

DOCKET: COMMISSION HEARING - THURSDAY - JULY 14, 1988

9:00 A.M. - MORGAN HALL, STATE LAND OFFICE BUILDING,
SANTA FE, NEW MEXICO

CASE 9428: In the matter of Case 9428 being called by the Oil Conservation Division on its own motion pursuant to the provisions of Division Order No. R-6446-B, as amended, which approved the Bravo Dome Carbon Dioxide Gas Unit Agreement in Harding, Union, and Quay Counties, New Mexico, to permit Amoco Production Company, the operator of said unit, to review operations and demonstrate to the Commission that its operations within the unit are resulting in the prevention of waste and the protection of correlative rights on a continuing basis.

CASE 9365: (De Novo)

Application of Hanley Petroleum 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 990 feet from the South line and 330 feet from the West line (Unit M) of Section 10, Township 17 South, Range 37 East, Undesignated Shipp-Strawn Pool or Undesignated Humble City-Strawn Pool, the W/2 SW/4 of said Section 10 to be dedicated to the well forming a standard 80-acre oil spacing and proration unit for either pool. Said location is approximately 3.8 miles Northwest by North of Humble City, New Mexico. Upon application of Exxon Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9129: (De Novo)

Application of Virginia P. Uhden, Helen Orbesen, and Carroll O. Holmberg to vacate Division Order Nos. R-7588 and R-7588-A, and/or for the formation of six 160-acre gas proration units, San Juan County, New Mexico. Applicants, in the above-styled cause, seek an order vacating the 320-acre spacing provisions of Order Nos. R-7588 and R-7588-A as to applicants from February 1, 1984 through the date notice of 320-acre spacing was provided to applicants, and/or the formation of six 160-acre gas spacing and proration units for said pool in the W/2 of Section 33 and all of Section 28, Township 32 North, Range 10 West. This area encompasses Cedar Hill, New Mexico. Upon application of Virginia P. Uhden, Helen Orbesen, and Carroll O. Holmberg, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9331: (De Novo)

Application of Phillips Petroleum Company for a non-standard gas proration unit and unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 660 feet from the North and West lines (Unit D) of Section 22, Township 17 South, Range 35 East, to test the South Shoe Bar-Atoka Gas Pool and the Morrow formation, said well to be dedicated either to a 160-acre non-standard gas proration and spacing unit consisting of the N/2 SW/4 and W/2 NW/4 of said Section 22, or in the alternative, to an 80-acre non-standard gas proration and spacing unit consisting of the W/2 NW/4 of said Section 22. Said location is approximately 3.5 miles Northeast by East of Buckeye, New Mexico. Upon application of Phillips Petroleum Company, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 9429: Application of Phillips Petroleum Company for compulsory pooling and amend Division Administrative Order NSP-1470 (L) or in the alternative, to rescind Division Administrative Order NSP-1470(L), re dedicate acreage to form a standard 320-acre gas spacing and proration unit, and for an order pooling all mineral interests therein, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Pennsylvanian formation underlying the W/2 of Section 22, Township 17 South, Range 35 East, forming a standard 320-acre spacing and proration unit to be dedicated to a well to be drilled at a standard gas well location in either Unit E or Unit F of said Section 22, with the corresponding deletion of the E/2 NW/4 from the existing 240-acre non-standard spacing and proration unit, approved by Administrative Order NSP-1470(L), which now comprises the NE/4 and the E/2 NW/4 of said Section 22 dedicated to the T. H. McElvain New Mexico "AC" State Well No. 1 located 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 22. Also to be considered will be the cost of crilling 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 proposed well and a charge for risk involved in drilling said well. IN THE ALTERNATIVE, applicant seeks the termination of the existing 240-acre non-standard spacing and proration unit now dedicated to said New Mexico "AC" State Well No. 1 as authorized by said Order NSP-1470(L) and the concomitant pooling of all mineral interests from the top of the Wolfcamp to the base of the Pennsylvanian formation underlying the N/2 of Section 22 forming a standard 320-acre spacing and proration unit to be dedicated to said New Mexico "AC" State Well No. 1. Also to be considered will be the cost of participation in the well and the allocation of the costs thereof as well as actual operating costs and charges for supervision. Applicant further requests that T. H. McElvain Oil and Gas Properties remain as operator of the well. This area is located approximately 3.75 miles east-northeast of Buckeye, New Mexico.

CASE 9430: Application of Mobil Exploration and Producing U.S. Inc. as agent for Mobil Producing Texas and New Mexico, Inc. for compulsory pooling or in the alternative, either: (1) to rescind Division Administrative Order NSP-1470(L), rededicate acreage to form a standard 320-acre gas spacing and proration unit, and for an order pooling all mineral interests therein; or, (2) for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to rescind Division Administrative Order NSP-1470 (L), which order authorized a 240-acre non-standard gas spacing and proration unit in the Atoka formation for the T. H. McElvain Oil and Gas Properties New Mexico "AC" State Well No. 1 located at an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 22, Township 17 South, Range 35 East and to pool all mineral interests in the South Shoe Bar-Atoka Gas Pool underlying the E/2 of said Section 22, thereby forming a standard 320-acre oil spacing and proration unit to be dedicated to said existing well. Also to be considered will be the cost of participation in the well and the allocation of the cost thereof as well as actual operating costs and charges for supervision. Applicant further requests that T. H. McElvain Oil and Gas Properties remain as operator of the well; or IN THE ALTERNATIVE, the applicant seeks, either: (1) an order pooling all mineral interests in the South Shoe Bar-Atoka Gas Pool and Morrow formation underlying the S/2 of Section 22, Township 17 South, Range 35 East, forming a standard 320-acre gas spacing and proration 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 drilling said well; or, (2) approval for a 240-acre non-standard gas spacing and proration unit for production for the Atoka and Morrow formations comprising the SE/4 and S/2 SW/4 of said Section 22, to be dedicated to a well to be drilled at a standard gas well location in the SE/4. This area is located approximately 3.75 miles east-northeast of Buckeye, New Mexico.