

CASE 8590: Application of Earle M. Craig, Jr. Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1970 feet from the North line and 670 feet from the East line of Section 19, Township 26 South, Range 31 East, Phantom Draw-Wolfcamp Gas Pool, the N/2 of said Section 19 to be dedicated to the well.

CASE 8591: Application of V-F Petroleum, 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 Devonian formation in the perforated interval from 13,474 feet to 13,564 feet in its Mayme Graham Well No. 1 located 660 feet from the South line and 1980 feet from the West line of Section 9, Township 15 South, Range 36 East.

CASE 8592: Application of Fannie Lee Mitchell, 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 Devonian formation in the perforated interval from 4,950 feet to 14,474 feet in its Caudill SWD Well No. G-32 located 1980 feet from the North line and 1830 feet from the East line (Unit G) of Section 32, Township 15 South, Range 36 East.

CASE 8593: Application of Corrine B. Grace for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Carlsbad Grace Well No. 1 located 1980 feet from the South line and 660 feet from the East line of Section 36, Township 22 South, Range 26 East, South Carlsbad-Strawn Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8569: (Continued from April 24, 1985, Examiner Hearing)

Application of Inexco Oil Company for compulsory pooling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the South Humble City Strawn Pool underlying the NE/4 NE/4 of Section 14, Township 17 South, Range 37 East, to be dedicated to a well to be drilled at a standard oil well location 900 feet from the North line and 810 feet from the East line of said Section 14. Applicant further seeks an order pooling all mineral interests in the South Humble City Strawn Pool underlying the E/2 NE/4 of said Section 14 to form a standard 80-acre oil spacing and proration unit within said Pool also to be dedicated to the above-described well which is located at an unorthodox oil well location for said Pool. 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 8556: (Continued from April 24, 1985, Examiner Hearing)

Application of Southland Royalty Company for 320-acre spacing, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks 320-acre spacing for the Duffield-Pennsylvanian Gas Pool located in the SW/4 of Section 21, Township 16 South, Range 27 East, which was created prior to June 1, 1964, and therefore is not automatically eligible for 320-acre spacing. In the absence of evidence to the contrary, 320-acre spacing will be established for the subject pool.

CASE 8557: (Continued from April 24, 1985, Examiner Hearing)

Application of Southland Royalty 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 top of the Wolfcamp formation underlying the NW/4 of Section 21, Township 16 South, Range 27 East, to form a standard 160-acre spacing and proration unit for any and all formations and/or pools dedicated on 160-acre spacing, to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Pennsylvanian formation (Duffield-Pennsylvanian Gas Pool inclusive) underlying the W/2 of said Section 21 to form a standard 320-acre gas spacing and proration unit within said vertical limits also to be dedicated to the above-mentioned well at a standard gas well location for a 320-acre gas spacing and proration unit. IN THE ALTERNATIVE, applicant seeks an order pooling all mineral interests from the surface to the top of the Wolfcamp formation and all mineral interests in the Duffield-Pennsylvanian Gas Pool underlying the NW/4 of said Section 21 to form a standard 160-acre spacing and proration unit for any and all formations and/or pools dedicated on 160-acre spacing, to be dedicated to a well to be drilled at a standard location thereon. Applicant further seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of said Section 21 to form a standard 320-acre gas spacing and proration unit in said formation also to be dedicated to the above-mentioned well at a standard gas well location for a 320-acre gas spacing and proration unit. Also to be considered, in either case, 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.

Dockets Nos. 15-85 and 16-85 are tentatively set for May 22 and June 5, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 8, 1985

8 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 June, 1985, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for June, 1985, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8562: (Continued from April 24, 1985, Examiner Hearing)

Application of Mar Oil & Gas Corp. Inc. for a unit agreement, Torrance County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Berkshire Unit Area comprising 27,840 acres, more or less, of State, Federal and Fee lands in Townships 6 and 7 North, Ranges 9 and 10 East.

CASE 8586: In the matter of the hearing called by the Oil Conservation Division on its own motion for rescission of Division Order No. R-333, as amended, and for recodification, amendment, and issuance of the gas well test requirements, as contained therein, for the San Juan Basin Area in San Juan, Sandoval, Rio Arriba, and McKinley Counties, New Mexico. Applicant, in the above-styled cause, seeks to organize the testing rules contained in Division Order No. R-333, as amended, and to amend certain provisions of said rules including but not limited to designation of types of tests to be conducted, amending the test year, amending test procedures and tables, providing for measurement of shut-in pressures, and amending the deliverability pressure. (Copies of the proposal are available at all Division offices.)

CASE 8564: (Continued from April 24, 1985, Examiner Hearing)

Application of the Commissioner of Public Lands for the State of New Mexico to vacate and void Division Order No. R-7817, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to vacate and void Division Order No. R-7817 which authorized TXO Production Company to pool all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 2, Township 22 South, Range 27 East, to be dedicated to a well at an unorthodox gas well location 660 feet from the South and East lines.

CASE 8587: Application of Amerind Oil Co. for amendment of Division Order No. R-7796, Lea County, New Mexico. Applicant, in the above-styled cause, seeks amendment of Division Order No. R-7796, which authorized compulsory pooling in the Strawn formation underlying the W/2 NE/4 of Section 28, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Applicant now seeks an unorthodox oil well location 1320 feet from the North line and 1980 feet from the East line of said Section 28, said W/2 NE/4 to be dedicated thereto.

CASE 8588: Application of Bliss Petroleum, Inc. for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 2310 feet from the North line and 830 feet from the West line of Section 35, Township 15 South, Range 36 East, Dean Devonian Pool, the SW/4 NW/4 of said Section 35 to be dedicated to the well.

CASE 8589: Application of Harvey E. Yates Company for four compulsory poolings, 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 San Andres formation underlying four 40-acre proration units, being the NE/4 SE/4; NW/4 SE/4; NE/4 SW/4; and SE/4 SW/4; all in Section 7, Township 9 South, Range 30 East, Cato-San Andres Pool, each unit to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling said wells.