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BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE ENERGY
OPERATING PARTNERS, L.P., FOR
COMPULSORY POOLING, LEA COUNTY,
NEW MEXICO.

Case No. 9480

APPLICATION

Santa Fe Energy Operating Partners, L.P., hereby makes application for an order pooling all interests from the surface to the base of the Wolfcamp formation in the W $\frac{1}{2}$ of Section 11, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, and in support thereof would show:

1. Applicant is working interest owner in the W $\frac{1}{2}$ of said Section 11.

2. Applicant proposes to drill its Chase Fed. Com. Well No. 1 in the W $\frac{1}{2}$ of Section 11, at a standard location, to a depth of approximately 9950 feet or the base of the Wolfcamp formation, and seeks to dedicate the W $\frac{1}{2}$ of Section 11 to the well.

3. Applicant has in good faith sought to join all other mineral interest owners in the W $\frac{1}{2}$ of Section 11 for the purposes set forth herein.

4. Although Applicant attempted to obtain voluntary agreements from all mineral interest owners to participate in the drilling of the well or to otherwise commit their interests to the well, certain interest owners have refused to join in dedicating their acreage. Therefore,

Applicant seeks an order pooling all mineral interest owners underlying the W $\frac{1}{2}$ of Section 11, pursuant to N.M. Stat. Ann. § 70-2-17 (1987 Repl.).

5. Applicant requests the Division to consider the cost of drilling and completing the well, the allocation of the cost thereof, as well as actual operating charges and costs charged for supervision. Applicant requests that it be designated as operator of the well and that the Division set a penalty of 200% for the risk involved in drilling the well.

6. The pooling of all interests underlying the W $\frac{1}{2}$ of Section 11 will prevent the drilling of unnecessary wells, prevent waste, and protect correlative rights.

7. Applicant requests that this matter be heard at the September 14, 1988 Examiner hearing.

HINKLE, COX, EATON, COFFIELD &
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CASE 9480: Application of Santa Fe Energy Operating Partners, L.P., 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 base of the Wolfcamp formation underlying the W/2 of Section 11, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which only includes the Undesignated East Carlsbad-Wolfcamp Gas Pool at this time). Said unit is 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. Said unit is located approximately 3/4 mile east of the Carlsbad Municipal Sewage Disposal Plant.

CASE 9433: (Continued from August 31, 1988, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L. P. 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 Bone Spring formation underlying the SW/4 SE/4 (Unit O) of Section 14, Township 18 South, Range 32 East, forming a standard statewide 40-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 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. Said unit is located approximately 8 miles south by east of Maljamar, New Mexico.

CASE 9481: Application of Robert N. Enfield for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 2310 feet from the South line and 1650 feet from the West line (Unit K) of Section 29, Township 7 South, Range 31 East, Lone Wolf-Devonian Gas Pool, the SW/4 of said Section 29 to be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said pool. Said location is approximately 11.75 miles S8° W of Kenna, New Mexico.

CASE 9482: Application of Robert N. Enfield for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 330 feet from the South line and 660 feet from the West line (Unit M) of Section 20, Township 7 South, Range 31 East, Undesignated Lone Wolf-Devonian Gas Pool, the SW/4 of said Section 20 to be dedicated to the well forming a standard 160-acre gas spacing and proration unit for said pool. Said location is approximately 11 miles S9° W from Kenna, New Mexico.

CASE 9483: Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its South Mattix Unit Well No. 15 located 660 feet from the North and East lines (Unit A) of Section 22, Township 24 South, Range 37 East, Fowler-Upper Silurian Gas Pool, the E/2 of said Section 22, forming a standard 320-acre gas spacing and proration unit for said pool, to be simultaneously dedicated to said well and to its South Mattix Unit Well No. 5 located at a standard gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 22. The subject proration unit is located approximately 1.5 miles north of the old El Paso Natural Gas Company Jal Plant No. 2.

CASE 9484: Application of Amerind Oil Company for compulsory pooling, Lea County, New Mexico Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Shipp-Strawn Pool underlying the S/2 NE/4 of Section 2, Township 17 South, Range 37 East, to form a standard 80-acre oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location in the SE/4 NE/4 (Unit H) of said Section 2. 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. Said unit is located approximately 4 miles north of Humble City, New Mexico.

CASE 9485: Application of Union Texas Petroleum Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 660 feet from the South and West lines (Unit M) of Section 3, Township 24 South, Range 26 East, South Carlsbad-Morrow (Prorated) Gas Pool, Lots 3 and 4, the S/2 NW/4, and the SW/4 of said Section 3 to be dedicated to said well forming a standard 318.16-acre, more or less, gas spacing and proration unit for said pool. The subject unit is located approximately 3 miles northeast of the junction of U.S. Highway 62/180 and New Mexico State Highway No. 396.

Dockets Nos. 29-88 and 30-88 are tentatively set for September 28 and October 12, 1988. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 14, 1988

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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1988, from fourteen prorated gas pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1988, from four prorated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9477: Application of Murphy Operating Corporation for a unit agreement, Chaves and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Haley Chaveroo San Andres Unit Area comprising 1,840.70 acres, more or less, of State lands underlying all of Sections 33 and 34 of Township 7 South, Range 33 East, and portions of Section 3 of Township 8 South, Range 33 East. This area is located on the Chaves and Roosevelt County lines and approximately 13 miles west of Milnesand, New Mexico.

CASE 9478: Application of Murphy Operating Corporation for a waterflood project, Chaves and Roosevelt Counties, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its proposed Haley Chaveroo San Andres Unit Area (Division Case No. 9477) located in portions of Townships 7 and 8 South, Range 33 East, by the injection of water into the Chaveroo-San Andres Pool through 23 wells within the Unit Area which is located approximately 13 miles west of Milnesand, New Mexico.

CASE 9479: Application of TXO Production Corp. 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 base of the Atoka formation underlying either the SE/4 SE/4 of Section 13, Township 17 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit for all formations within said vertical limits spaced on statewide 40-acre spacing, or the E/2 SE/4 of said Section 13 to form a standard 80-acre oil spacing and proration unit within the Undesignated South Humble City-Strawn and Undesignated Humble City-Atoka Pools, both aforementioned units to be dedicated to a well to be drilled at an unorthodox oil well location 1310 feet from the South line and 660 feet from the East line (Unit P) of said Section 13 (see Division Case 9455). 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. Said units are located approximately 3.5 miles north-northeast of Humble City, New Mexico.

CASE 9455: (Continued from August 31, 1988, Examiner Hearing.)

Application of TXO Production Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 1310 feet from the South line and 660 feet from the East line (Unit P) of Section 13, Township 17 South, Range 37 East, to test all formations from the surface to the base of the Atoka formation, the E/2 SE/4 of said Section 13 to be dedicated to said well, forming a standard 80-acre oil spacing and proration unit for the Undesignated South Humble City-Strawn and Undesignated Humble City-Atoka Pools or the SE/4 SE/4 of said Section 13 to be dedicated to said well if completed in any other formation and/or pool spaced on 40-acre spacing. Said location is approximately 2.5 miles north-northeast of Humble City, New Mexico.

CASE 9472: (Readvertised)

Application of Terra Resources, Inc. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to either the base of the Morrow formation or to a depth of 9300 feet, whichever is deeper, (which includes but is not necessarily limited to the Undesignated Dayton-Wolfcamp Gas Pool, Undesignated Boyd-Morrow Gas Pool, and Undesignated Atoka-Pennsylvanian Gas Pool) underlying Lots 1 through 4 and the E/2 W/2 of Section 31, Township 18 South, Range 26 East, forming a standard 316-acre, more or less, gas spacing and proration unit, to be dedicated to a well to be drilled 1980 feet from the North line and 1617 feet from the West line (Unit F) of said Section 31, which is unorthodox for the Atoka-Pennsylvanian Gas Pool Rules. 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. Said location is approximately 6 miles northwest by north of Lakewood, New Mexico.

Dockets Nos. 30-88 and 31-88 are tentatively set for October 12 and October 16, 1988. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 28, 1988

8:15 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 David R. Catanach, Alternate Examiner:

CASE 9413: (Continued from August 17, 1988, Examiner Hearing.)

Application of Yates Petroleum Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of temporary special pool rules for the Avalon-Delaware Pool located in portions of Township 20 South, Ranges 27 and 28 East, including a provision to increase the gas-oil ratio limitation to 5,000 cubic feet of gas per barrel of oil. Said area is located approximately 9 miles north of Carlsbad, New Mexico.

CASE 9487: Application of TXO Producing Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Strawn and Atoka formations underlying either the SW/4 SW/4 (Unit M) of Section 2, Township 17 South, Range 38 East, to form a standard 40-acre oil spacing and proration unit for said zones and/or the W/2 SW/4 of said Section 2 to form a standard 80-acre oil spacing and proration unit for said zones (subject to the adoption of Special Pool Rules). Said unit(s) are to be dedicated to either well covered in Division Case 9470. Also to be considered will be the costs of drilling (or re-entering) and completing the 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 re-entering and directional drilling or in drilling the well. The proposed units are located approximately 6.75 miles south of the old Hobbs Army Air Forces Auxiliary Airfield No. 1.

CASE 9456: (Continued from August 31, 1988, Examiner Hearing.)

Application of Foy and Middlebrook for an unorthodox gas well location, dual completion, and salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its Culp Ranch Unit Well No. 2 located 330 feet from the North line and 990 feet from the West line (Unit D) of Section 11, Township 12 South, Range 30 East, by disposing of produced salt water down through tubing into the Graham Springs-Devonian Pool in the open hole interval from 10,370 feet to 10,393 feet and producing gas from the Morrow formation up the casing/tubing annulus in said well, which is at an unorthodox gas well location, the N/2 of said Section 11 to be dedicated to said well forming a standard 320-acre gas spacing and proration unit. Said well is located approximately 12.75 miles S 60° W of Caprock, New Mexico.

CASE 9488: Application of BHP Petroleum Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation or to a depth of 8100 feet, whichever is deeper, underlying Section 28, Township 24 North, Range 1 West, forming a 640-acre spacing and proration unit for the West Puerto Chiquito Mancos-Oil Pool or other pools having 640-acre spacing; the E/2 of said section for pools having 320-acre spacing, or the SW/4 NE/4 of said section for pools having 40-acre spacing. Said unit is to be dedicated to a well to be drilled at a standard location in said Section 34. 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. Said units are located approximately 6 1/4 miles north of Regina, New Mexico.

CASE 9480: (Continued from September 14, 1988, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P., 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 base of the Wolfcamp formation underlying the W/2 of Section 11, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which only includes the Undesignated East Carlsbad-Wolfcamp Gas Pool at this time). Said unit is 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. Said unit is located approximately 3/4 mile east of the Carlsbad Municipal Sewage Disposal Plant.

CASE 9489: Application of Blackwood & Nichols Co., Ltd. for salt water disposal, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Nacimiento formation in the perforated interval from approximately 1798 feet to 2250 feet in its Northeast Blanco Unit Well No. 206 located 790 feet from the South line and 1190 feet from the West line (Unit M) of Section 10, Township 31 North, Range 7 West, which is located approximately 8 miles north-northeast of Navajo dam, New Mexico.

CASE 9468: (Continued from August 31, 1988, Examiner Hearing.)

Application of Nearburg Producing Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location 400 feet from the North line and 2240 feet from the East line (Unit B) of Section 30, Township 16 South, Range 37 East, to test the Strawn formation, Northeast Lovington-Pennsylvanian Pool, the N $\frac{1}{2}$ NE $\frac{1}{4}$ of said Section 30 to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said formation. Said location is approximately 4.5 miles southeast of Lovington, New Mexico.

CASE 9490: Application of Texaco Producing Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in any and all formations to the base of the Strawn formation underlying the E/2 of Section 17, Township 25 South, Range 36 East, forming a standard 320-acre spacing and proration unit for any and all formations developed on 320-acre spacing. Said unit is to be dedicated to its West Jal B Deep Well No. 1 located at a standard location 1980 feet from the North line and 660 feet from the East line of said Section 17. 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. Said unit is located approximately $5\frac{1}{2}$ miles west by north of Jal, New Mexico.

CASE 9472: (Continued from September 14, 1988, Examiner Hearing.)

Application of Terra Resources, Inc. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp to either the base of the Morrow formation or to a depth of 9300 feet, whichever is deeper, (which includes but is not necessarily limited to the Undesignated Dayton-Wolfcamp Gas Pool, Undesignated Boyd-Morrow Gas Pool, and Undesignated Atoka-Pennsylvanian Gas Pool) underlying Lots 1 through 4 and the E/2 W/2 of Section 31, Township 18 South, Range 26 East, forming a standard 316-acre, more or less, gas spacing and proration unit, to be dedicated to a well to be drilled 1980 feet from the North line and 1617 feet from the West line (Unit F) of said Section 31, which is unorthodox for the Atoka-Pennsylvanian Gas Pool Rules. 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. Said location is approximately 6 miles northwest by north of Lakewood, New Mexico.

CASE 9491: Application of Foran Oil Company for simultaneous dedication, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to simultaneously dedicate a standard 320-acre gas spacing and proration unit in the Diamond Mound Atoka-Morrow Gas Pool consisting of the W/2 of Section 36, Township 15 South, Range 27 East, to the existing State "ET" Well No. 1 located at a standard gas well location 990 feet from the North line and 1650 feet from the West line (Unit C) of said Section 36 and to a second well to be drilled at a standard gas well location in the SW/4 of said Section 36. Said unit is located approximately 14 miles east-northeast of Artesia, New Mexico.

CASE 9475: (Continued from August 31, 1988, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos Oil Pool underlying all of Section 2, Township 26 North, Range 2 West, to form a 638.28-acre, more or less, standard oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location in Lot 3 of said Section 2. 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. Said unit is located approximately 14 miles north of Lindrieth, New Mexico.

CASE 9476: (Continued from August 31, 1988, Examiner Hearing.)

Application of Meridian Oil, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated Gavilan-Mancos Oil Pool underlying all of Section 3, Township 26 North, Range 2 West, to form a 636.80-acre, more or less, standard oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location in the SW/4 NW/4 (Unit E) of said Section 3. 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. Said unit is located approximately 14 miles north of Lindrieth, New Mexico.

Dockets Nos. 32-88 and 33-88 are tentatively set for October 26 and November 9, 1988. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 12, 1988

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:

- ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1988, from fourteen prorated gas pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for November, 1988, from four prorated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 9495: Application of Robert L. Bayless for 9 non-standard gas proration units, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order establishing 9 non-standard gas spacing and proration units for any and all formations and/or pools developed on 160-acre spacing, which includes but is not necessarily limited to the East Blanco-Pictured Cliffs Pools, Cabrestro-Gallup Pool, and Campo-Gallup Pool, in Sections 6, 7, 18, 19, 30, and 31, Township 30 North, Range 3 West, and Sections 6 and 7, Township 29 North, Range 3 West. Said area of interest extends along the boundary of the Jicarillo Apache Indian Reservation and the Carson National Forest, north for six miles and south for two miles off of State Highway No. 17.

CASE 9496: Application of BCO, Inc. for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its State "J" Well No. 1 located 540 feet from the North line and 820 feet from the East line (Unit A) of Section 16, Township 23 North, Range 7 West, Undesignated Lybrook-Gallup Oil Pool (Finding Paragraph No. 6 of Division Order No. R-2267-B). Said well is located in Lybrook, New Mexico.

CASE 9480: (Continued from September 28, 1988, Examiner Hearing.)

Application of Santa Fe Energy Operating Partners, L.P., 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 base of the Wolfcamp formation underlying the W/2 of Section 11, Township 22 South, Range 27 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing (which only includes the Undesignated East Carlsbad-Wolfcamp Gas Pool at this time). Said unit is 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. Said unit is located approximately 3/4 mile east of the Carlsbad Municipal Sewage Disposal Plant.

CASE 9497: Application of Corinne B. Grace for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bell Canyon and Upper Cherry Canyon formations of the East Ross Draw-Delaware Pool in the perforated interval from approximately 3886 feet to 4990 feet in its Zac Federal Well No. 1 located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 25, Township 26 South, Range 30 East. Said well is located approximately 1/4 mile north-northwest of Monument No. 45 on the Texas/New Mexico stateline.

CASE 9498: Application of Meridian Oil, Inc. for a horizontal directional drilling pilot project and special operating rules therefor, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a horizontal directional drilling pilot project in the SW/4 of Section 23, Township 32 North, Range 6 West, forming a standard 160-acre gas spacing and proration unit in the Fruitland formation. The applicant proposes to drill its San Juan 32-5 Unit Well No. H-100 at a standard surface location 1765 feet from the South line and 1485 feet from the West line (Unit K) of said Section 23. From a true vertical depth of approximately 2285 feet, the applicant proposes to drill horizontally in a southerly direction, for an approximate lateral distance of 1100 feet within said formation. The terminus of the bottomhole location is to be approximately 165 feet from the South line and 1485 feet from the West line of said Section 23. Special Rules should be promulgated including the designation of a prescribed area within the unit limiting the horizontal extent of the wellbore. Said unit is located approximately 2.5 miles south of a point common to Rio Arriba and San Juan Counties, New Mexico and the State of Colorado.

CASE 9499: Application of Meridian Oil, Inc. for a horizontal directional drilling pilot project and special operating rules therefor, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks authority to initiate a horizontal directional drilling pilot project in Lots 11, 12, 13, and 14 of Irregular Section 11, Township 30 North, Range 10 West, forming a standard 154.74-acre gas spacing and proration unit in the Undesignated North Aztec-Fruitland Pool. The applicant proposes to drill its Sunray "H" Well No. 201 at an unorthodox surface location 660 feet from the South line and 270 feet from the West line (Unit M) of said Section 11. From a true vertical depth of approximately 2725 feet, the applicant proposes to drill horizontally in a northeasterly direction, for an approximate

lateral distance of 1328 feet within said formation. The terminus of the bottomhole location is to be approximately 1850 feet from the South and West lines of said Section 11. Special Rules should be promulgated including the designation of a prescribed area within the unit limiting the horizontal extent of the wellbore. Said location is approximately 8 miles east of Aztec, New Mexico.

CASE 9483: (Continued from September 14, 1988, Examiner Hearing.)

Application of Amoco Production Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location for its South Mattix Unit Well No. 15 located 660 feet from the North and East lines (Unit A) of Section 22, Township 24 South, Range 37 East, Fowler-Upper Silurian Gas Pool, the E/2 of said Section 22, forming a standard 320-acre gas spacing and proration unit for said pool, to be simultaneously dedicated to said well and to its South Mattix Unit Well No. 5 located at a standard gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 22. The subject proration unit is located approximately 1.5 miles north of the old El Paso Natural Gas Company Jal Plant No. 2.

CASE 9500: Application of Read & Stevens, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox gas well location 660 feet from the North and East lines (Unit A) of Section 19, Township 19 South, Range 29 East, Undesignated Turkey Track-Morrow Gas Pool or Undesignated West Parkway-Morrow Gas Pool, the E/2 of said Section 19 to be dedicated to said well. Said location is approximately 7.5 miles southeast by east of the old Illinois Camp.

CASE 9501: Application of Mobil Producing Texas and New Mexico Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying all of Section 28, Township 24 North, Range 1 West, forming a 640-acre spacing and proration unit for the West Puerto Chiquito-Mancos Oil Pool or other pools having 640-acre spacing; the E/2 of said section for the Basin-Dakota Pool or any other pools having 320-acre spacing, or the SW/4 NE/4 of said section for pools and/or formations having 40-acre spacing. Said unit is to be dedicated to a well to be drilled at a standard location in 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. Said units are located approximately 6 1/4 miles north of Regina, New Mexico.

CASE 9458: (Continued from September 14, 1988, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Bell Canyon, Cherry Canyon, and Brushy Canyon formations (Delaware Mountain Group) underlying the NW/4 SW/4 (Unit L) of Section 27, Township 26 South, Range 29 East, forming a standard statewide 40-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 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. Said unit is located approximately 3/4 mile north of where the Pecos River crosses the Texas/New Mexico Stateline.

CASE 9492: (Continued from September 28, 1988, Examiner Hearing.)

Application of Mobil Exploration and Producing U.S.A. as agent for Mobil Producing Texas and New Mexico, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Mancos formation underlying all of Section 34, Township 24 North, Range 1 West, to form a standard 640-acre spacing and proration unit for the West Puerto Chiquito-Mancos Oil Pool and also pooling all interests in the Dakota formation underlying the S/2 of said section to form a standard 320-acre spacing and proration unit for the Basin-Dakota 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. Said units are located approximately 5 1/2 miles north of Regina, New Mexico.

CASE 9493: (Continued from September 28, 1988, Examiner Hearing.)

Application of Nassau Resources for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to a depth of 7900 feet in the West Puerto Chiquito-Mancos Oil Pool underlying Section 34, Township 24 North, Range 1 West, forming a standard 640-acre spacing and proration unit. Said unit is to be dedicated to applicant's Cutting Edge Well No. 34-10 located at a standard location in said Section 34. 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. Said unit is located approximately 5 1/2 miles north of Regina, New Mexico.