

Dockets Nos. 4-90 and 5-90 are tentatively set for February 7, 1990 and February 21, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

**DOCKET: EXAMINER HEARING - WEDNESDAY - JANUARY 24, 1990
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. Stogner, Examiner, or David R. Catanach, Alternate Examiner:

CASE 9852: Application of Santa Fe Energy Operating Partners, L.P. 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 the following described acreage in Section 24, Township 21 South, Range 27 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 within said vertical extent (which includes but is not necessarily limited to the Undesignated East Carlsbad-Wolfcamp Gas Pool, Undesignated East Carlsbad-Strawn Gas Pool, Undesignated Bass-Morrow Gas Pool, Undesignated Burton Flats-Morrow Gas Pool, and Undesignated East Carlsbad-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 SE/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 (which includes but is not necessarily limited to the Undesignated Fenton Draw-Strawn Pool). All of the above-described units are to be dedicated to a well to be drilled at a standard location in the SE/4 SW/4 (Unit N) of said Section 24. 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 at Mile Post No. 41 on U.S. Highway 62/180.

CASE 9853: Application of David H. Arrington Oil and Gas, Inc. for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the W/2 NE/4 and E/2 NW/4 of Section 21, Township 24 South, Range 37 East, Jalmat Gas Pool. The applicant proposes to recomplete the Texaco Inc. J. F. Black Well No. 4 from the Langlie-Mattix Pool to the Jalmat Gas Pool, said well is located at a standard Jalmat gas well location 1980 feet from the North and West lines (Unit F) of said Section 21. Said unit is located approximately 8 miles northeast by north of Jai, New Mexico.

CASE 9854: Application of Stevens Operating Corporation for pool creation and special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Fusselman formation comprising the S/2 of Section 21 and the N/2 of Section 28, Township 10 South, Range 27 East, and for the promulgation of special rules and regulations therefor including provisions for 320-acre oil spacing and proration units, designated well location requirements, a special gas-oil ratio limitation of 20,000 cubic feet of gas per barrel of oil, and a special 320-acre oil allowable of 650 barrels per day. Said area is located at Mile Post No. 174 on U.S. Highway 380.

CASE 9846: (Continued from January 10, 1990, Examiner Hearing.)

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 Canyon formation underlying the SE/4 of Section 35, Township 19 South, Range 24 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which includes but is not limited to the Undesignated Dagger Draw-Wolfcamp Gas Pool and Undesignated North Dagger Draw-Upper Pennsylvanian Pool, and the SE/4 SE/4 of said Section 35 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, which includes but is not necessarily limited to the Undesignated Canyon-Wolfcamp Pool. Said unit is to be dedicated to a well to be drilled at a standard location 660 feet from the South and East lines (Unit P) of said Section 35. 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 operation 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 7.5 miles west by north of Seven Rivers, New Mexico.

CASE 9855: Application of Yates Energy 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 Bone Spring formation underlying the NE/4 SW/4 (Unit K) of Section 1, Township 18 South, Range 31 East, 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, which includes but is not necessarily limited to the Undesignated Maljamar Pool, Undesignated Shugart Pool, Undesignated Tamano-Bone Spring Pool, and Undesignated North Young-Bone Spring 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 unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 9856: Application of Yates Energy 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 Bone Spring formation underlying the NW/4 SE/4 (Unit J) of Section 1, Township 18 South, Range 31 East, 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, which includes but is not necessarily limited to the Undesignated Maljamar Pool, Undesignated Shugart Pool, and Undesignated Tamano-Bone Spring 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 unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 9857: Application of Yates Energy 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 Bone Spring formation underlying the SW/4 SE/4 (Unit 0) of Section 1, Township 18 South, Range 31 East, 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, which includes but is not necessarily limited to the Undesignated Maljamar Pool, Undesignated Shugart Pool, Undesignated Tamano-Bone Spring Pool, and Undesignated North Young-Bone Spring 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 unit is located approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.

CASE 9858: Application of Bannon Energy Incorporated 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 for its Federal "8" Well No. 2 to be drilled 351 feet from the South line and 2171 feet from the East line (Unit 0) of Section 8, Township 23 North, Range 6 West, Counselors-Gallup Oil Pool, said well to be simultaneously dedicated with the Federal "8" Well No. 1, located at a previously approved unorthodox oil well location (NSL-2696) 2173 feet from the South line and 495 feet from the East line (Unit 1) of said Section 8, to the existing standard 160-acre oil spacing and proration unit for said pool comprising the SE/4 of said Section 8. Said unit is located approximately 2.5 miles northwest of Counselors, New Mexico.