

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, Cabresto-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 600 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 B) 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 6½ 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 5½ 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 5½ miles north of Regina, New Mexico.

CASE 9515: Application of OXY USA, Inc. 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 NE/4 SE/4 (Unit 1) of Section 29, Township 19 South, Range 36 East, to form a standard 40-acre oil spacing and proration unit for any and all pools or formations developed on statewide 40-acre spacing (which includes but is not necessarily limited to the Undesignated East Pearl-Queen Pool, Undesignated Eunice Monument-Grayburg-San Andres Pool, and an oil well in the Undesignated Eumont Gas Pool), 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 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 6 miles west of Monument, New Mexico.

CASE 9516: Application of Amoco Production Company 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, forming a standard 636.80-acre oil spacing and proration unit for said pool to be dedicated to a well to be drilled at a standard oil well location therein. 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 east of Ojito, New Mexico Post Office.

CASE 9517: Application of Amoco Production Company 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, forming a standard 638.28-acre oil spacing and proration unit for said pool to be dedicated to a well to be drilled at a standard oil well location therein. 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 north of Lindrith, New Mexico.

CASE 9501: (Continued from October 12, 1988, Examiner Hearing.)

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 1/2 miles north of Regina, New Mexico.

CASE 9488: (Continued from October 12, 1988, Examiner Hearing.)

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 1/2 miles north of Regina, New Mexico.

Dockets Nos. 35-88 and 36-88 are tentatively set for November 22 and December 7, 1988. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 9, 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 December, 1988, from fourteen prorated gas pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1988, from four prorated gas pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.
- CASE 9518: Application of Yates Petroleum Corporation for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Winter Queen State Unit Area comprising 2,085.55 acres, more or less, of State lands underlying all of Sections 3 and 10, and portions of Sections 4 and 9 in Township 12 South, Range 32 East. Said unit is located approximately 5.5 miles South of Caprock, New Mexico.
- CASE 9519: Application of M. Brad Bennett, Inc. for an 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 South and East lines (Unit P) of Section 6, Township 16 South, Range 34 East, to test the Pennsylvanian formation, Hume-Atoka Gas Pool and Hume-Morrow Gas Pool, the S/2 of said Section 6 to be dedicated to the well. Said location is approximately 11 miles Northwest of Buckeye, New Mexico.
- CASE 9520: Application of Exxon 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 Morrow formation underlying the W/2 of Section 32, Township 20 South, Range 33 East, forming a standard 320-acre spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 320-acre spacing, said 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. Said area is located approximately 2 miles South of Laguna Gatuna Salt Lake.
- CASE 9521: Application of Keith McKamey 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 or to a depth of 11,200 feet, whichever is shallower, (which includes but is not necessarily limited to the Undesignated Gem-Wolfcamp Pool, Undesignated East Lusk-Bone Spring Pool, East Lusk-Delaware Pool, and Undesignated South Tonto-Yates-Seven Rivers Pool) underlying the NW/4 SW/4 of Section 25, Township 19 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit, to be dedicated to the existing Grace Petroleum Corporation West Tonto "A" Federal Com Well No. 1-Y, to be re-entered by the applicant and located at a previously approved unorthodox oil well location (Administrative Order No. NSL-1442) 2450 feet from the South line and 660 feet from the West line (Unit L) of said Section 25. 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 Northwest of Laguna Gatuna Salt Lake.
- CASE 9522: Application of Peanzoil Exploration and Production Company for the amendment of Division Order No. R-8716, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-8716, which order authorized an unorthodox oil well location 2310 feet from the South line and 810 feet from the West line (Unit L) of Section 1, Township 17 South, Range 37 East. Applicant now seeks to substitute therefor an unorthodox oil well location 900 feet from the South line and 1750 feet from the West line of said Section 1, Undesignated Shipp-Strawn Pool, with the S/2 SW/4 of said Section 1 being dedicated to its Price Family Trust Well No. 2, forming a standard 80-acre oil spacing and proration unit for said pool. Said location is approximately 4.5 miles North by East of Humble City, New Mexico.
- CASE 9523: Application of OGS Operating Company, Inc. 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 Morrow formation underlying the N/2 of Section 5, Township 24 South, Range 25 East, forming a standard 319.62-acre, more or less, gas spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 320-acre gas well spacing, said unit to be dedicated to a well to be drilled at a standard gas well location 990 feet from the North line and 1980 feet from the West line (Unit C) of said Section 5. 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 6 miles Northwest of Whites City, New Mexico.

CASE 9512: (Continued from October 26, 1988, Examiner Hearing.)

Application of ARCO Oil and Gas Company to reinstate Division Order No. R-4984, simultaneous dedication and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to reinstate Division Order No. R-4984 which authorized the standard 640-acre gas spacing and proration unit in the Jalmat Gas Pool, consisting of Section 14, Township 22 South, Range 36 East, to be simultaneously dedicated to the McDonald "WN" State Wells No. 11 and 27 (Well No. 27 being at an unorthodox gas well location) located in Units D and O, respectively. Applicant further seeks the addition of the McDonald "WN" State Wells No. 28 (authorized by the Division Director by letter dated June 18, 1976) and 31 located in Units F and A, respectively, of said Section 14, said Well No. 31 being at an unorthodox gas well location 660 feet from the North and East lines of said Section 14. Said unit is located approximately 7 miles southwest by west of Eunice, New Mexico.

CASE 9524: Application of Amerind Oil Company for directional drilling and unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter its State MTS Well No. 1 located at a standard surface location 1830 feet from the South line and 660 feet from the East line (Unit I) of Section 2, Township 17 South, Range 37 East, wherein the applicant proposes to directionally drill said well to penetrate the Strawn formation, Undesignated Shipp-Strawn Pool or Undesignated Humble City-Strawn Pool, at an unorthodox bottomhole location 2310 feet from the South line and 330 feet from the East line (Unit I) of said Section 2. The E/2 SE/4 of said Section 2 is to be dedicated to the subject well. IN THE ALTERNATIVE, should re-entry into the aforementioned well be unsuccessful, the applicant seeks to drill the State MTS Well No. 1-A at an unorthodox surface location 2310 feet from the South line and 330 feet from the East line (Unit I) of said Section 2 to test the Strawn formation. This area is located approximately 4 miles North of Humble City, New Mexico.

CASE 9525: Application of Benson-Montin-Greer Drilling Corporation for the amendment of Division Order No. R-6469, as amended, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an amendment to Division Order No. R-6469, as amended, to rescind approval for those non-standard proration units approved therein located in Township 24 North, Range 1 West and Township 26 North, Range 1 West. The center of said area is located approximately 13 miles southwest of Regina, New Mexico.

CASE 9526: Application of Unocal Corporation for reinstatement of allowable under Rule 11 (h) of Division Order No. R-8170, as amended, Rio Arriba and San Juan Counties, New Mexico. Applicant, in the above-styled cause, seeks the reinstatement of gas allowable for 10 wells in the Basin-Dakota Pool, 10 wells in the Blanco-Mesaverde Pool and 26 wells in the South Blanco-Pictured Cliffs Pool which allowable was cancelled in the May 1988 proration schedule under the provisions of Rules 10(a) or 13(b) of said Order No. R-8170, and resulted from non-access or limited access to the average market demand for the respective pools.

CASE 9501: (Continued from October 26, 1988, Examiner Hearing.)

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 6½ miles north of Regina, New Mexico.

CASE 9488: (Continued from October 26, 1988, Examiner Hearing.)

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 6½ miles north of Regina, New Mexico.

- CASE 9536: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 24, Township 30 North, Range 9 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its Riddle "A" Com Well No. 260 to be drilled at a standard gas well location in the NE/4 SW/4 (Unit K) of said Section 24. 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 1 mile west of Archuleta, New Mexico.
- CASE 9537: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying all of Irregular Section 9, Township 32 North, Range 10 West, forming a standard 334.06-acre gas spacing and proration unit for said pool, to be dedicated to its Brown Well No. 100 to be drilled at a standard gas well location in Lot 9 (Unit M) of said Section 9. 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 1 mile west of the New Mexico Port of Entry Station on U.S. Highway No. 550.
- CASE 9538: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the N/2 of Section 9, Township 30 North, Range 8 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its Woodriver Com Well No. 300 to be drilled at a previously authorized unorthodox gas well location (pursuant to Decretory Paragraph (4) of Division Order No. R-8768) 1100 feet from the North line and 1690 feet from the West line (Unit C) of said Section 9. 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 4.25 miles west-northwest of the Navajo Reservoir Dam.
- CASE 9539: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 of Section 8, Township 30 North, Range 9 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its Pierce Com Well No. 251 to be drilled at a standard gas well location in the NE/4 NE/4 (Unit A) of said Section 8. 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 5.5 miles north by west of Turkey, New Mexico.
- CASE 9540: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 of Section 11, Township 30 North, Range 9 West forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its Lindsey Com Well No. 250 to be drilled at a standard gas well location in the NE/4 NE/4 (Unit A) of said Section 11. 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 miles northwest by north of Archuleta, New Mexico.
- CASE 9541: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1 and 2, the S/2 NE/4, and SE/4 of Section 4, Township 30 North, Range 9 West, to form a standard 323.30-acre gas spacing and proration unit for said pool, to be dedicated to its Riddle E Com Well No. 250 to be drilled at a previously authorized non-standard gas well location (pursuant to Decretory Paragraph No. (4) of Division Order No. R-8768) 1740 feet from the South line and 1035 feet from the East line (Unit I) of said Section 4. 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 6 miles north of Turkey, New Mexico.
- CASE 9542: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 1 and 2, the S/2 NE/4, and the SE/4 of Section 2, Township 30 North, Range 9 West, forming a standard 323.16-acre gas spacing and proration unit for said pool, to be dedicated to its Turner "B" Com "A" Well No. 200 to be drilled at a previously authorized unorthodox gas well location (pursuant to Decretory Paragraph No. (4) of Division Order No. R-8768) 1000 feet from the South line and 1545 feet from the East line (Unit O) 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 3.5 miles northwest by north of Archuleta, New Mexico.

CASE 9543: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 16, Township 32 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its EPNG Com C Well No. 100 to be drilled at a standard gas well location in the NE/4 SW/4 (Unit K) of said Section 16. 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 3.1 miles north Cedar Hill, New Mexico.

CASE 9544: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the E/2 of Section 16, Township 32 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its Burroughs Com A Well No. 100 to be drilled at standard gas well location in the SW/4 NE/4 (Unit G) of said Section 16. 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 3.2 miles north of Cedar Hill, New Mexico.

CASE 9545: Application of Meridian Oil, Inc. for compulsory pooling and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 3, 4, 5, 6, and 7, the SE/4 NW/4, and the E/2 SW/4 of Section 6 and Lots 1 and 2 and the E/2 NW/4 of Section 7, Township 30 North, Range 8 West, forming a non-standard 331.00-acre gas spacing and proration unit, to be dedicated to its Howell G Com Well No. 300 to be drilled at a previously authorized unorthodox gas well location (pursuant to Decretory Paragraph No. (4) of Division Order No. R-8768) 1430 feet from the North line and 1090 feet from the West line (Unit F) of said Section 6. 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 3.25 miles north by west of Archuleta, New Mexico.

CASE 9546: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 3, 4, 5, 6, 11 and 12 and the W/2 SW/4 of Section 21, Township 31 North, Range 9 West, forming a standard 317.01-acre gas spacing and proration unit for said pool, to be dedicated to its Sunray G Well No. 251 to be drilled at a previously authorized unorthodox gas well location (pursuant to Decretory Paragraph No. (4) of Division Order No. R-8768) 830 feet from the North line and 1165 feet from the West line (Unit D) of said Section 21. 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 6.4 miles Southeast by east of Cedar Hill, New Mexico.

CASE 9547: Application of Meridian Oil, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 36, Township 31 North, Range 10 West, forming a standard 320-acre gas spacing and proration unit for said pool, to be dedicated to its Atlantic "D" Com Well No. 201 to be drilled at a standard gas well location in the NW/4 SW/4 (Unit L) of said Section 36. 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 9.1 miles north of Blanco, New Mexico.

CASE 9501: (Continued from November 9, 1988, Examiner Hearing.)

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 1/2 miles north of Regina, New Mexico.

CASE 9488: (Continued from November 22, 1988, Examiner Hearing.)

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 9501: (Continued from November 22, 1988, Examiner Hearing.)

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 9534: (Continued from November 22, 1988, Examiner Hearing.)

Application of Standard Oil Production Company 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 Strawn formation underlying the NW/4 NE/4 (Unit B) of Section 8, Township 17 South, Range 38 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on statewide 40-acre oil spacing and proration units (which includes but is not necessarily limited to the Undesignated West Garrett-Devonian and Undesignated Knowles-Abo Pools). Said unit is 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 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 area is located approximately 2.5 miles north-northeast of Knowles, New Mexico.

CASE 9548: (Continued from November 22, 1988, Examiner Hearing.) (Readvertised)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Lea and Roosevelt Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the North Baum-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation Lazy Tree State Unit Well No. 1 located in Unit A of Section 12, Township 13 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 12: E/2

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Hat Mesa-Bone Spring Pool. The discovery well is the MorOilCo Inc. Gavilon Federal Well No. 1 located in Unit L of Section 33, Township 20 South, Range 33 East, NMPM. Said pool would comprise.

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 33: SW/4

- (c) EXTEND the North Berry-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 5: Lot 13 and SW/4
Section 6: Lots 9, 10, 15 and 16

- (d) EXTEND the South Corbin-Bone Spring Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 22: SW/4
Section 27: NW/4
- (e) EXTEND the West Corbin-Delaware Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 3: S/2
TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 16: NW/4
Section 17: NE/4
Section 18: W/2
- (f) EXTEND the South Corbin-Morrow Gas Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 26: N/2
- (g) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 8: SW/4
Section 17: NW/4
Section 32: NW/4
- (h) EXTEND the North Lusk-Bone Spring Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 33: SW/4
- (i) EXTEND the Monument-Tubb Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 8: SE/4
Section 9: SW/4
- (j) EXTEND the Ojo Chiso-Morrow Gas Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 23: NE/4
- (k) EXTEND the Peterson-Mississippian Pool in Roosevelt County, New Mexico, to include therein:
TOWNSHIP 4 SOUTH, RANGE 33 EAST, NMPM
Section 17: SE/4
Section 20: E/2
- (l) EXTEND the Todd Lower-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:
TOWNSHIP 7 SOUTH, RANGE 36 EAST, NMPM
Section 29: NE/4
- (m) EXTEND the Tule-Pennsylvanian Gas Pool in Roosevelt County, New Mexico, to include therein:
TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 23: S/2
Section 27: SW/4
Section 34: N/2

CASE 9549: (Continued from November 22, 1988, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, contracting, and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Cisco production and designated as the Palmillo-Cisco Gas Pool. The discovery well is the Yates Petroleum Corp. Dixon Yates LM Federal Well No. 1 located in Unit G of Section 28, Township 18 South, Range 29 East, NMPM. Said pool would comprise: