

Dockets Nos. 14-87 and 15-87 are tentatively set for May 6 and 20, 1987. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - APRIL 22, 1987

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, Alternate Examiner:

- CASE 9119: Application of Danson Oil Corporation for pool creation and special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for Delaware production comprising the NE/4 of Section 29, Township 19 South, Range 32 East, and the promulgation of special rules therefore including a provision for 160-acre spacing and designated well locations.
- CASE 9120: In the matter called by the Oil Conservation Division on its own motion to permit Viking Petroleum, Inc. and all other interested parties to appear and show cause why the Viking Petroleum, Inc. Grynberg State Well No. 1 located 330 feet from the North and East lines (Unit A) of Section 12, Township 11 South, Range 27 East, Chaves County, should not be plugged and abandoned in accordance with the Division-approved plugging program.
- CASE 9116: (Continued from April 8, 1987, Examiner Hearing)
- Application of Meridian Oil Inc. for an unorthodox location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to have its Benson"3" Federal Well No. 1 located 760 feet from the North line and 280 feet from the East line (Unit B) of Section 3, Township 19 South, Range 30 East, approved as an unorthodox oil well location pursuant to the Special Rules and Regulations promulgated for the Benson-Strawn (Oil) Pool. IN THE ALTERNATIVE, the applicant seeks to have said well approved as an unorthodox gas well location if Yates Petroleum Corporation's application in Case No. 9109 to reclassify the Benson-Strawn Pool as a gas pool is granted.
- CASE 9121: Application of Meridian Oil Inc. for an unorthodox gas well location and simultaneous dedication, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location to be drilled 2315 feet from the South line and 1923 feet from the West line (Unit K) of Section 15 Township 30 North, Range 7 West, to test the Fruitland formation, the SW/4 of said Section 15 to be simultaneously dedicated to this well and to the applicant's San Juan 30-6 Unit Well No. 402 located 1455 feet from the South and West lines (Unit K) of said Section 15.
- CASE 9109: (Continued from March 18, 1987, Examiner Hearing)
- Application of Yates Petroleum Corporation for pool reclassification or, in the alternative, the amendment of Division Order No. R-6129-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the reclassification of the Benson-Strawn (Oil) Pool to a gas pool. IN THE ALTERNATIVE, the applicant seeks to amend the Special Rules and Regulations for the Benson-Strawn Pool, as promulgated by Division Order No. R-6129-A, to provide for permanent changes in the depth bracket allowable and gas-oil ratio limitation provisions for said pool, said amendments to be made effective as of January 1, 1985.
- CASE 9110: (Continued from March 18, 1987, Examiner Hearing)
- Application of Meridian Oil Inc. to amend Division Order No. R-6129-A, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend the special rules and regulations for the Benson-Strawn Pool as promulgated by Division Order No. R-6129-A to provide for temporary changes in the depth bracket allowable and gas-oil ratio limitation provisions for said pool.
- CASE 9122: Application of Union Texas Petroleum Company for Compulsory Pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Casey Strawn Pool, underlying the W/2SW/4 of Section 34, Township 16 South Range 37 East, forming a standard 60-acre oil spacing and proration unit for said pool to be dedicated to its existing Shipp "34" Well No. 3 located at a standard oil well location 510 feet from the South line and 660 feet from the West line (Unit M) of said Section 34. Also to be considered will be the costs incurred in the drilling and completion of the well and the allocation of the costs 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 9123: Application of Curtis J. Little for a non-standard gas proration unit and for an exception to rule 5(a)2(2) of division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit

comprising the SE/4 of Section 14, Township 27 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1-E, located 1850 feet from the South line and 800 feet from the East line (Unit I) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9124: Application of Rocanville Corporation, for a non-standard gas proration unit and for an exception to rule (a)2(2) of division Order No. R-8170, as amended, San Juan County, New Mexico. Applicant in the above-styled cause, seeks approval for a 160-acre non-standard gas spacing and proration unit comprising the NE/4 of Section 14, Township 17 North, Range 13 West, Basin-Dakota Pool, to be dedicated to the applicant's Fairfield Well No. 1, located 1100 feet from the North line and 990 feet from the East line (Unit A) of said Section 14. Applicant further seeks an exception to Rule 5(a)2(2) of the General Rules for the Prorated Gas Pools of New Mexico as promulgated by Division Order No. R-8170, as amended, permitting the application of a full deliverability factor in the formula utilized in determining the allowable for said non-standard gas proration unit.

CASE 9092: (Continued from April 8, 1987, Examiner Hearing)

Application of Reading & Bates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Lindrith Gallup-Dakota Oil Pool underlying the SE/4 of Section 22, Township 25 North, Range 3 West, to form a standard 160-acre oil spacing and proration 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 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 9094: (Continued from April 8, 1987, Examiner Hearing)

Application of Reading & Bates for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Cjito Gallup-Dakota Oil Pool underlying the NE/4 NE/4, NW/4 NE/4, SE/4 NE/4 and SW/4 NE/4 of Section 12, Township 25 North, Range 3 West, to form four standard 40-acre oil spacing and proration units to be dedicated to wells to be drilled at standard oil well locations thereon. IN THE ALTERNATIVE, applicant seeks an order pooling all mineral interests in the Gallup and Dakota Formations underlying the NE/4 of said Section 12, to form a standard 160-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon, both provisions to be in accordance with the Special Pool Rules which are in existence at the time said well is drilled. Also to be considered in either case will be the cost of drilling and completing said well or 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 well or wells and a charge for risk involved in drilling that well.



DEPARTMENT OF
ENERGY AND MINERALS
APR 30 1987

April 27, 1987

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

Attention Florene Davidson

RE: Cancellation of Application
For Hearing
Southern California Federal #1

Case 9119

Gentlemen:

Damson Oil Corporation wishes to confirm cancellation of its application for a hearing which was scheduled for April 22, 1987, for the creation of a new oil pool with 160 acre spacing in Section 29, T19S, R32E, Lea County, New Mexico. Your assistance in this matter is greatly appreciated.

Yours truly,

Brent L. Lowery
Brent Lowery

BLL:jb

