

Dockets Nos. 25-85 and 26-85 are tentatively set for August 14 and 28, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 31, 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:

- CASE 8653: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit El-My-Ri Oil Company and other interested parties to appear and show cause why the Martin Well No. 3 located 2190 feet from the South and East lines of Section 34, Township 30 North, Range 11 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 8654: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Carroll & Cornell and all other interested parties to appear and show cause why the Cornell (Federal Lease) Well No. 9 located 1650 feet from the South line and 330 feet from the West line of Section 12, Township 29 North, Range 12 West, San Juan County, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 8655: Application of Marshall R. Young Oil Company for a unit agreement, Grant County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Saltys Unit Area comprising 23,822.78 acres, more or less, of State, Federal, and Fee lands in Townships 25 and 26 South, Ranges 14, 15, and 16 West.
- CASE 8656: Application of Marshall R. Young Oil Company for a unit agreement, Grant County, New Mexico. Applicant, in the above-styled cause, seeks approval of the South Cedar Mountain Unit Area comprising 25,029.59 acres, more or less, of State and Federal lands in Townships 26 and 27 South, Range 14 West.
- CASE 8657: Application of J. M. Huber Corporation 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 Wolfcamp formation underlying the N/2 SW/4 of Section 32, Township 12 South, Range 36 East, Tatum-Wolfcamp Pool, to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre units, 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 8658: Application of Haseloff Corporation for an unorthodox oil well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1310 feet from the South and West lines of Section 13, Township 7 South, Range 33 East, Chaveroo-San Andres Pool, the SW/4 SW/4 (Unit M) of said Section 13 to be dedicated to the well.
- CASE 8659: Application of Santa Fe Energy Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from approximately 4985 feet to 5020 feet in its SFPRR Well No. 15 located 800 feet from the North line and 2121 feet from the East line (Unit B) of Section 34, Township 9 South, Range 37 East, West Sawyer-San Andres Pool.
- CASE 8660: Application of Soco Pipeline Corporation for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Queen formation in the perforated interval from 3449 feet to 3459 feet in the ARCO Oil and Gas Company Panco Federal Well No. 4 located 2310 feet from the North and West lines of Section 23, Township 18 South, Range 31 East, Shugart Yates-Seven Rivers-Queen-Crayburg Pool.
- CASE 8661: Application of McCasland Oil Disposal System Partnership for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates formation in the perforated interval from 3824 feet to 3918 feet in the Alpha Twenty-One Production Company Steve State Well No. 1 located 1980 feet from the North line and 2310 feet from the West line of Section 1, Township 22 South, Range 35 East, Jalmat Gas Pool.
- CASE 8652: (Continued from July 31, 1985, Examiner Hearing)
- Application of Gulf Oil Corporation to amend Division Order No. R-7924, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7924 to authorize an unorthodox gas well location 1440 feet from the North line and 1310 feet from the West line of Section 15, Township 21 South, Range 36 East, Eumont Gas Pool.

- CASE 8662: Application of Rio Pecos 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 North and West lines of Section 34, Township 16 South, Range 34 East, to test the Morrow formation, South Kemnitz Atoka-Morrow Gas Pool, the W/2 of said Section 34 to be dedicated to the well.
- CASE 8663: Application of Rio Pecos Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1470 feet from the North line and 660 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the S/2 NW/4 of said Section 27 to be dedicated to the well forming a standard 80-acre oil spacing and proration unit.
- CASE 8664: Application of Cities Service Oil and Gas Corporation for compulsory pooling, Harding County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Bravo Dome Carbon Dioxide Area underlying all of Section 30, Township 18 North, Range 29 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 8665: Application of Mewbourne Oil Company for a non-standard proration unit and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 320-acre non-standard proration unit comprising the N/2 of Section 13, Township 23 South, Range 24 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North line and 1980 feet from the West line of said Section 13, to test the Morrow and Atoka formations, Rock Tank-Lower and Upper Morrow Gas Pools.
- CASE 8666: Application of Amoco Production Company for NGPA Wellhead Price Ceiling Category Determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the determination that its Sammons Gas Com "I" Well No. 1 located 945 feet from the North line and 1580 feet from the East line (Unit B) of Section 6, Township 31 North, Range 10 West, Cedar Hill-Fruitland Basal Coal Gas Pool, meets the NGPA well category criteria for Section 107, High Cost Occluded Gas Produced from Coal Seams, under Section 107 of the Natural Gas Policy Act of 1978.
- CASE 8545: (Continued from July 2, 1985, Examiner Hearing)
- Application of Myco Industries for salt water disposal, Eddy 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 13,820 feet to 14,200 feet in the Shell Oil Company Big Eddy Unit Well No. 1 located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 36, Township 21 South, Range 28 East.
- CASE 8667: Application of ARCO Oil and Gas Company 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 and West lines of Section 24, Township 17 South, Range 38 East, South Knowles-Devonian Pool, the S/2 NW/4 of said Section 24 to be dedicated to the well.
- CASE 8668: Application of Doyle Hartman 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 Langlie-Mattix Pool underlying the SE/4 SE/4 of Section 23, Township 25 South, Range 37 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 8669: Application of Doyle Hartman for an unorthodox gas well location, simultaneous dedication, and approval of infill drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of its Olsen-Blincy Well No. 2 to be located at an unorthodox gas well location 500 feet from the South and West lines (Unit M) of Section 29, Township 23 South, Range 37 East, Jalmat Gas Pool, is necessary to effectively and efficiently drain that portion of the previously approved 160-acre non-standard proration unit consisting of the SW/4 of said Section 29 which cannot be so drained by the existing Olsen-Blincy Well No. 1 located 1650 feet from the South line and 990 feet from the West line (Unit L) of said Section 29. Applicant further seeks approval for the simultaneous dedication of said 160-acre unit to both of the above-described wells.

CASE 5978: (Reopened)

In the matter of Case 5978 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-5492 which order created the Hagood-Pennsylvanian Gas Pool in Lea County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.

CASE 8672: (Continued from August 14, 1985, Examiner Hearing)

Application of Armstrong Energy for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Blue Lagoon Unit Area comprising 1600 acres, more or less, of State lands in Township 11 South, Range 34 East.

CASE 8681: Application of Santa Fe Exploration Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Airstrip Northwest Deep Unit Area comprising 640 acres, more or less, of State and Fee lands in Township 18 South, Range 34 East.

CASE 8682: Application of Santa Fe Exploration Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the E-K Deep Unit Area comprising 640 acres, more or less, of State and Fee lands in Township 18 South, Range 34 East.

CASE 8658: (Continued and Readvertised)

Application of Haseloff Corporation for three unorthodox oil well locations, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of three unorthodox oil well locations in Section 13, Township 7 South, Range 33 East, Chaveroo-San Andres Pool, as follows:

- 1310 feet from the South and West lines;
- 1310 feet from the South line and 2630 feet from the West line; and
- 1310 feet from the South line and 1330 feet from the East line.

CASE 8683: Application of H. L. Brown, Jr. for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Feather-Morrow Pool including a provision for a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil retroactive to the date of the creation of the pool.

CASE 8684: Application of David Fasken for pool extensions and contractions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Burton Flat-Morrow Gas Pool by the deletion therefrom of all of Section 35, Township 20 South, Range 27 East, and Lots 1 through 16 of Section 1, Township 21 South, Range 27 East, and the concomitant extension of the Avalon-Morrow Gas Pool.

CASE 8685: Application of Dugan Production Corp. for pool creation and special pool rules, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Gallup production comprising portions of Sections 6, 7, and 8, Township 23 North, Range 9 West; portions of Sections 1, 2, 3, 4, 10, 11, and 12, Township 23 North, Range 10 West; and portions of Sections 27, 28, 32, 33, 34, and 35, Township 24 North, Range 10 West, and the promulgation of special pool rules therefor including a provision for 80-acre spacing units and designated well locations.

CASE 8674: (Continued from August 14, 1985, Examiner Hearing)

Application of Jack Plemons for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to a depth of 3500 feet underlying the NW/4 NW/4 of Section 27, Township 17 South, Range 29 East, to be dedicated to its Continental "27" State Well No. 6 located 990 feet from the North line and 330 feet from the West line of said Section 27. 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 8661: (Continued and Readvertised)

Application of McCasland Oil Disposal System Partnership for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Yates-Seven Rivers formation in the perforated interval from 3824 feet to 4248 feet in the Alpha 21 Production Company Steve State Well No. 1 located 1980 feet from the North line and 2310 feet from the West line of Section 1, Township 22 South, Range 35 East, Jaimat Gas Pool.

. 27-85 and 28-85 are tentatively set for September 11 and 25, 1985. Applications for hearing
to be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 28, 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:

CASE 2355: (Reopened)

In the matter of Case 2355 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-2051, as amended, which order promulgated temporary special rules and regulations for the Bluit-Wolfcamp Gas Pool in Roosevelt County including a provision for 320-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 160-acre spacing units.

CASE 3544: (Reopened)

In the matter of Case 3544 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-3212 which order created the Tower Hill-Morrow Gas Pool in Eddy County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.

CASE 4575: (Reopened)

In the matter of Case 4575 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-4193 which order established a limiting gas-oil ratio of 5,000 cubic feet of gas for each barrel of oil produced for the South Eunice-San Andres Pool in Lea County. Operators may appear and present evidence as to whether or not the Anadarko Production Company Lou Wortham Well No. 6 located in Unit E of Section 11, Township 22 South, Range 37 East, is in fact a gas well; whether or not the pool is in fact an associated reservoir; and whether or not the limiting gas-oil ratio should revert to 2000 to 1.

CASE 4815: (Reopened)

In the matter of Case 4815 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-4405 which order created the East Catclaw Draw-Strawn Gas Pool in Eddy County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.

CASE 4826: (Reopened)

In the matter of Case 4826 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-4407 which order created the Catclaw Draw-Strawn Gas Pool in Eddy County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.

CASE 5385: (Reopened)

In the matter of Case 5385 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-4951 which order created the High Hope-Abo Gas Pool in Eddy County and promulgated temporary special rules and regulations therefor including a provision for 320-acre spacing. Operators in said pool may appear and show cause why the pool should not be developed on 160-acre spacing units.

CASE 5438: (Reopened)

In the matter of Case 5438 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-4996 which order created the Fairview Mills-Wolfcamp Gas Pool in Lea County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 160-acre spacing units.

CASE 5777: (Reopened)

In the matter of Case 5777 being reopened on the motion of the Oil Conservation Division and pursuant to the provisions of Order No. R-5316 which order created the Horse Back-Pennsylvanian Gas Pool in Lea County and promulgated temporary special rules and regulations therefor including a provision for 640-acre spacing units. Operators in said pool may appear and show cause why the pool should not be developed on 320-acre spacing units.