
<div>GAMMA RAY API UNITS</div>	<div>DEPTHS</div>	<div>CONDUCTIVITY millimhos/m - $\frac{1000}{\text{ohms. m}^2/\text{m}}$</div>
COMPANY <u>TEXAS PACIFIC COAL & OIL COMPANY</u>		SWSC FR <u>1291'</u>
WELL <u>NAVAJO TRIBAL C #1</u>		SWSC TD <u>1295'</u>
FIELD <u>UNDESIGNATED GALLUP</u>		DRLR TD <u>1295'</u>
COUNTY <u>SAN JUAN</u> STATE <u>NEW MEXICO</u>		Elev: KB <u>--</u>
		DF <u>5436'</u>
		GL <u>5432'</u>

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF GRAND RESOURCES, INC. FOR
APPROVAL OF A UNIT AGREEMENT,
SAN JUAN COUNTY, NEW MEXICO.

RECEIVED

APR 28 1989 CASE NO. 9673

APPLICATION OIL CONSERVATION DIVISION

COMES NOW GRAND RESOURCES, INC, by and through its undersigned attorneys and hereby makes application for an order approving its Mesa-Gallup Unit Agreement and in support of this application would show the Division:

1. That the proposed Unit Agreement consists of 2,680.00 acres, more or less, of Navajo Indian lands situated in San Juan County, New Mexico. The horizontal limits of said Unit are described as follows:

Township 32 North, Range 18 West, N.M.P.M.

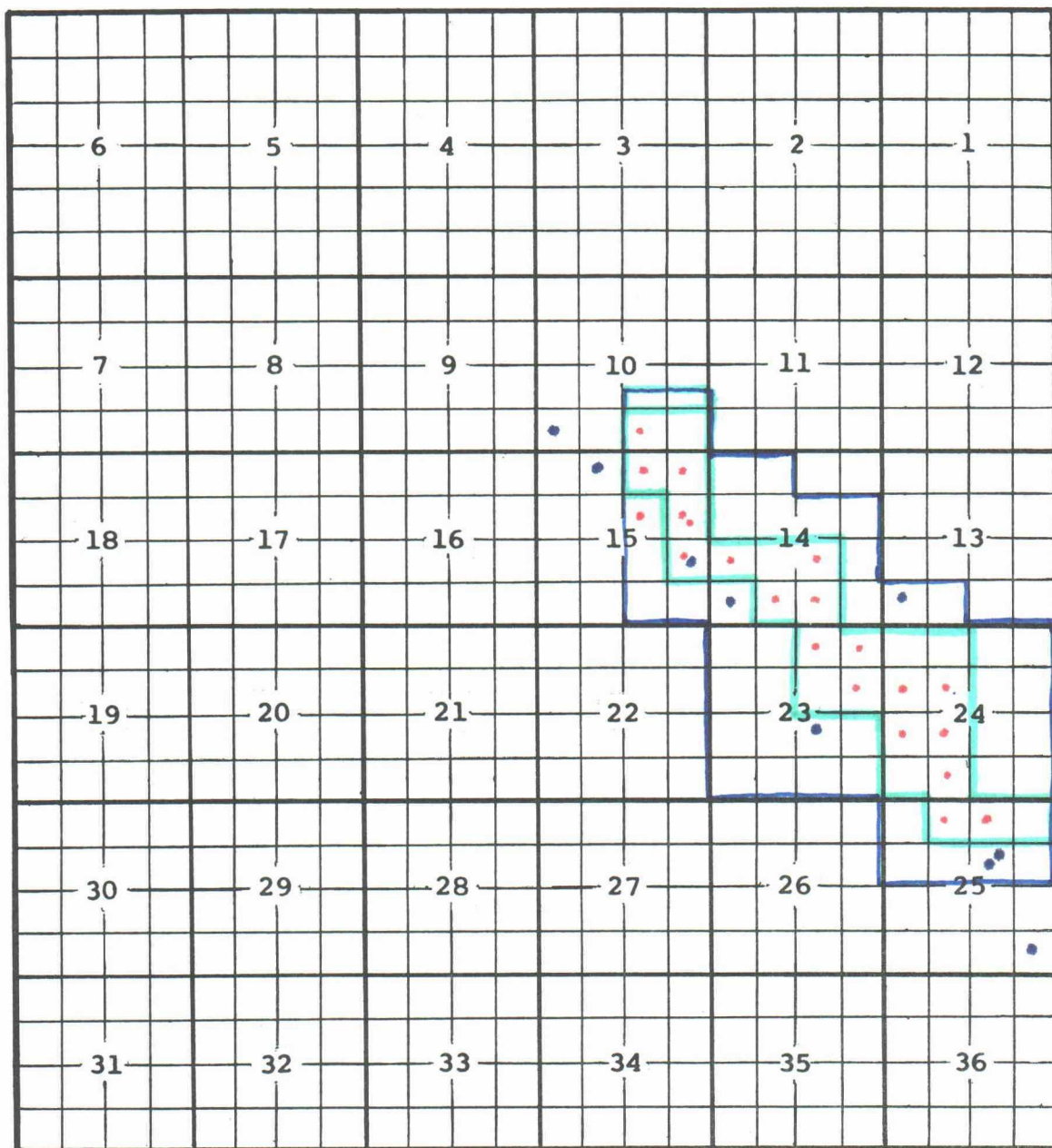
- 4 Section 10: SE/4
- 2 Section 15: S/2 SW/4
- 14 Section 14: S/2 NE/4; SE/4; W/2
- 8 Section 15: E/2
- 32 Sections 23 and 24: All
- 8 Section 25: N/2
- 2 Section 13: S/2 SW/4

2. That the Unit Agreement has been approved by all of the working interest owners holding interests within the proposed Unit Area.

3. That the applicant, Grand Resources, Inc., is designated as Unit Operator in said Unit Agreement and all oil and gas in the Gallup formation is being unitized.

POOL

NMPM

[illegible]

Dockets Nos. 11-89 and 12-89 are tentatively set for April 12 and April 26, 1989. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 29, 1989

**8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO**

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

CASE 9200: (Reopened)

In the matter of Case 9200 being reopened pursuant to the provisions of Division Order No. R-8518, which promulgated temporary special rules and regulations for the South Shoe Bar-Upper Pennsylvanian Pool, Lea County, New Mexico, including a provision for 80-acre spacing units. Operators in the subject pool may appear and show cause why the South Shoe Bar-Upper Pennsylvanian Pool rules should not be rescinded.

CASE 9632: Application of Union Texas Petroleum Corporation for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox coal gas well location 1590 feet from the South line and 1000 feet from the East line (Unit I) of Section 35, Township 31 North, Range 9 West, Basin-Fruitland Coal (Gas) Pool, Lots 1, 2, 7, 8, 9, 10, 15 and 16 (E/2 equivalent) of said Section 35 to be dedicated to the well forming a standard 315.92-acre gas spacing and proration unit for said pool. Said location is approximately 8 miles west northwest of the Navajo Reservoir Dam.

CASE 9633: Application of Sun Exploration and Production 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 Morrow formation or to a depth of 13,700 feet, whichever is deeper, underlying the following described acreage in Section 27, Township 22 South, Range 34 East, and in the following described manner:

- the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing;
- The SE/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;
- the S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which presently includes, but not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and the Ojo Chiso-Morrow Gas Pool).

All of the above-described units are to be dedicated to a single well to be drilled at a standard 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 location is approximately 18 miles west by south of Eunice, New Mexico.

CASE 9634: Application of Sun Exploration and Production 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 Morrow formation or to a depth of 13,760 feet, whichever is deeper, underlying the following described acreage in Section 26, Township 22 South, Range 34 East, and in the following described manner:

- the NE/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing;
- the NW/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;
- the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which presently includes, but not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and the Ojo Chiso-Morrow Gas Pool).

All of the above-described units are to be dedicated to a single well to be drilled at a standard 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 location is approximately 17 miles west by south of Eunice, New Mexico.

CASE 9635: Application of Steve Sell for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 1294 feet from the North line and 2063 feet from the West line (Unit C) of Irregular Section 5, Township 22 South, Range 24 East, Indian Basin-Upper Pennsylvanian Gas Pool, all of said Section 5, consisting of 692.88 acres, to be dedicated to the well forming a standard gas spacing and proration unit for said pool. Said location is approximately 4 miles southeast of the Marathon Oil Company's Indian Basin Gas Plant.

CASE 9553: (Reopened and Readvertised.)

Application of Benson-Montin-Greer Drilling Corp. for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle production from the Basin-Dakota Pool and West Puerto Chiquito-Mancos Oil Pool within the wellbore of its Canada Ojitos Unit Well No. 22 located either 1685 feet from the North line and 1860 feet from the West line or 1700 feet from the North line and 1790 feet from the West line (Unit F) of Section 20, Township 26 North, Range 1 West. Said well is located approximately 20 miles north of Regina, New Mexico.

CASE 9636: Application of Grand Resources Inc. for statutory unitization, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a secondary recovery project, all mineral interests in the designated and Undesignated Mesa-Gallup Oil Pool underlying 4800.00 acres, more or less, of Navajo Indian lands in all or portions of Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West and Section 30, Township 32 North, Range 17 West, all as projected into the unsurveyed Navajo Indian Reservation. Said unit is to be designated the Mesa-Gallup Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including but not limited to, unit voting procedures, selection, removal or substitution of unit operator, and time of commencement and termination of unit operations. Applicant also requests that any such order issued in this case include a provision for carrying any nonconsenting working interest owner within the unit area upon such terms and conditions to be determined by the Division as just and reasonable. Said unit area is located approximately 12 miles north of Shiprock, New Mexico.

CASE 9637: Application of Grand Resources Inc. for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the designated and Undesignated Mesa-Gallup Oil Pool in its proposed Mesa-Gallup Unit Area (Division Case No. 9636) underlying all or portions of Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West and Section 30, Township 32 North, Range 17 West, all as projected into the unsurveyed Navajo Indian Reservation. Said area is located approximately 12 miles north of Shiprock, New Mexico.

CASE 9619: (Readvertised)

Application of Santa Fe Exploration Company for an unorthodox gas well location, dual completion and compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool and the Undesignated Indian Basin-Morrow Gas Pool, underlying all of Section 8, Township 21 South, Range 23 East, forming a standard 640-acre gas spacing and proration unit for both pools. Production from both zones is to be from a dually completed well to be drilled at an unorthodox gas well location 660 feet from the South and East lines (Unit P) of said Section 8. 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 location is approximately 3.75 miles west-northwest of the Marathon Oil Company Indian Basin Gas Plant.

CASE 9597: (Continued from March 1, 1989, Examiner Hearing.) (Readvertised)

Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal (gas) Pool underlying the W/2 of Section 16, Township 30 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its Delhi Com Well No. 300 to be drilled at an unorthodox coal gas well location 570 feet from the South line and 185 feet from the West line (Unit M) of said Section 16. 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 well location is approximately 4 miles northwest by west of the Navajo Reservoir Dam.

CASE 9638: Application of Meridian Oil Inc. to amend Division Order No. R-8882, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8882 by changing the unorthodox coal gas well location approved in said Order for its Stanolind Gas Com Well No. 300 to a new location 705 feet from the North line and 1605 feet from the East line (Unit B) of Section 16, Township 30 North, Range 8 West. Said location is approximately 2.25 miles east-northeast of Archuleta, New Mexico.

CASE 9636: (Continued from March 29, 1989, Examiner Hearing.)

Application of Grand Resources Inc. for statutory unitization, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a secondary recovery project, all mineral interests in the designated and Undesignated Mesa-Gallup Oil Pool underlying 4800.00 acres, more or less, of Navajo Indian lands in all or portions of Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West and Section 30, Township 32 North, Range 17 West, all as projected into the unsurveyed Navajo Indian Reservation. Said unit is to be designated the Mesa-Gallup Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including but not limited to, unit voting procedures, selection, removal or substitution of unit operator, and time of commencement and termination of unit operations. Applicant also requests that any such order issued in this case include a provision for carrying any nonconsenting working interest owner within the unit area upon such terms and conditions to be determined by the Division as just and reasonable. Said unit area is located approximately 12 miles north of Shiprock, New Mexico.

CASE 9637: (Continued from March 29, 1989, Examiner Hearing.)

Application of Grand Resources Inc. for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the designated and Undesignated Mesa-Gallup Oil Pool in its proposed Mesa-Gallup Unit Area (Division Case No. 9636) underlying all or portions of Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West and Section 30, Township 32 North, Range 17 West, all as projected into the unsurveyed Navajo Indian Reservation. Said area is located approximately 12 miles north of Shiprock, New Mexico.

CASE 9646: Application of Sun Exploration and Production Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project on its Mobil "22" Federal Lease located in Section 22, Township 26, South, Range 29 East, by the injection of water into the Brushy Draw-Delaware Pool through its Mobil Federal "22" Well No. 5 located 990 feet from the South line and 2310 feet from the West line (Unit N) of said Section 22. Said well is located approximately 1.75 miles north of Mile Corner No. 53 plus 2640 feet on the Texas/New Mexico Stateline.

CASE 9647: Application of Parker & Parsley Petroleum Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle oil production from the Undesignated East Loving-Delaware Pool and the South Culebra Bluff-Bone Spring Pool within the wellbore of its Pardue Farms "27" Btry. 1 Well No. 4, located 660 feet from the South and East lines (Unit P) of Section 27, Township 23 South, Range 28 East. Said well is located approximately 2 miles southeast by east of Loving, New Mexico.

CASE 9648: Application of Meridian Oil, Inc. to amend Division Order No. R-8868, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8868 to include authorization for a non-standard coal gas well location for the subject well of said order to be drilled 2200 feet from the North line and 1360 feet from the East line (Unit G) of Section 36, Township 30 North, Range 6 West, Basin-Fruitland Coal (Gas) Pool, Lots 1, 2, 3 and 4 and the W/2 E/2 of said Section 36 to be dedicated to said well forming a non-standard 230.24-acre spacing and proration unit for said pool. Said location is approximately 5.5 miles northwest by north of Gobernador, New Mexico.

CASE 9649: Application of Meridian Oil, Inc. for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox coal gas well location 790 feet from the North line and 1,165 feet from the West line (Unit D) of Section 16, Township 30 North, Range 8 West, Basin-Fruitland Coal Gas Pool, the W/2 of said Section 16 to be dedicated forming a standard 320-acre gas spacing and proration unit for said pool. Said location is approximately 4.25 miles west by north of the Navajo Reservoir Dam.

CASE 9572: (Continued from March 1, 1989, Examiner Hearing.)

Application of Dugan Production Corporation for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 164.87-acre non-standard gas spacing and proration unit for production from the Basin-Fruitland Coal (Gas) Pool comprising Lots 1 and 2 and the E/2 NW/4 of Section 31, Township 28 North, Range 10 West. Said unit is to be dedicated to its Knauff Well No. 1 which is presently completed in the Kutz-Fruitland Pool and is located at a previously authorized unorthodox coal gas well location (pursuant to Decretory Paragraph No. (4) of Division Order No. R-8768) 1015 feet from the North line and 1650 feet from the West line (Unit C) of said Section 31. This well is located approximately 6.5 miles south-southeast of Bloomfield, New Mexico.

Dockets Nos. 13-89 and 14-89 are tentatively set for April 26 and May 10, 1989. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 12, 1989

8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO

The following cases will be heard before Michael E. Stoger, Examiner, or David R. Catanach, or Victor T. Lyon, Alternate Examiners:

- ALLOWABLE: (1) Consideration of the allowable production of gas for May, 1989, from fourteen prorated gas pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for May, 1989, from four prorated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9610: (Continued from March 15, 1989, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Knights Bridge Petroleum Corporation and James Marchbanks and all other interested parties to appear and show cause why the Triple Crown Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit 0) of Section 6, Township 9 North, Range 31 East, Quay County, New Mexico (being located approximately 7.75 miles northeast by north of Quay, 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 the Operator fails to do so, ordering a forfeiture of the Operator's bond and authorizing the Director of the Division to make demand upon First National Bank of Tucumcari to pay to the Division so much of the funds of the certificate of deposit given as collateral for the bond as is necessary to pay the costs of plugging said well.

CASE 9643: Application of Steve Sell for directional drilling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authorization to directionally drill a well from a surface location 1400 feet from the South line and 1075 feet from the West line (Unit L) of Section 35, Township 21 South, Range 24 East to a bottomhole location in the Undesignated Indian Basin-Upper Pennsylvanian Gas Pool within 50 feet of a point which is an unorthodox gas well location 1650 feet from the South line and 850 feet from the West line of said Section 35. All of said Section 35 to be dedicated to the well to form a standard 640-acre gas spacing and proration unit for said pool. This unit is located approximately 14 miles west of Carlsbad, New Mexico.

CASE 9200: (Continued from March 29, 1989, Examiner Hearing.) (Reopened)

In the matter of Case 9200 being reopened pursuant to the provisions of Division Order No. R-8518, which promulgated temporary special rules and regulations for the South Shoe Bar-Upper Pennsylvanian Pool, Lea County, New Mexico, including a provision for 80-acre spacing units. Operators in the subject pool may appear and show cause why the South Shoe Bar-Upper Pennsylvanian Pool rules should not be rescinded.

CASE 9644: Application of Nearburg Producing Company for directional drilling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the UNC Texas, Inc. State "10" Well No. 1 from a surface location 660 feet from the North line and 1980 feet from the West line (Unit C), Section 10, Township 12 South, Range 38 East, and directionally drill as to test the Devonian formation (Undesignated Gladiola-Devonian Pool or Undesignated East Gladiola-Devonian Pool) to within 100 feet of an unorthodox bottomhole oil well location 1000 feet from the North line and 1100 feet from the West line (Unit D) of said Section 10. The NW/4 NW/4 of said Section 10 is to be dedicated to said well to form a standard 40-acre oil spacing and proration unit. Said well is located approximately 3.5 miles northwest by north of Bronco, Texas.

CASE 9645: Application of BP Exploration, Inc. 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 top of the Atoka formation underlying the SE/4 SW/4 of Section 30, Township 17 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools within said vertical extent developed on 40-acre spacing (which presently includes but is not necessarily limited to the Undesignated Hobbs Channel-Bone Spring Pool, Undesignated Hobbs Channel-San Andres Pool, and the Undesignated Hobbs Channel-Wolfcamp Pool). Said unit 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 location is approximately 1.5 miles east of Humble City, New Mexico.

CASE 9636: (Continued from April 12, 1989, Examiner Hearing.)

Application of Grand Resources Inc. for statutory unitization, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a secondary recovery project, all mineral interests in the designated and Undesignated Mesa-Gallup Oil Pool underlying 4800.00 acres, more or less, of Navajo Indian lands in all or portions of Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West and Section 30, Township 32 North, Range 17 West, all as projected into the unsurveyed Navajo Indian Reservation. Said unit is to be designated the Mesa-Gallup Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including but not limited to, unit voting procedures, selection, removal or substitution of unit operator, and time of commencement and termination of unit operations. Applicant also requests that any such order issued in this case include a provision for carrying any nonconsenting working interest owner within the unit area upon such terms and conditions to be determined by the Division as just and reasonable. Said unit area is located approximately 12 miles north of Shiprock, New Mexico.

CASE 9637: (Continued from April 12, 1989, Examiner Hearing.)

Application of Grand Resources Inc. for a waterflood project, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the designated and Undesignated Mesa-Gallup Oil Pool in its proposed Mesa-Gallup Unit Area (Division Case No. 9636) underlying all or portions of Sections 10, 13, 14, 15, 23, 24 and 25, Township 32 North, Range 18 West and Section 30, Township 32 North, Range 17 West, all as projected into the unsurveyed Navajo Indian Reservation. Said area is located approximately 12 miles north of Shiprock, New Mexico.

CASE 9660: Application of Mobil Producing Texas and New Mexico Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Blinbry and Drinkard Pools within the wellbore of its Brunson-Argo Well No. 6 located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 10, Township 22 South, Range 37 East. Said well is located approximately 2 miles south of Eunice, New Mexico.

CASE 9311: (Reopened)

In the matter of Case 9311 being reopened pursuant to the provisions of Division Order No. R-8614, which promulgated temporary special rules and regulations for the Monument-Abo Pool, Lea County, New Mexico, establishing a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Operators in the subject pool may appear and show cause why the Monument-Abo Pool should not be governed by the statewide rule limiting gas-oil ratio of 2,000 cubic feet of gas per barrel of oil.

CASE 9661: Application of Hixon Development Company for an unorthodox oil well location and simultaneous dedication, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 330 feet from the South line and 2310 feet from the West line (Unit N) of Section 35, Township 25 North, Range 3 West, West Lindrith Gallup-Dakota Oil Pool, the SW/4 of said Section 35, forming a 160-acre oil spacing and proration unit for said pool, to be simultaneously dedicated to the above described well and to the existing Missy Well No. 2 located 1650 feet from the South and West lines (Unit K) of said Section 35. Said location is approximately 3 miles northwest of west of Lindrith, New Mexico.

CASE 9662: Application of Chuska Energy Company for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 1440 feet from the North line and 630 feet from the East line (Unit H) of Section 21, Township 31 North, Range 18 West, as projected into the unsurveyed Navajo Indian Reservation, to test the Undesignated Cone-Paradox Oil Pool. The SE/4 NE/4 of said projected Section 21 is to be dedicated to said well forming a standard Statewide 40-acre oil spacing and proration unit for said pool. Said well location is approximately 8 miles north-northwest of Shiprock, New Mexico.