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March 28, 1990

HAND DELIVERED

Mr. William J. LeMay
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 87504

Re: Application of Oryx Energy Company
for Unorthodox Well Location
Well Name: Grama Ridge Federal No. 1
Lea County, New Mexico

RECEIVED

MAR 28 1990

OIL CONSERVATION DIVISION

9914

Dear Mr. LeMay:

On behalf of Oryx Energy Company please find enclosed our Application of Unorthodox Well Location which we would request be set for hearing on the next available Examiner's docket now scheduled for April 18, 1990.

By copy of this letter to all parties, we are notifying them by certified mail, return-receipt requested, that they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support or in opposition to the Application.

Very truly yours,



W. Thomas Kellahin

WTK/tic
Enclosure

xc: Charles Gray
Oryx Energy Company
P.O. Box 2880
Dallas, Texas 75221-2880

STATE OF NEW MEXICO
DEPARTMENT OF ENERGY AND MINERALS
OIL CONSERVATION DIVISION

RECEIVED

MAR 20 1988

IN THE MATTER OF THE APPLICATION OF
ORYX ENERGY COMPANY FOR APPROVAL OF
AN UNORTHODOX GAS WELL LOCATION,
LEA COUNTY, NEW MEXICO

OIL CONSERVATION DIVISION

NO.

9914

A P P L I C A T I O N

Comes now ORYX ENERGY COMPANY, by and through its attorneys, KELLAHIN, KELLAHIN & AUBREY, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox gas well location already drilled to the base of the Morrow Pool, Lea County, New Mexico, at a location 660 feet from the North line and 1980 feet from the East line of Section 9, T22S, R34E, N.M.P.M., with the E/2 of said section being dedicated to the well, and in support thereof would show:

1. Applicant is the operator and has the right to drill and develop the E/2 of Section 9, T22S, R34E, N.M.P.M., Lea County, New Mexico.

2. Applicant has drilled its Grama Ridge Federal No. 1 Well at an unorthodox location 660 feet from the North line and 1980 feet from the East line of Section 9.

3. That approval of the Application will be in the best interests of conservation, the protection of correlative rights and the prevention of waste.

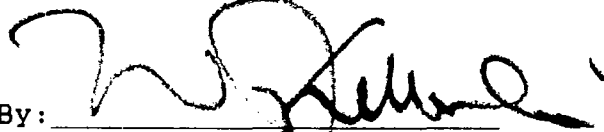
4. The offsetting parties which have been notified are:

4. The offsetting parties which have been notified are:

Hadson Petroleum, Inc.
P.O. Box 26770
Oklahoma City, Oklahoma 73126

WHEREFORE, Applicant requests that this matter be set for hearing and that after said hearing the Application be granted as requested.

KELLAHIN, KELLAHIN & AUBREY

By: 

W. Thomas Kellahin
Post Office Box 2265
Santa Fe, New Mexico 87504
(505) 982-4285

CASE 9889: (Continued from March 21, 1990, Examiner Hearing.) (This case will be dismissed.)

Application of Meridian Oil, Inc. for temporary well testing allowable for certain wells in the Parkway-Delaware Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to conduct a special 90-day flow test on selected wells in the Parkway-Delaware Pool located in all or portions of Sections 26, 35, and 36, Township 19 South, Range 29 East, and Section 31, Township 19 South, Range 30 East, for the purpose of gathering data to determine the most efficient producing rate for said pool. This subject area is located approximately 14 miles south by west of Loco Hills, New Mexico.

CASE 9439: (Reopened)

In the matter of Case 9439 being reopened pursuant to the provisions of Division Order No. R-8770 which Order promulgated temporary special pool rules and regulations including a provision for 80-acre spacing and proration units, designated well locations, and a poolwide exception to Division Rule No. 111 allowing for directional drilling or well deviations of more than five degrees in any 500-foot interval in the Vada-Devonian Pool, Lea County, New Mexico. Operators in the subject pool may appear and show cause why the temporary rules for the Vada-Devonian Pool promulgated herein should not be rescinded.

CASE 9912: Application of Conoco Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 2310 feet from the North line and 660 feet from the West line (Unit E) of Section 35, Township 16 South, Range 37 East, to test either the Undesignated Casey-Strawn Pool or Undesignated Shipp-Strawn Pool, the S/2 NW/4 of said Section 35 to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for either pool. Said unit is located approximately 5.75 miles north of Humble City, New Mexico.

CASE 9913: Application of Oryx Energy Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 1046 feet from the North line and 1273 feet from the West line (Unit D) of Section 9, Township 22 South, Range 34 East, Grama Ridge-Morrow Gas Pool, the W/2 of said Section 9 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. Said well location is approximately 3 miles west of the San Simon Ranch House.

CASE 9914: Application of Oryx Energy Company for acreage rededication and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authorization to rededicate acreage for its Grama Ridge-Federal Well No. 1 located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 9, Township 22 South, Range 34 East, Grama Ridge-Morrow Gas Pool, from its present N/2 dedication to an E/2 dedication thereby making the well location unorthodox for this pool. Said unit is approximately 2.5 miles west of the San Simon Ranch House.

CASE 9915: Application of Marathon Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location for its Indian Basin Gas Com Well No. 2 to be drilled 732 feet from the South line and 1173 feet from the West line (Unit M) of Section 23, Township 21 South, Range 23 East, to test both the Indian Basin-Morrow and Indian Basin-Upper Pennsylvanian Gas Pools. All of said Section 23 is to be dedicated to the well forming a standard 640-acre oil spacing and proration unit for both pools. Said well location is approximately 1/2 mile southwest of the Marathon Oil Company Indian Basin Gas Plant.

CASE 9916: Application of Exxon Corporation for an unorthodox oil well location and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its Yates "C" Federal Well No. 36 to be drilled 1305 feet from the North and East lines (Unit A) of Section 31, Township 20 South, Range 28 East, Avalon-Delaware Pool. Said well is to be simultaneously dedicated with the applicant's Yates "C" Federal Well No. 4 located at a standard oil well location 660 feet from the North and East lines of said Section 31 to the existing standard 40-acre oil spacing and proration unit comprising the NE/4 NE/4 of said Section 31 (being located approximately 6 miles north of La Huerta, New Mexico.)

CASE 9917: Application of Stevens & Tull, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Yates formation to the base of the Abo formation underlying the NW/4 SE/4 of Section 23, Township 20 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, either developed on 40-acre oil spacing or having special provisions for 40-acre oil units within existing gas pools (which includes Undesignated House-San Andres Pool, Blinebry Oil and Gas Pool, Warren-Tubb Gas Pool, and Undesignated DK-Abo Pool). Said 40-acre tract is 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 miles south by east of Nadine, New Mexico.

CASE 9870: (Reopened & Readvertised)

Application of Siete Oil & Gas Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order promoting special pool rules for the Parkway-Bone Spring Pool including a provision for a limiting gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil. Said pool is located in Section 34, Township 19 South, Range 29 East and Sections 2 and 3, Township 20 South, Range 29 East, which is located approximately 5.5 miles north by west of the junction of U.S. Highway 62/180 and old New Mexico State Highway 31. The applicant also requests that said pool rules be made effective retroactive to the date of first production from the applicant's Osage Federal Well No. 13 located 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 34.