

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 14, 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 David R. Catanach, Examiner, or Michael E. Stogner or Jin Morrow, Alternate Examiners:

- ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1990, from fourteen prorated gas pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1990, from four prorated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 10134: (Continued from October 31, 1990, Examiner Hearing.)

Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the Red Hat State Unit Agreement for an area comprising 1981.32 acres, more or less, of State lands in all or portions of Sections 2, 3, and 11, Township 16 South, Range 33 East, which is located approximately 10 miles northeast of Maljamar, New Mexico.

CASE 10135: (Continued from October 31, 1990, Examiner Hearing.)

Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the Hourglass State Unit Agreement for an area comprising 560 acres, more or less, of State lands in portions of Sections 9, 10, 15, and 16, Township 18 South, Range 35 East, which is located approximately 4.5 miles southeast of Buckeye, New Mexico.

CASE 10123: (Readvertised)

Application of Mesa Operating Limited Partnership 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 E/2 of Section 36, Township 30 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC State Com Well No. 31 to be drilled at a standard coal gas well location in the NE/4 of said Section 36. 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 the drilling of said well. Said unit is located approximately 5 miles southeast by south of Aztec, New Mexico.

CASE 10144: Application of Mewbourne Oil 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 Morrow Formation underlying the S/2 of Section 1, Township 18 South, Range 27 East, forming 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 presently includes but is not necessarily limited to the Undesignated Scoggin Draw-Strawn Gas Pool, Undesignated Scoggin Draw-Atoka Gas Pool, Undesignated North Illinois Camp-Morrow Gas Pool, Undesignated Scoggin Draw-Morrow Gas Pool, and Undesignated Empire-Pennsylvanian 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 the drilling of said well. Said unit is located approximately 5.5 miles southeast of Riverside, New Mexico.

CASE 10145: Application of Yates Petroleum Corporation for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special pool rules for the Avalon-Delaware Pool including a provision for a gas-oil ratio limitation of 7,500 cubic feet of gas per barrel of oil. Said pool is located in all or portions of Sections 25 and 36, Township 20 South, Range 27 East and Sections 19, 28, 29, 30, 31 and 32, Township 20 South, Range 28 East, which is located approximately 8 miles north of Carlsbad, New Mexico.

CASE 10130: (Continued from October 31, 1990, Examiner Hearing.)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its Spanish Dagger "AID" Com Well No. 1 to be drilled 660 feet from the South line and 725 feet from the West line (Unit M) of Section 12, Township 20 South, Range 24 East, to test the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool, the S/2 of said Section 12 to be dedicated to said well forming a standard 320-acre oil spacing and proration unit for said pool. Said unit is located approximately 7 miles west by south of Seven Rivers, New Mexico.

CASE 10131: (Continued from October 31, 1990, Examiner Hearing.)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its John "AGU" Well No. 2 to be drilled 660 feet from the North and East lines (Unit A) of Section 14, Township 20 South, Range 24 East, South Dagger Draw- Upper Pennsylvanian Associated Pool, said well to be simultaneously dedicated, with its John "AGU" Well No. 1 located at a standard oil well location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 14, to the existing 320-acre standard oil proration unit comprising the N/2 of said Section 14. Said unit is located approximately 8 miles west by south of Seven Rivers, New Mexico.

CASE 10132: (Continued from October 31, 1990, Examiner Hearing.)

Application of Yates Petroleum Corporation for an exception to Division General Rule 303.A., Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Division General Rule 303.A. whereby perforated intervals in both the Wolfcamp formation and the South Dagger Draw-Upper Pennsylvanian Associated Pool would be allowed to remain in communication in the wellbore of its Hillview AHE Com Well No. 3 located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 23, Township 20 South, Range 24 East, being located approximately 8.5 miles west-southwest of Seven Rivers, New Mexico. FURTHERMORE, the applicant at the time of the hearing shall be prepared to show cause why the Wolfcamp interval in said well should not be properly plugged off and abandoned.

CASE 10137: (Continued from October 31, 1990, Examiner Hearing.)

Application of C. W. Trainer for directional drilling and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to directionally drill from its existing Harris Federal Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 5, Township 22 South, Range 34 East, in such a manner as to bottom the well in the Undesignated Grama Ridge-Morrow Gas Pool at a target point that is no closer to the South and East lines (Unit P) of said Section 5 than 330 feet, which is an unorthodox gas well location for said pool. Lots 1 and 2, S/2 NE/4, and SE/4 (E/2 equivalent) of said Section 5 is to be dedicated to said well forming a 321.58-acre gas spacing and proration unit for said pool. Said unit is located approximately 19 miles west by south of Eunice, New Mexico.

CASE 10146: Application of Giant Exploration & Production Company 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 Lots 1 and 2, the S/2 NE/4, and the SE/4 (E/2 equivalent) of Section 5, Township 25 North, Range 12 West, forming a standard 319.92-acre gas spacing and proration unit for said pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 equivalent 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 the drilling of said well. Said unit is located approximately 7.75 miles west by south of the B.I.A. Huerfano Community School.

CASE 10147: Application of Giant Exploration & Production Company 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 15, Township 25 North, Range 12 West, forming a standard 320-acre coal gas spacing and proration unit for said pool, said unit to be dedicated to its Carson Unit "323" Well No. 15 which has been drilled at a standard coal gas well location 1610 feet from the South line and 1560 feet from the West line (Unit K) of said Section 15. 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 the drilling of said well. Said unit is located approximately 6.5 miles southwest by west of the B.I.A. Huerfano Community School.

CASE 10148: Application of Pennzoil Exploration and Production Company for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its Mescalero "30" Federal Well No. 2 to be drilled 1980 feet from the North line and 990 feet from the West line of Section 30, Township 19 South, Range 34 East, to test any and all formations and/or pools from the top of the Wolfcamp formation to the base of the Morrow formation, which includes but is not limited to the Undesignated Quail Ridge-Morrow Gas Pool and Undesignated Gem-Morrow Gas Pool. Lots 1 and 2, the NE/4, and the E/2 NW/4 (N/2 equivalent) of said Section 30 are to be dedicated to said well forming a 320.55-acre gas spacing and proration unit. Said unit is located approximately 2 miles north of Mile Marker No. 76 on U.S. Highway 62/180.

CASE 10114: (Readadvertised)

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 of an unorthodox coal gas well location for its Frost Well No. 500 to be located 2510 feet from the North line and 790 feet from the East line (Unit H) of Section 26, Township 27 North, Range 10 West, the N/2 of Section 26 to be dedicated to the subject well, forming a standard 320-acre gas spacing and proration unit for said pool. Said location is within the Angel Peak Recreation Area.

CASE 10149: Application of Meridian Oil Inc. on behalf of Southland Royalty Company for dual completion and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization to dually complete its existing Cain Well No. 3-R, located 1610 feet from the South line and 810 feet from the East line (Unit I) of Section 30, Township 29 North, Range 9 West, in both the Blanco-Mesaverde Pool and Basin-Fruitland Coal Gas Pool, Lots 8 through 15 (S/2 equivalent) of said Section 30 to be dedicated to both zones forming a 268.42-acre gas spacing and proration unit. Further, said well is located at an unorthodox coal gas well location, pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, in which the applicant requests approval. Said unit is located approximately 2 miles south-southeast of Blanco, New Mexico.

CASE 10150: Application of Meridian Oil Inc. for dual completion and an unorthodox coal gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authorization to dually complete its San Juan Well No. 20A, located 850 feet from the North line and 1100 feet from the West line (Unit E) of Section 35, Township 29 North, Range 9 West, in both the Blanco-Mesaverde Pool and Basin-Fruitland Coal Gas Pool, the W/2 of said Section 35 to be dedicated to both zones forming a standard 320-acre gas spacing and proration unit. Further, said well is located at an unorthodox coal gas well location, pursuant to the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool as promulgated by Division Order No. R-8768, in which the applicant requests approval. Said unit is located approximately 5 miles southeast of Blanco, New Mexico.

Dockets Nos. 31-90 and 32-90 are tentatively set for November 14, 1990 and November 28, 1990. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 31, 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 or Jim Morrow, Alternate Examiners:

CASE 10134: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the Red Hat State Unit Agreement for an area comprising 1981.32 acres, more or less, of State lands in all or portions of Sections 2, 3, and 11, Township 16 South, Range 33 East, which is located approximately 10 miles northeast of Maljamar, New Mexico.

CASE 10135: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the Hourglass State Unit Agreement for an area comprising 560 acres, more or less, of State lands in portions of Sections 9, 10, 15, and 16, Township 18 South, Range 35 East, which is located approximately 4.5 miles southeast of Buckeye, New Mexico.

CASE 10117: (Continued from October 17, 1990, Examiner Hearing.)

Application of Mesa Operating Limited Partnership 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 Lots 1 through 5, the S/2 NE/4, and SE/4 NW/4 (N/2 equivalent) of Section 6, Township 29 North, Range 11 West, forming a standard 288.18-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC Fed. Com Well No. 19 to be drilled at a standard coal gas well location in the NE/4 equivalent of said Section 6. 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 1/2 mile north of the City of Bloomfield Nature Park.

CASE 10118: (Continued from October 17, 1990, Examiner Hearing.)

Application of Mesa Operating Limited Partnership 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 Lots 1 and 2, the NE/4, and the N/2 SE/4 (E/2 equivalent) of Section 32, Township 29 North, Range 11 West, forming a standard 314.84-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC Fed. Com Well No. 43 to be drilled at a standard coal gas well location in the NE/4 of Section 32. 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 2.5 miles southwest by south of Bloomfield, New Mexico.

CASE 10119: (Continued from October 17, 1990, Examiner Hearing.)

Application of Mesa Operating Limited Partnership 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 Lots 1 through 4 and the N/2 S/2 (S/2 equivalent) of Section 36, Township 29 North, Range 11 West, forming a standard 314.43-acre, more or less, gas spacing and proration unit for said pool, said unit to be dedicated to its FC State Com Well No. 23 to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 36. 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 3 miles southeast of Bloomfield, New Mexico.

CASE 10120: (Continued from October 17, 1990, Examiner Hearing.) (This case will be dismissed.)

Application of Mesa Operating Limited Partnership 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 S/2 of Section 5, Township 29 North, Range 12 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC Fed Com Well No. 41 to be drilled at a standard coal gas well location in the SW/4 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 unit is located approximately 2.5 miles south of the San Juan Country Club.

CASE 10121: (Continued from October 17, 1990, Examiner Hearing.)

Application of Mesa Operating Limited Partnership 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 N/2 of Section 16, Township 29 North, Range 14 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC State Com Well No. 35 to be drilled at a standard coal gas well location in the NE/4 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 unit is located approximately 2.5 miles east of Kirtland, New Mexico.

CASE 10122: (Continued from October 17, 1990, Examiner Hearing.) (This case will be dismissed.)

Application of Mesa Operating Limited Partnership 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 E/2 of Section 32, Township 30 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC State Com Well No. 29 to be drilled at a standard coal gas well location in the NE/4 of said Section 32. 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 northwest of Blanco, New Mexico.

CASE 10123: (Continued from October 17, 1990, Examiner Hearing.)

Application of Mesa Operating Limited Partnership 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 E/2 of Section 36, Township 30 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC State Com Well No. 31 to be drilled at a standard coal gas well location in the NE/4 of said Section 36. 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 southeast by south of Aztec, New Mexico.

CASE 10124: (Continued from October 17, 1990, Examiner Hearing.) (This case will be dismissed.)

Application of Mesa Operating Limited Partnership 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 S/2 of Section 36, Township 30 North, Range 12 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC State Com Well No. 24 to be drilled at a standard coal gas well location in the SW/4 of said Section 36. 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 2.75 miles southeast of Flora Vista, New Mexico.

CASE 10125: (Continued from October 17, 1990, Examiner Hearing.)

Application of Mesa Operating Limited Partnership 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 Lots 1 through 5, the S/2 SW/4, and NE/4 SE/4 (S/2 equivalent) of Section 32, Township 31 North, Range 9 West, forming a standard 319.05-acre gas spacing and proration unit for said pool, said unit to be dedicated to its FC Fed. Com Well No. 42 to be drilled at a standard coal gas well location in the SW/4 equivalent of said Section 32. 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 10.5 miles east by north of Aztec, New Mexico.

CASE 10126: (Continued from October 17, 1990, Examiner Hearing.)

Application of BHP Petroleum (Americas) 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 Kimbrough State Well No. 1 to be drilled 1250 feet from the South line and 1725 feet from the East line (Unit O) of Section 20, Township 17 South, Range 37 East, to test the Strawn formation, the SW/4 SE/4 of said Section 20 to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 3.5 miles west-northwest of Humble City, New Mexico.

CASE 10130: (Continued from October 17, 1990, Examiner Hearing.) (This case will be continued to November 14.)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its Spanish Dagger "AID" Com Well No. 1 to be drilled 660 feet from the South line and 725 feet from the West line (Unit M) of Section 12, Township 20 South, Range 24 East, to test the Undesignated South Dagger Draw-Upper Pennsylvanian Associated Pool, the S/2 of said Section 12 to be dedicated to said well forming a standard 320-acre oil spacing and proration unit for said pool. Said unit is located approximately 7 miles west by south of Seven Rivers, New Mexico.

CASE 10131: (Continued from October 17, 1990, Examiner Hearing.) (This case will be continued to November 14.)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location for its John "AGU" Well No. 2 to be drilled 660 feet from the North and East lines (Unit A) of Section 14, Township 20 South, Range 24 East, South Dagger Draw- Upper Pennsylvanian Associated Pool, said well to be simultaneously dedicated, with its John "AGU" Well No. 1 located at a standard oil well location 660 feet from the North line and 1980 feet from the West line (Unit C) of said Section 14, to the existing 320-acre standard oil proration unit comprising the N/2 of said Section 14. Said unit is located approximately 8 miles west by south of Seven Rivers, New Mexico.

CASE 10132: (Continued from October 17, 1990, Examiner Hearing.) (This case will be continued to November 14.)

Application of Yates Petroleum Corporation for an exception to Division General Rule 303.A., Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Division General Rule 303.A. whereby perforated intervals in both the Wolfcamp formation and the South Dagger Draw-Upper Pennsylvanian Associated Pool would be allowed to remain in communication in the wellbore of its Hillview AHE Com Well No. 3 located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 23, Township 20 South, Range 24 East, being located approximately 8.5 miles west-southwest of Seven Rivers, New Mexico. FURTHERMORE, the applicant at the time of the hearing shall be prepared to show cause why the Wolfcamp interval in said well should not be properly plugged off and abandoned.

- CASE 10171: 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 25, Township 27 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 of said Section 25. 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 the drilling of said well. Said unit is located approximately 1/2 mile east of the BLM Angel Peak Recreational Area Campground.
- CASE 10172: 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 Lots 1 through 4 and the W/2 E/2 (E/2 equivalent) of Section 25, Township 27 North, Range 10 West, forming a standard 302.16-acre gas spacing and proration unit for said pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 equivalent of said Section 25. 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 the drilling of said well. Said unit is located approximately 1 mile east of the BLM Angel Peak Recreational Area Campground.
- CASE 10173: 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 E/2 of Section 28, Township 27 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 of said Section 28. 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 the drilling of said well. Said unit is located approximately 2 miles west of the BLM Angel Peak Recreational Area Campground.
- CASE 10158: (Continued from November 14, 1990, Examiner Hearing.)
- Application of Morgan Richardson Operating Company 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 N/2 of Section 17, Township 28 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the NE/4 of said Section 17. 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 the drilling of said well. Said unit is located approximately 8 miles east-southeast of Blanco, New Mexico.
- CASE 10159: (Continued from November 14, 1990, Examiner Hearing.)
- Application of Morgan Richardson Operating Company 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 S/2 of Section 17, Township 28 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, said unit to be dedicated to a well to be drilled at a standard coal gas well location in the SW/4 of said Section 17. 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 the drilling of said well. Said unit is located approximately 8 miles southeast by south of Blanco, New Mexico.
- CASE 10134: (Continued from November 14, 1990, Examiner Hearing.)
- Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the approval of the Red Hat State Unit Agreement for an area comprising 1981.32 acres, more or less, of State lands in all or portions of Sections 2, 3, and 11, Township 16 South, Range 33 East, which is located approximately 10 miles northeast of Maljamar, New Mexico.
- CASE 10174: Application of Maralex Resources, 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 for its Oxnard W. N. Federal Well No. 9 to be drilled 622 feet from the South line and 1545 feet from the West line (Unit N) of Section 13, Township 27 North, Range 8 West, Basin-Fruitland Coal Gas Pool, the W/2 of said Section 13 to be dedicated forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is located approximately 15 miles southeast of Blanco, New Mexico.
- CASE 10175: Application of Maralex Resources, 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 for its Hammond W. N. Federal Well No. 11 to be drilled 205 feet from the North line and 130 feet from the East line (Unit A) of Section 34, Township 27 North, Range 8 West, Basin-Fruitland Coal Gas Pool, the E/2 of said Section 34 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit for said pool. Said unit is located approximately 7 miles east of Huerfano Peak.

CASE 10127: (This case will be continued to December 19, 1990, Examiner Hearing.)

Application of Samuel Gary Jr. & Associates, Inc. for a non-standard oil proration unit, horizontal directional drilling project, and special operating rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a horizontal directional drilling pilot project in Lots 2 and 3, S/2 NW/4, and SW/4 (W/2 equivalent) of Section 6, Township 20 North, Range 2 West, forming a non-standard 297.79-acre oil spacing and proration unit in the Rio Puerco-Mancos Oil Pool. The applicant proposes to commence its SGA Johnson "6" Well No. 14 to be located on the surface 500 feet from the South line and 2100 feet from the West line (Unit M) of said Section 6, drill vertically and kick-off in a northwesterly direction, build angle to approximately 90 degrees, and drill horizontally in the Mancos formation. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore such that it can be no closer than 660 feet to the outer boundary of said spacing unit. Said project area is located approximately 7.5 miles west by south of Cuba, New Mexico.

CASE 10128: (This case will be continued to December 19, 1990, Examiner Hearing.)

Application of Samuel Gary Jr. and Associates, Inc. for a horizontal directional drilling project and special operating rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a horizontal directional drilling pilot project in the W/2 of Section 12, Township 20 North, Range 3 West, forming a standard 320-acre oil spacing and proration unit in the Rio Puerco-Mancos Oil Pool. The applicant proposes to commence its SGA San Isidro "12" Well No. 16 to be located on the surface 1200 feet from the South line and 1800 feet from the West line (Unit N) of said Section 12, drill vertically and kick-off in a northwesterly direction, build angle to approximately 90 degrees, and drill horizontally in the Mancos formation. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore such that it can be no closer than 660 feet to the outer boundary of said spacing unit. Said project area is located approximately 9 miles west-southwest of Cuba, New Mexico.

CASE 10129: (This case will be continued to December 19, 1990, Examiner Hearing.)

Application of Samuel Gary Jr. and Associates, Inc. for a non-standard oil proration unit, horizontal directional drilling project, and special operating rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a horizontal directional drilling pilot project in Section 13, Township 20 North, Range 3 West, forming a non-standard 640-acre oil spacing and proration unit in the Rio Puerco-Mancos Oil Pool. The applicant proposes to commence its SGA San Isidro "13" Well No. 14 to be located on the surface 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 13, drill vertically and kick-off in a northwesterly direction, build angle to approximately 90 degrees, and drill horizontally in the Mancos formation. Applicant further requests that special operating provisions be established for said project area including the designation of a prescribed area limiting the horizontal extent of said wellbore such that it can be no closer than 660 feet to the outer boundary of said spacing unit and for special allowable provisions for the proposed double sized oil proration unit. Said project area is located approximately 9.5 miles west-southwest of Cuba, New Mexico.

CASE 10141: (This case will be continued to December 19, 1990, Examiner Hearing.)

Application of Samuel Gary Jr. and Associates, Inc. for a gas reinjection/pressure maintenance project, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a gas reinjection/ pressure maintenance project in its San Isidro (Shallow) Unit Area located in Townships 20 and 21 North, Ranges 2 and 3 West, by the injection of gas into the Rio Puerco-Mancos Oil Pool through the open hole interval from approximately 3793 feet to 4188 feet in its San Isidro 11 Well No. 16 located 660 feet from the South line and 630 feet from the East line (Unit P) of Section 11, Township 20 South, Range 3 West. Said project area is located approximately 5 to 13 miles west-southwest of Cuba, New Mexico.

CASE 9529: (Reopened)

In the matter of Case 9529 being reopened pursuant to the provisions of Division Order No. R-8806, which order created the North King Camp-Devonian Pool in Chaves County, New Mexico, and promulgated temporary special rules and regulations therefor. Operators in said pool may appear and show cause why the North King Camp-Devonian Pool temporary rules should not be rescinded.

CASE 10008: (Continued from November 14, 1990, Examiner Hearing.)

Application of Doyle Hartman for a non-standard gas proration unit, compulsory pooling, and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying Lots 3 and 4, the SE/4 NW/4, and the E/2 SW/4 of Section 6, Township 24 South, Range 37 East, forming a 197.75-acre non-standard gas spacing and proration unit in the Jalmat Gas Pool to be dedicated to a well to be drilled at an unorthodox gas well location 660 feet from the North line and 924 feet from the West line (Unit D) of said Section 6. 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 10 miles north-northeast of Jal, New Mexico.