

Dockets Nos. 44-84 and 45-84 are tentatively set for November 28 and December 19, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 14, 1984

8:00 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for December, 1984, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8370: (Continued from October 3, 1984, Examiner Hearing)
(This Case will be dismissed.)

Application of Southern Union Exploration Company for temporary special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of temporary special pool rules for the Northeast Vacuum-Wolfcamp Pool located in the NE/4 of Section 32, Township 16 South, Range 35 East, including a provision for 80-acre oil well spacing.

CASE 8355: (Continued from October 17, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Chaves and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the One Three Unit comprising 176,800 acres, more or less, of State, Federal, and Fee lands in Townships 16, 17, 18 and 19 South, Ranges 13, 14, 15, 16, and 17 East.

CASE 8377: (Continued and Readvertised)

Application of Ray Westall for amendment of Division Order R-7567, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7567, which authorized Ammex Petroleum, Inc. to pool all mineral interests in the Bone Spring formation, South Culebra Bluff-Bone Spring Pool, underlying the S/2 SE/4 of Section 28, Township 23 South, Range 28 East, and to pool all mineral interests from the surface to the top of the Bone Spring formation and from the base of the Bone Spring formation to a depth of 8000 feet underlying the SE/4 SE/4 of said Section 28, to change the operator to Ray Westall, to change the risk charge involved in the drilling of the subject well to 200 percent, and to further amend said Order No. R-7567 so that all the provisions thereof will be effective upon the date the proposed amended order is entered, and to allow the applicant a reasonable extension of time, not to exceed ninety days, in which to commence drilling of the subject well.

CASE 8401: Application of J. M. Huber Corporation for compulsory pooling and an unorthodox location, 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 Wolfcamp formation underlying the S/2 SW/4 of Section 32, Township 12 South, Range 36 East, Tatum-Wolfcamp Pool, to be dedicated to a well to be drilled at an unorthodox location 669 feet from the South line and 1326 feet from the West line 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.

CASE 8402: Application of Yates Petroleum Corporation for compulsory pooling, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the NE/4 of Section 15, Township 7 South, Range 33 East, 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.

CASE 8390: (Continued from October 31, 1984, 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 top of the Wolfcamp formation through the base of the Morrow formation underlying the E/2 of Section 11, Township 19 South, Range 23 East, 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.

CASE 8374: (Continued from October 17, 1984, Examiner Hearing)

Application of J. Cleo Thompson and James Cleo Thompson, Jr., a Partnership, for an exception to Rule 104 C.I., Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C.I. of the Division's General Rules and Regulations to allow for more efficient development of its West Square Lake Waterflood Project in its West Square Lake Unit Area, Townships 16 and 17 South, Range 30 East.

CASE 8403: Application of Amerind Oil Company for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn formation underlying the S/2 NW/4 of Section 28, Township 16 South, Range 37 East, Northeast Lovington-Pennsylvanian Pool, to be dedicated to a well to be drilled at an unorthodox location 1350 feet from the North line and 1980 feet from the West line 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 drilling said well.

CASE 8404: Application of Exxon Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South line and 990 feet from the East line of Section 22, Township 16 South, Range 34 East, Undesignated South Kemnitz Atoka-Morrow Field, the S/2 of said Section 22 to be dedicated to the well.

CASE 8405: Application of P & O Treating Plant for an amendment to Administrative Order SWD-272, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Administrative Order SWD-272 to dispose of produced salt water into the Seven Rivers formation in its Meador "A" Well No. 1 located in the SW/4 NE/4 of Section 10, Township 25 South, Range 36 East.

CASE 8406: Application of Greenwood Resources, Inc. for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 990 feet from the North line and 360 feet from the East line of Section 18, Township 29 North, Range 14 West, Cha Cha Gallup Pool, the N/2 NE/4 of said Section 18 to be dedicated to the well.

CASE 8382: (Continued from October 17, 1984, Examiner Hearing)

Application of TXO Production Company for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Pioneer Federal Com Well No. 1 located 1980 feet from the North line and 1740 feet from the East line (Unit G) of Section 19, Township 21 South, Range 27 East, to produce oil and gas from the Lahuerta-Wolfcamp Pool through a string of tubing and gas from the Burton Flat-Morrow Gas Pool through the casing-tubing annulus.

CASE 8407: Application of TXO Production 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 7,250 feet underlying the NW/4 SE/4 of Section 6, Township 20 South, Range 39 East, 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.

CASE 8408: Application of Union Texas Petroleum Corporation for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Culpepper-Martin Well No. 1E located in the SE/4 SE/4 of Section 31, Township 32 North, Range 12 West, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Blanco Mesaverde Pool which cannot be so drained by the two existing wells on the unit.

Dockets Nos. 46-84 and 1-85 are tentatively set for December 19, 1984 and January 3, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 28, 1984

8:00 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 Gilbert P. Quintana, Alternate Examiner:

CASE 8387: (Continued from October 31, 1984, Examiner Hearing)

Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Arroyo Del Macho Unit Area comprising 25,214.78 acres, more or less, of State, Federal and Fee lands in Townships 4, 5, and 6 South, Ranges 21 and 22 East.

CASE 8388: (Continued from October 31, 1984, Examiner Hearing)

Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Five Mile Draw Unit Area comprising 6,457.74 acres, more or less, of State, Federal and Fee lands in Townships 4, 6, and 7 South, Ranges 23 and 24 East.

CASE 8389: (Continued from October 31, 1984, Examiner Hearing)

Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Huggins Draw Unit Area comprising 29,351.91 acres, more or less, of State, Federal and Fee lands in Townships 4 and 5 South, Ranges 22, 23, and 24 East.

CASE 8410: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Madewell Anticline Unit Area comprising 39,278.45 acres, more or less, of State, Federal and Fee lands in Townships 12, 13, and 14 South, Ranges 21 and 22 East.

CASE 8411: Application of GGC, Inc. for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in Section 29, Township 9 South, Range 33 East.

CASE 8412: Application of Chama Petroleum Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 15, Township 19 South, Range 25 East, 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.

CASE 8413: Application of Union Texas Petroleum for exemption from the New Mexico Natural Gas Pricing Act, (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota, Tapacito-Pictured Cliffs, Blanco Mesaverde, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, and Aztec-Pictured Cliffs Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office.

CASE 8408: (Continued from November 14, 1984, Examiner Hearing)

Application of Union Texas Petroleum Corporation for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Culbepper-Martin Well No. 1E located in the SE/4 SE/4 of Section 31, Township 32 North, Range 12 West, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Blanco Mesaverde Pool which cannot be so drained by the two existing wells on the unit.

CASE 8390: (Continued from November 14, 1984, 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 top of the Wolfcamp formation through the base of the Morrow formation underlying the E/2 of Section 11, Township 19 South, Range 23 East, 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.

CASE 8414: Application of Harvey E. Yates Company for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated intervals from 3285 feet to 3308 feet in its Stebbins Deep Federal Well No. 4 located in the NE/4 NE/4 of Section 30, Township 20 South, Range 29 East.

CASE 8415: Application of Conoco Inc. for compulsory pooling, a non-standard proration unit 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 Abo formation underlying the N/2 N/2 of Section 12, Township 20 South, Range 37 East, to be dedicated to a well drilled at an unorthodox location 990 feet from the North line and 1980 feet from the East line of said Section 12. Applicant further seeks approval of a 160-acre non-standard gas proration unit comprising the N/2 N/2 of said Section 12. 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.

CASE 8416: Application of Phillips Oil Company for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 1300 feet from the North line and 1500 feet from the East line of Section 24, Township 17 South, Range 29 East, Grayburg-Jackson Pool.

CASE 8417: Application of Phillips Oil Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 330 feet from the North line and 2580 feet from the West line of Section 23, Township 17 South, Range 29 East, Grayburg-Jackson Pool.

CASE 8418: Application of Phillips Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into certain wells on its Keely A Federal, Keely B Federal, Keely C Federal, Burch 88 Federal, Burch C Federal, and Dexter Federal leases, Grayburg-Jackson Pool, in portions of Sections 23, 24, 25 and 26 of Township 17 South, Range 29 East, and portions of Sections 19, 24, and 30, Township 17 South, Range 30 East. Applicant further seeks an administrative approval procedure for waterflood expansion and unorthodox locations.

CASE 8406: (Continued and Readvertised)

Application of Greenwood Resources, Inc. for compulsory pooling and an unorthodox well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Lower Gallup formation for any formation or pool with 80-acre spacing underlying the N/2 NE/4 of Section 18, Township 29 North, Range 14 West, to be dedicated to a well to be drilled at an unorthodox location 990 feet from the North line and 360 feet from the East line of said Section 18. 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.

CASE 8419: Application of TXO Production 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 Strawn formation for any formation or pool on 160-acre spacing underlying the SW/4 of Section 12, Township 16 South, Range 35 East, 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.