

Examiner Hearing - Wednesday - October 18, 1989

CASE 9785: Application of Arco Oil and Gas Company, a Division of Atlantic Richfield Company, for compulsory pooling and a non-standard gas proration unit, 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 Ellenberger formation underlying Lots 1 through 8 of Section 4, Township 21 South, Range 36 East, forming a non-standard 317.6-acre gas spacing and proration unit for any and all formations and/or pools developed within said vertical extent being developed on 320-acre spacing. Said unit is to be dedicated to a well to be drilled at a standard gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 4. 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 1.25 miles north by west of Oil Center, New Mexico.

CASE 9786: Application of Harvey E. Yates Company for an exception to Division Order No. R-3221, as amended, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the provisions of Division Order No. R-3221, as amended, to permit the disposal of water produced in conjunction with the production of oil and gas from its Lusk "16" State Lease into an unlined pit to be located in the SW/4 of Section 16, Township 19 South, Range 32 East. Said area is located approximately 7 miles north of Laguna Toston.

CASE 9787: Application of Harvey E. Yates Company for compulsory pooling and directional drilling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated East Burton Flat-Strawn Gas Pool underlying the W/2 of Section 14, Township 20 South, Range 29 East, forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a well to be directionally drilled from a surface location 760 feet from the South line and 1980 feet from the West line (Unit M) of Section 11, Township 20 South, Range 29 East, to a standard bottomhole gas well location within 100 feet of a point 2180 feet from the North line and 1880 feet from the West line (Unit F) of Section 14, Township 20 South, Range 29 East. 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 4 miles north-northwest of the junction of U.S. Highway 62/180 and New Mexico State Highway 31.

CASE 9773: (Continued from October 4, 1989, Examiner Hearing.)

Application of Bran Oil 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 NW/4 of Section 33, 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, which presently includes but is not necessarily limited to the Pecos Slope-Abo Gas Pool, said unit 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 15 miles west by north of Elkins, New Mexico.

CASE 9788: Application of Yates Petroleum Corporation 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 of 563 feet from the South line and 2125 feet from the East line (Unit O) of Section 11, Township 20 South, Range 29 East, to an unorthodox bottomhole gas well location in the Morrow formation within 50 feet of a point 2480 feet from the North line and 1980 feet from the East line (Unit G) of Section 14, Township 20 South, Range 29 East, the E/2 of said Section 14 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for the Undesignated East Burton Flat-Morrow Gas Pool. This well location is approximately 4 miles north-northwest of the junction of U.S. Highway 62/180 and New Mexico State Highway 31.

CASE 9700: (Readvertised)

Application of Yates Petroleum Corporation for compulsory pooling, 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 Lots 1 through 4, and the S/2 N/2 (N/2 equivalent) of Section 2, Township 20 South, Range 24 East, forming a standard 319.04-acre gas spacing and proration unit for any and all formations and/or pools developed within said vertical extent being developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated Dagger Draw-Strawn Gas Pool, Undesignated Dagger Draw-Atoka Gas Pool, Undesignated North Cemetery-Atoka Gas Pool, Undesignated Cemetery-Morrow Gas Pool, and the Undesignated Hoag Tank-Morrow Gas Pool) and Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) of said Section 2 to form a standard 160-acre spacing and proration unit for all formations and/or pools developed on 160-acre spacing (which presently includes but is not necessarily limited to the Undesignated Dagger Draw-Wolfcamp Gas Pool and the

and all formations and/or pools developed on 320-acre spacing (which presently includes but is not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Antelope Ridge-Morrow Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and Undesignated Ojo Chiso-Morrow Gas Pool); the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and the SW/4 SW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a well to be drilled at an unorthodox location 1090 feet from the South line and 990 feet from the West line (Unit M) 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 operator of the well and a charge for risk involved in drilling said well. Said well location is approximately 5.5 miles north-northwest of the San Simon Sink.

CASE 9783: Application of Oryx Energy 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 underlying the following described acreage in Section 26, Township 22 South, Range 34 East, and in the following manner: 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 is not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Antelope Ridge-Morrow Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and Undesignated Ojo Chiso-Morrow Gas Pool); the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a well to be drilled at a standard location in the SW/4 SE/4 (Unit O) of said Section 26. 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 4 miles north-northwest of the San Simon Sink.

CASE 9784: Application of Oryx Energy 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 underlying the following described acreage in Section 27, Township 22 South, Range 34 East, and in the following manner: 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 is not necessarily limited to the Undesignated Antelope Ridge-Atoka Gas Pool, Undesignated Antelope Ridge-Morrow Gas Pool, Undesignated Ojo Chiso-Strawn Gas Pool, and Undesignated Ojo Chiso-Morrow Gas Pool); the NW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and the NE/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a well to be drilled at a standard location in the NE/4 NW/4 (Unit C) 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 unit is located approximately 5 miles north-northwest of the San Simon Sink.

CASE 9729: (Continued from August 23, 1989, Examiner Hearing.)

Application of Meridian Oil Inc. for a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard gas spacing and proration unit comprising the NE/4 NW/4, S/2 NW/4, and the SW/4 of Section 24 and the SE/4 SE/4 of Section 23, both in Township 31 North, Range 12 West, Basin-Fruitland Coal Gas Pool. Said unit is to be dedicated to the East Well No. 102 to be located at a standard coal gas well location 1310 feet from the South line and 1490 feet from the West line (Unit N) of said Section 24, which is approximately 4.5 miles northwest of Aztec, New Mexico.

CASE 9771: (Continued from October 4, 1989, Examiner Hearing.)

Application of OGS Operating Company for compulsory pooling, 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 Strawn formation underlying the following described acreage in Section 5, Township 24 South, Range 25 East, and in the following described manner: the S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools (Undesignated Dark Canyon-Pennsylvanian Gas Pool and Undesignated Mosley Canyon-Strawn Gas Pool) developed on 320-acre spacing; the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing; and, the SE/4 SW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on statewide 40-acre spacing. All of the above-described units are to be dedicated to a single well to be drilled at a standard location in the SE/4 SW/4 (Unit N) of said Section 5. 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 5.25 miles northwest by north of White City, New Mexico.