$T \in X \land C O$

P. O. BOX 2100 DENVER, COLORADO 80201 (303) 793-4317

NANETTE J. CRAWFORD ATTORNEY

August 23, 1990

VIA OVERNIGHT MAIL

Mr. Michael Stogner Chief Hearing Officer/Engineer State of New Mexico Energy, Minerals and Natural Resources Department Oil Conservation Division P.O. Box 2088 State Land Office Building Santa Fe, New Mexico 87504

10094

Re: Texaco's Application for Exception to Rule 104 West Dollarhide Drinkard Unit Well Nos. 109, 110, 111 and 112

Dear Mr. Stogner:

By letter dated June 14, 1990, a copy of which is enclosed for your convenience, Texaco requested administrative approval for the referenced application. Because this application can not be administratively approved, Texaco requests that this matter be set for hearing on September 19, 1990.

In addition, Texaco has decided to drop its application as it relates to Well Nos. 109 and 110. Texaco will continue to pursue the application only as it relates to Well Nos. 111 and 112.

Pursuant to the original June 14 letter, all affected offset operators have been notified of the application and will be notified of the September 19 hearing date.

Very truly yours,

rawhy Nanette J

NJC:jls Enclosure

cc: Mr. Wm. Kerr, Campbell & Black (Via Rapifax)

Mr. Wm. Phillips, Midland Producing





Texaco USA Producing Department Midland Division PO Box 3109 Midland TX 79702-3109

June 14, 1990

<u>GOV - STATE AND LOCAL GOVERNMENTS</u> Unorthodox Locations West Dollarhide Drinkard Unit Well Nos. 109, 110, 111, 112 Lea County, New Mexico

State of New Mexico Energy and Minerals Department Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501-2088

Case 10096

Attention: Mr. Michael E. Stogner

Gentlemen:

An exception, by administrative approval, to Rule 104 F.I. is requested for Texaco Producing Inc.'s West Dollarhide Drinkard Unit Well Nos. 109, 110, 111 & 112. Please note that Well Nos. 109 & 110 are on Federal Land. The wells are located as follows:

Well No. 111: Well No. 112:

110' FNL & 155' FEL, Sec. 33, T-24-S, R-38-E Affected offset operator: Oxy
1330' FNL & 155' FEL, Sec. 33, T-24-S, R-38-E Affected offset operator: Oxy
2630' FSL & 130' FEL, Sec. 33, T-24-S, R-38-E Affected offset operators: Oxy & Union
54' FNL & 130' FEL, Sec. 4, T-25-S, R-38-E Affected offset operator: Union

The wells must be drilled in these locations to ensure proper development on 10-acre spacing. Wells drilled previously on 10acre spacing have proven to be viable wells. These wells will be completed in the Drinkard formation.

The "affected offset operators" have been notified of this request. Attached are Forms C-102 for each well, offset operators list with proof of notification, and a lease plat showing the location of each well.

Yours_ver trulv

C. P. Basham Drilling Superintendent on Behalf of Texaco Producing Inc.

CWH:cwh Attachments cc: NMOCD, P. O. Box 1980, Hobbs, NM 88240 BLM, P. O. Box 1778 Carlsbad, NM 88220

Porm C-102 Supersedes C-128 Elfective 1-1-65

.

TEXACO PRODUCING INC. WEST DOLLARHIDE DRINKARD UNIT 109	TEXACO PRODUCING INC. WESTOOLLARHIDE DRINKARD UNIT 109 Unit Latitier Section Township Commity Commity LEA 1100 test from the NORTH Is a section LEA 1101 test from the NORTH Is a section LEA 1101 test from the NORTH Is a section LEA 1101 TUBB DRINKARDUMIKARD OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1101 TUBB DRINKARDUMIKARD OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1101 TUBB DRINKARDUMIKARDU OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1101 TUBB DRINKARDUMIKARDU OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1101 TUBB DRINKARDUM OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1101 TUBB DRINKARDUM OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1101 TUBB DRINKARDUM OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1111 TUBB DRINKARDUM OLLARHIDE TUBB DRINKARDUM 47.21 Acree 1111 Tubbe cancel acree acres and cancel acree acres			All distances m	unt be from	the outer boundaries of	the Section.		•
B 3.3 2.4 SOUTH 3.8 EAST LEA Actual Footing Location at Walt 110 test from the NORTH the area 15.5 test from the EAST the 3181 TUBB DRINKARDID NORTH (ABO 8) Post DOLLARHIDE TUBB DRINKARD 47.21 Access 3181 TUBB DRINKARDID NOLTH KARD DOLLARHIDE TUBB DRINKARD 47.21 Access 1< Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 2 If more than one lease of different ownership is dedicated to the well, outline each and identify the ownership thereof (both at to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, outline each and identify the ownership thereof (both at to working interest and royalty). If more than one lease of different ownership is dedicated to the well, outline each and identify the communitization, unitization, force-pooling, etc? X Yee No allowable will be assigned to the well until all interests have been consolidated. (Use reverse side of this form for the well well well well well well well we	B 33 2.4 SOUTH 38 EAST LEA 110 tert from the NORTH time and 155 test from the EAST time 110 tert from the NORTH time and 155 test from the EAST time 110 tert from the NORTH time and 155 test from the EAST time 1110 tert from the NORTH time and 155 test from the EAST time 1110 tert for the NORTH time and 155 test from the EAST test for the 47.21 Acree 110 test for the set for the Set for the test for the	Operator TEX	ACO PRODU	ICING INC.	_				
110 test from the NORTH Incread 155 test from the EAST Incread 318/1 TUBB DRINKARDD OLLARHIDE TUBB DRINKARD 47.21 Acress 1. Outline the screege dedicated to the subject well by colored pencil or hachure marks on the plat below. 1 Acress 2. If more than one lease of different ownership in dedicated to the well, outline each and identify the ownership thereof (both at to working interest and reguly). 3. If more than one lease of different ownership in dedicated to the well, have the interests of all owners been cossolidated (two reverse side of this form if accessery). X Yee No If answer is "yen," type of consolidation IIIIIIIZATION If assert is "ac," list the owners and timet descriptions which have actually been consolidated. (Use reverse side of this form if accessery). No allowable will be assigned to the well writi all interests have been consolidated by the Commission. 100 10 Torne Broker gifs. 100 100 65 100 100 100 more than been decay to the commission on this information accession of the set of and breach form. 100 10 100 100 100 more than been decay to the commission on the plat been consolidated. 11 100 100 100 100 100 100	110 new term the NORTH time and 155 test item the EAST ine 3181 TUBB DRINKARD (DRINKARD) DOLLARHIDE TUBB DRINKARD Deficited Acressed 1. Outline the accessed dedicated to the outject well by colored pencil or bachure marks on the plat below. Image: State Stat	Unit Letier B	1		UTH			LEA	
31.81' TUBB DRINKARD(DRINKARD) DOLLARHIDE TUBB DRINKARD 47.21 Acree 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both at to working intrest and royalty). If more than one lease of different ownership is dedicated to the well, have the interests of all owners been coasolidated ty communitization, unification, unificatio	3181' TUBB DRINKARD(DRINKARD) 47.21 Acree 1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. 1. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both at to working laterest and royalty). 3. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both at to working laterest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? X Yee No If answer is "yee," type of consolidation UNITIZATION If answer is "no," list the owners and tract dencriptions which have actually been consolidated. (Use reverse side of this form if accesses,). No allocate the owners and tract dencriptions which have actually been consolidated. (Use reverse side of this form if accesses,). No allocation is the owners and tract dencriptions which have actually been consolidated for communitization, unititation, forced-pooling, or otherwise) or until a non-stimulard unit, eliminating such interests, has been approved by the Commission actually and the vol (converse). Commend 16.1 Converse (LA for the former of the form of	110		NORTH 1	ne cand	55 tee	t from th e		
 Outline the acreage dedicated to the subject well by colored pencil or hachare marks on the plat below. If more than one lease is dedicated to the well, nutline each and identify the ownership thereof (both at to working interest and royalty). If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? Yes If answer is "yes," type of consolidation <u>UNITIZATION</u> If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse aide of this form if accessary). No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-pooling, or otherwise) or until all non-standard unit, eliminating such interests, has been approved by the Commission constrained on the sector of the form of accessing of the sector of the form of accessing of the sector of the sect	 Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both at to working interest and royality). If more than one lease of different ownership is dedicated to the well, have the interests of all owners been coasolidated by communitization, unitization, force-pooling, etc? Yes No If answer is "yes," type of consolidation			(100			UBB DR		
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been coasolidated by communitization, unitization, force-proling, etc? Yes No If answer is "yes," type of coasolidationUNITIZATION If answer is "ao," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-proling, or observine) or until a non-standard unit, eliminating such interests, has been approved by the Commission. So allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-proling, or observine) or until a non-standard unit, eliminating such interests, has been approved by the Commission. So allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-proling, or observine) or until a non-standard unit, eliminating such interests, has been approved by the Commission. So allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, force-proling, or observate). So allowable will be assigned to the well until all interests ford/or grad. If the well how the information commission with the information commission. So allowable will be assigned to the well into the well approximate the information commission. So allowable will be assigned to the well into the ford with the information commission. So allowable will be assigned to the well into the well i	3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? Image:	2. If more th	e acreage dedice an one lease is	ited to the subj	ect well	by colored pencil o	r hachure	marks on the j	olat below.
If answer is "aci' list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if accessary.) No silewable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. 85 10	If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or unit a non-standard unit, eliminating such interests, has been approved by the Commission. 85 //0 155' 155' 155' 157' 158'	3. If more that dated by c	in one lease of d ommunitization,	unitization, force	-pooling	etc? /			l owners been consoli-
forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. slon. 85 100 155' 110 155' 110 155' 110 155' 110 155' 110 155' 111 155' 112 155'	forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission. elon. 25' 10' 155' 10' 155' 10' 155' 10' 155' 10' 155' 10' 155' 10' 155' 10' 155' 10' 15' 10' 15' 10' 15' 10' 15' 10' 15' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10' 10'	this form if	is "no;" list the f necossary.)	owners and trac	t descrip	tions which have ac	tually bee	en consolidate	······
1/2 Trane Bedeving Lee. New Dettackate Dettackate Dettackate Unit kard Unit 1/2	Image: State of the state	forced-pool							
	Studie D. Juen	West Pollo- 4.2 Devenion Ch Well A. 121 1285 FAL-1650 3pod: 8/26/84 Dollarhide D	te Chevron m. t West Do rue West Do rue West W 660 Foll Sout 9 No. 100 Dollar	/lo.h.sle 'am U.u.'t a. 180 - 719'tEL M&8/5Z	Ternio West D Govd ; Dollari	111 No. 40 (660'FH 2/18/53 h.d. Tubb Dimba	1,62)	I hereby cert tained herein best i my kr Name R. D Position DIVISIO Company TEXAC Date MAY I hereby cert shown on this notes of actu under my sup is true and knowledge an MAY 2 Date Surveyed Richard Registered Pro	Ify that the information com- is true and complete to the nowledge and belief.

-

Porm C-102 Supercedes C-128 Ellective 1-1-65

.

.

All distances must be from the outer boundaries of the Section.							
Operator TEX	ACO PRODU	CING INC.	WEST DOLL	ARHIDE DRINH		Well No.	
Unit Letter G	Section 33	Township 24 SOUT	H Bange Bange	AST County	LEA		
Actual Foolage Loc	ation of Well:	<u></u>	·····				
1.330	feet from the N	ORTH line a	nd. 155	test from the	EAST	line	
Ground Level Elev.	Producing For					ited Acreage:	
3 8 5	TUBB DRI	NKARD(DRINKAF		IDE TUBB DR	INKARD	47.24 Acres	
1. Outline th	e acreage dedica an one lease is	ed to the subject	well by colored p	encil or hachure	marks on the plat	······································	
3. If more the dated by c [X] Yes If answer i this form if	in one lease of di ommunitization, u D No If an in "no;" list the o Inccossory.)	nitization, force-po swer in "yea!" up owners and tract d	oling. etc? (c of consolidation acciptions which l	UNITIZAT	LON en consolidated. (wners been consoli- Use reverse side of zation, unitization,	
						ved by the Commis-	
	*	1330' 10 57 80. 57	55		I hereby certify to tained herein is to best of my knowled to my knowled	MARIOTT SURVEYOR PRODUCING INC. 1, 1990 that the wellVocation of way plotted from field surveys made by the or	
			100 1860 100		Is true and corr knowledge and be MAY 21, 1 Date Surveyed Richard BA Registered Poless and of pond furrey All All Certificate tio.	1990 Duniven tongy Egginger	

-

Form C-102 Supersedes C-128 Effective 1-1-65

All distances must be from the outer boundaries of the Section.								
TEXACO PRODUCING INC.	WEST DOLLARHIDE DRINKARD UNIT	₩ell No.						
Unit Letter Section Township J 33 24 SOUTH	Romge 38 EAST LEA							
Actual Footage Location of Wells 2630 feet from the SOUTH line and Ground Level Elev. Producing Formation (ABO &) 3180' TUBB DRINKARD(DRINKARD)	130 test from the EAST Pool DOLLARHIDE TUBB DRINKARD	line Dedicated Acreager 47,26 Acres						
	 Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both ap to working interest and royalty). 							
dated by communitization, unitization, force-pooli								
If answer is "no," list the owners and tract description form if necessary.) No allowable will be assigned to the well until all forced-pobling, or otherwise) or until a non-standard sion.	interests have been consolidated (by cor	nmunitization, unitization,						
West Dellarhide Divien Unit Will No. 106 106 106 106 106 106 106 106	Texaco Producing Inc. Texaco Producing Inc. Unst Pollanhide Dinkard Unst Well No. 58 1980 1556 - 6 50 FEL Soud: 6/2/53 Pollanhide Touth/ Dinkard (completion MAY Date Sare Richa Registured	ACO PRODUCING INC. AY 21, 1990 r certify that the well location in this plat was plotted from field actual surveys made by me or supervision, and that the same and correct to the best of my ge and belief. 21, 1990 nyed and B? Duniven Professional Engine						

Porm C-102 Supersedes C-128 Effective 14-65

•

All distances must be from the outer boundaries of the Section.							
Operator TEX	ACO PRODU	CING INC.	WEST DOLLAR	HIDE DRINK	ARD UNIT	Well No.	
Unit Letter B	Section 4	Township 25 SOUTH	Ronge 38 EAS	T County	LEA		
Actual Footage Loca 5 4 Ground Lyvel Elev.	feet from the N Producing For	11.00 01	130 Pool	feet from the	1	line rated Acreager	
<u>3 165</u> 1. Outline the		NKARD(DRINKARD) ted to the subject we	DOLLARHIDE		······	47.36 Acres	
2. If more the interest an	an one lease is d royalty).	dedicated to the well	, outline each and	identify the o	ownership thereo	f (both an to working	
		ifferent ownership is o nitization, force-pooli		ll, have the i	interests of all o	owners been consoli-'	
X Yes	No If a	iswer is "yes!" type o	consolidation	UNITIZAT			
this form if No allowab	hecessary.) to will be assigned	owners and tract desc ed to the well until all or until a non-standard //0,54	interests have bee	n consolidat	ed (by communit	ization, unitization,	
		130'			CER	TIFICATION	
		74	Vist Dollar A West Dollar A Creskand L	hit # 94	tained herein is	that the information con- true and complete to the logge and belief.	
		Sere an	667 = 24 - 631' Spal: 3/21/53		Name R.D.	MARIOTT	
Chevron U.S. A. Wiss Pollarhid Will No. 11.	· Ded Unit		West Dollar hide		Position DIVISION Company	SURVEYOR	
667'ENG - 181 Sport: 10/2015 Dollarhida De	FEL		Complishion			PRODUCING INC.	
Dellerhide De	completion				MAY 2	1,1990	
	 				shown on this pi notes of actual under my superv is true and con knowledge and b		
	1 5 9				MAY 21, Date Surveyed Richard B Registered Poles	?Duniven	
					and of pand surf		
0 880 660		0 2310 2040 2000			Certificate tio.	4882	

:

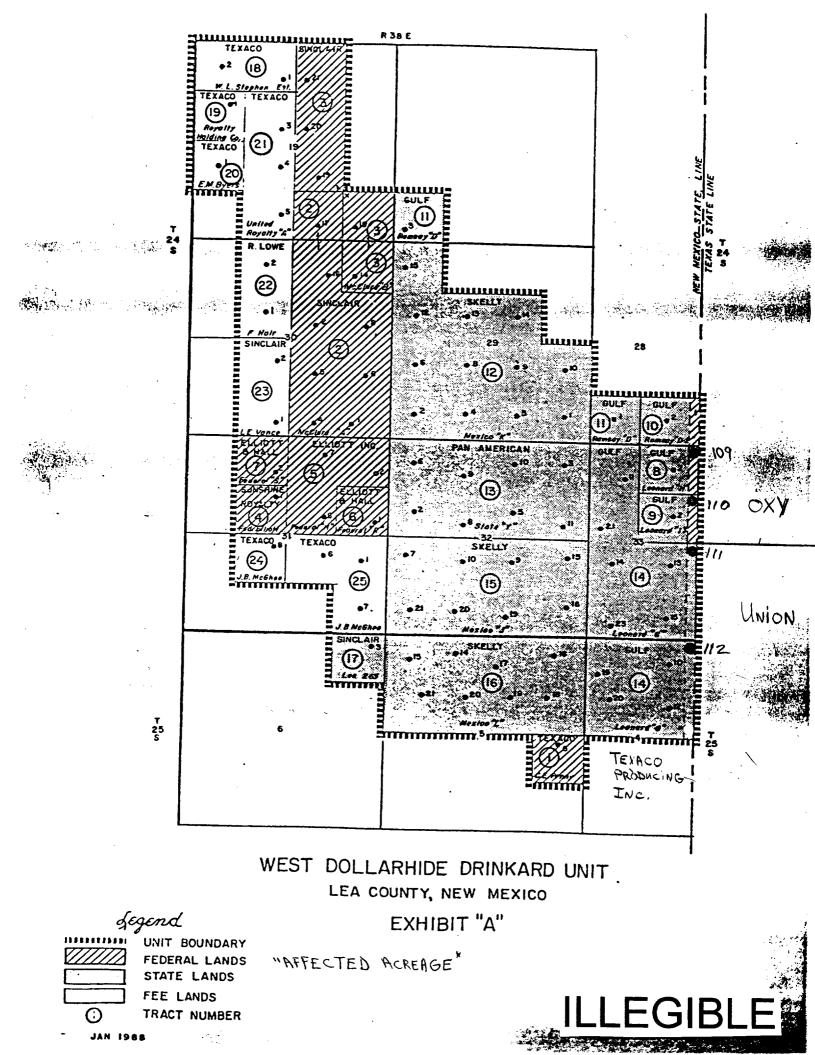
WEST DOLLARHIDE DRINKARD UNIT

WELL NOS. 109, 110, 111, 112

"AFFECTED OFFSET OPERATORS"

Union Oil Company of California P. O. Box 3100 Midland, Texas 79702

Oxy USA Inc. 6 Dosta Dr. P.O. & 50350 Midland, Texas 79705 10



1. 1 4 SENDER: Complete items 1 and 2 when additional services are desired, and complete itema 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this card from being returned to you. The return receipt fee will provide you the name of the person delivered to and the date of delivery. For additional fees the following services are available. Consult postmaster for fees and check box(es) for additional service(s) requested. 1. Show to whom delivered, date, and addressee's address. (Extra charge) 3. Article Addressed to: 4. Article Number 676 9555 Oxy USA INC Type of Service: P.O. Box 50250 Insured Registered Certified COD MIDLAND, TEXAS 797100 Return Receiption Express Mail Always obtain signature of addre or agent and DATE DELIVERED. 8. Addressee's Address (ONLY if 5. Signature - Address requested and fee paid) and the second second Х 6. Signature - Agent 1.1 х 7. Date of Delivery JUR 1 日 1990 PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT بالمستنا فالمشتبة والمتحلي المدار والمسا

• SENDER: Complete items 1 and 2 when additional services are desired, and complete items 3 and 4. Put your address in the "RETURN TO" Space on the reverse side. Failure to do this will prevent this to and the date of delivery. For additional fees the following services are available. Consult postmatter for fees and check box(es) for additional service(s) requested. 1. Show to whom delivered, date, and addressee's address. (Extra charge) 3. Article Addressed to: 4. Article Number P 555 67 UNION Oil COMPANY OF CALIFORNIA Type of Service: P.O. Box 3100 Registered Insured Certified П COD MIDLAND, TX 79702 Return Reco П Express Mail \Box for Merchandia Always obtain signature of address or agent and DATE DELIVERED. 14. 1 Signature 8. Addressee's Address (ONLY in Б. requested and fee paid) ate of Deliver JUN 15 1990 PS Form 3811, Mar. 1988 * U.S.G.P.O. 1988-212-865 DOMESTIC RETURN RECEIPT

ILLEGIBLE

PLEASE NOTE THAT THE SEPTEMBER 19, 1990, EXAMINER HEARING WILL BE HELD IN THE STATE HIGHWAY AUDITORIUM, 1120 CERRILLOS ROAD, SANTA FE, NEW MEXICO.

DOCKET NO. 26-90

Dockets Nos. 28-90 and 29-90 are tentatively set for October 3, 1990 and October 17, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 19, 1990

8:15 A.M. - STATE HIGHWAY AUDITORIUM, 1120 CERRILLOS ROAD, SANTA FE, NEW MEXICO

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

- <u>CASE 10089</u>: Application of Merrion Oil & Gas Corporation to amend the special rules and regulations for the Dufers Point Gallup-Dakota Oil Pool, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a revision of the special rules and regulations for the Dufers Point Gallup-Dakota Oil Pool, as promulgated by Division Order No. R-7435, to increase the limiting gas/oil ratio to 5000 cubic feet of gas per barrel of oil. Said pool is located in Townships 24, 25 and 26 North, Ranges 8 and 9 West.
- <u>CASE 10090</u>: Application of Yates Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the SW/4 SW/4 (Unit M) of Section I, Township 18 South, Range 31 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 the Undesignated Tamano-San Andres and Undesignated Tamano-Bone Spring Pools). Said unit 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 approximately 5.5 miles south by west of New Mexico State Highway No. 529's intersection with the Lea/Eddy County line.
- CASE 10067: (Continued from September 5, 1990, Examiner Hearing.)

Application of Bird Creek Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 6,250 feet, whichever is deeper, underlying the SW/4 SE/4 of Section 15, Township 23 South, Range 28 East, forming a standard 40-acre oil spacing and promation unit for either the Undesignated East Loving-Delaware Pool or Undesignated South Loving-Delaware Pool, 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 1.5 miles northeast of Loving, New Mexico.

- <u>CASE 10091</u>: Application of Bird Creek Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant, in the abovestyled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation or to a depth of 6250 feet, whichever is deeper, underlying the NW/4 SE/4 (Unit J) of Section 15, Township 23 South, Range 28 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 oil spacing, which presently includes but is not necessarily limited to the Undesignated Loving-Cherry Canyon Pool and Undesignated East Loving-Delaware Pool. Said unit 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 2 miles east-northeast of Loving, New Mexico.
- CASE 10055: (Readvertised)

Application of Meridian Oil, Inc. for a non-standard gas proration unit, an unorthodox coal gas well location, and directional drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox coal gas well location for its Payme Well No. 271, to be drilled 65 feet from the North line and 300 feet from the East line (Unit A) of Section 27, Township 32 North, Range 10 West, Cedar Hill-Fruitland Basal Coal Pool, Lots 1 through 8 (E/2 equivalent) of said Section 27 to be dedicated to said well to form a non-standard 305.03-acre gas spacing and proration unit for said pool. <u>ALTERNATELY</u>, the applicant seeks to directionally drill said well from the above-described surface location to a standard bottomhole coal gas well location within the NE/4 equivalent of said Section 27. Said unit is located approximately 1.5 miles northeast of Cedar Hill, New Mexico.

CASE 10056: (Continued from September 5, 1990, Examiner Hearing.)

Application of Meridian 011, Inc. for three non-standard gas proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 6 of Division Order No. R-8768 to establish three non-standard gas spacing and proration units for Basin-Fruitland Coal (Gas) Pool production in Irregular Sections 6, 7, 18, 19, and 30, Township 31 North, Range 8 West. Said row of Sections are located approximately 8.5 miles northwest of the Navajo Reservoir Dam.

CASE 10066: (Continued from September 5, 1990, Examiner Hearing.)

Application of Matador Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the abovestyled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation or to a depth of 13,600 feet, whichever is deeper, underlying the following described acreage in Section 5, Township 20 South, Range 34 East, and in the following manner: Lots 3 and 4, the S/2 NW/4, and SW/4 (W/2 equivalent) to form a standard 320-acre, more or less, 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 Undesignated Quail Ridge-Morrow Gas Pool); Lots 3 and 4 and the S/2 NW/4 (NW/4 equivalent) to form a standard 160-acre, more or less, 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 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 within said vertical extent (which presently includes but is not necessarily limited to the Undesignated South Quail Ridge-Bone Spring Pool). Said 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 unit underlies the area underneath Mile Marker No. 77 on U.S. Highway 62/180.

- <u>CASE 10092</u>: Application of Chevron U.S.A., Inc. for acreage rededication, two non-standard gas proration units, simultaneous dedication, and two unorthodox gas well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to rededicate certain Eumont Gas Pool acreage in portions of Sections 4 and 9, Township 21 South, Range 36 East, thereby forming: a 160-acre non-standard gas spacing and proration unit for said pool comprising Lots 12 and 13 and the W/2 SW/4 of said Section 4, to be simultaneously dedicated to its existing Bell Ramsay NCT-A Well No. 5 located at a standard gas well location 3258 feet from the South and West lines (Unit U) and to Well No. 8 located at an unorthodox gas well location 3258 feet from the North line and 660 feet from the West line (Unit L) both in said Section 9, to be dedicated to a well to be drilled at an unorthodox gas well location 9, to be dedicated to a well to be drilled at an unorthodox gas well location 9. Said area is located approximately 1 mile west of Oil Center, New Mexico.
- CASE 9962: (Continued and Readvertised)

Application of Stevens & Tull, Inc. for downhole commaingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks blanket approval for the downhole commingling of Abo, Drinkard, Tubb and Blinebry production in the wellbore of all existing wells and all wells subsequently drilled on its Carter "23" Prospect acreage, which includes the N/2 SE/4 of Section 23, Township 20 South, Range 38 East. Said area is located approximately 4.75 miles south by east of Madine, New Mexico.

CASE 10031: (Readvertised) (Continued from September 5, 1990, Examiner Hearing.)

Application of Nearburg Producing Company for a non-standard oil proration unit, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil spacing and proration unit comprising the W/2 NE/4 of Section 31, Township 19 South, Range 25 East, Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Said unit is located approximately 9 miles west by south of Lakewood, New Nexico.

- <u>CASE 10093</u>: Application of Nearburg Producing 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 in the Morrow formation underlying all of Section 31, Township 19 South, Range 36 East, forming a 636.79-acre non-standard gas spacing and proration unit for the Morth Osudo-Morrow Gas Pool, said unit to be dedicated to a 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 unit is located approximately 8.5 miles west by south of Monument, New Mexico.
- <u>CASE 10094</u>: Application of Chevron U.S.A., 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 for its Lea "YL" tate Well No. 2 to be drilled 2230 feet from the South line and 2310 feet from the East line (Unit J) of Section 2, Township 17 South, Range 37 East, Shipp-Strawn Pool, the W/2 SE/4 of said Section 2 to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 4.5 miles north of Humble City, New Mexico.
- <u>CASE 10095</u>: Application of Texaco Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Moore-Devonian and Moore Permo-Pennsylvanian Pools through the perforated interval from approximately 10,440 feet to 10,700 feet in its New Mexico BO State Well No. 2 located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 24, Township 11 South, Range 32 East, which is located approximately 3.25 miles southeast by south of Caprock, New Mexico.
- Application of Texaco Producing 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 for its West Dollarhide Drinkard Unit Well No. 111 to be drilled 2630 feet from the South line and 130 feet from the East line (Unit J) of Irregular Section 33, Township 24 South, Range 38 East, Dollarhide Tubb-Drinkard Pool, Skelly West Dollarhide Drinkard Waterflood Project Area, said well to be dedicated to an existing 47.26-acre non-standard oil spacing and proration unit comprising Lot 3 and the NE/4 SW/4 of said Section 33, which is presently dedicated to the West Dollarhide Drinkard Unit Well No. 58 located 1980 feet from the South line and 630 feet from the East line (Unit K) of said Section 33. Said unit is located approximately 3 miles north of New Mexico State Highway No. 128 at that point where it meets the New Mexico/Texas Stateline.