

Dockets Nos. 1-85 and 2-85 are tentatively set for January 3 and January 17, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: COMMISSION HEARING - WEDNESDAY - DECEMBER 12, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205 - STATE LAND
OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 7438: (Continued and Readvertised)

The Commission will consider the amendment of Division Rule No. 1204 to require applicants for hearings to make a reasonable effort to provide notice of hearings to adversely affected persons or, in the alternative, to adversely affected operators. This case will be dismissed.

CASE 8226: (Continued and Readvertised) (This case will be dismissed)

Application of Doyle Hartman for HARSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8400: (Continued from November 7, 1984, Commission Hearing)

Application of Jack J. Grynberg for amendment of Division Order R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order R-6873 to 1) declare the applicant to be the operator of said Order's subject well and unit; 2) allow for the drilling of a second PrePermian well on the established 320-acre proration unit and 3) the establishment of a risk factor and overhead charges for the new well.

CASE 8373: (De Novo)

Application of Harvey E. Yates Company 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 11, Township 18 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Upon application of Harvey E. Yates Company, this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8139: (De Novo)

Application of BBC, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the open-hole interval from 2,800 feet to 3,750 feet in its SWD Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 18, Township 20 South, Range 28 East. Upon request of Robert N. Enfield and Penroc Oil Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8359: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.

CASE 8360: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.

CASE 8361: (Continued from October 31, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.

CASE 8425: Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 160-acre non-standard gas proration unit comprised of the SE/4 of Section 13, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Shell State Wells Nos. 2 and 5 located in Units P and J, respectively, of said Section 13.CASE 8182: (Continued from November 7, 1984, Commission Hearing)

(De Novo)

Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AJ Well No. 34 located in the NW/4 NW/4 of Section 31, Township 32 North, Range 12 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8183: (Continued from November 7, 1984, Commission Hearing)

(De Novo)

Application of Mesa Petroleum Co. for NGPA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AI Well No. 33 located in the NW/4 NW/4 of Section 32, Township 27 North, Range 9 West, is above normal NGPA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8331: (De Novo)

Application of Amoco Production Company for an extension of the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Gavilan-Mancos Oil Pool to include Sections 10, 11, 12, 13, 14, 23 and 24 in Township 24 North, Range 2 West. Upon application of Amoco Production Company, this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

Docket Nos. 43-84 and 44-84 are tentatively set for November 14 and 28, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 31, 1984

8 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 Gilbert P. Quintana, Alternate Examiner:

- CASE 8386: Application of Pelto Oil Company for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pinon Unit Area comprising 50,000 acres, more or less, of State, Federal and Fee lands in Townships 13 and 14 North, Ranges 8 and 9 East.
- CASE 8387: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Arroyo Del Macho Unit Area comprising 25,214.78 acres, more or less, of State, Federal and Fee lands in Townships 4, 5, and 6 South, Ranges 21 and 22 East.
- CASE 8388: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Five Mile Draw Unit Area comprising 6,457.74 acres, more or less, of State, Federal and Fee lands in Townships 4, 6, and 7 South, Ranges 23 and 24 East.
- CASE 8389: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Huggins Draw Unit Area comprising 29,351.91 acres, more or less, of State, Federal and Fee lands in Townships 4 and 5 South, Ranges 22, 23, and 24 East.
- CASE 8390: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp formation through the base of the Morrow formation underlying the E/2 of Section 11, Township 19 South, Range 23 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8226: (Continued from October 17, 1984, Examiner Hearing)
Application of Doyle Hartman for **HARDSHIP GAS WELL CLASSIFICATION**, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8359: (Continued from October 17, 1984, Examiner Hearing)
Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.
- CASE 8360: (Continued from October 17, 1984, Examiner Hearing)
Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.
- CASE 8361: (Continued from October 17, 1984, Examiner Hearing)
Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.
- CASE 8391: Application of Stevens Operating Corporation for an unorthodox well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 2310 feet from the South line and 1760 feet from the East line of Section 19, Township 8 South, Range 29 East, to test the Fusselman formation, the S/2 of said Section 19 to be dedicated to the well.

CASE 8392: Application of Moroilco Incorporated for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 2,888 feet to 3,000 feet in its Guajalote "A" State Well No. 1 located in Section 5, Township 19 South, Range 29 East.

CASE 8393: Application of Fluid Waste, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bone Spring formation in its Dorstate Well No. 1 located in Section 27, Township 25 South, Range 28 East.

CASE 8383: (Continued from October 17, 1984, Examiner Hearing)

Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8394: Application of Pennzoil Company for compulsory pooling and an unorthodox 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 Pennsylvanian formation underlying the W/2 of Section 1, Township 17 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 1320 feet from the North line and 1980 feet from the West line of said Section 1. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8395: Application of Merrion Oil & Gas 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 Gallup and Dakota formations underlying the S/2 of Section 24, Township 24 North, Range 2 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8217: (Continued from October 17, 1984, Examiner Hearing)

Application of Curtis J. Little for HARSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hard-ship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8396: 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 an oil pool for Cisco and Canyon production and designated as the North Anderson Ranch-Cisco Canyon Pool. The discovery well is the H. L. Brown, Jr. State 32 Well No. 1 located in Unit P of Section 32, Township 15 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 32: SE/4

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 2: Lots 1, 2, 7, and 8

- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the West Pitchfork Ranch-Atoka Gas Pool. The discovery well is the HNG Oil Company Madera Ridge 25 Federal Com Well No. 1 located in Unit L of Section 25, Township 24 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 25: W/2

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the South Shoe Bar-Atoka Gas Pool. The discovery well is the HNG Oil Company Shoe Bar 14 State Com Well No. 1 located in Unit L of Section 14, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM
Section 14: W/2

- (d) EXTEND the Airstrip-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 26: SW/4

- (e) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM
Section 35: NW/4

- (f) EXTEND the Bluitt-San Andres Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 38 EAST, NMPM
Section 21: Lots 1 and 2 and NW/4

- (g) EXTEND the Northeast Caudill-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM
Section 2: SE/4

- (h) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 24: NE/4

- (i) EXTEND the East Hightower-Lower Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 29: NW/4

- (j) EXTEND the Lea-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 23: NE/4
Section 24: N/2

- (k) EXTEND the Lovington-Paddock Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 30: SE/4

- (l) EXTEND the North Mason-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 32 EAST, NMPM
Section 8: N/2 SE/4

- (m) EXTEND the West Nadine-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 7: NW/4

- (n) EXTEND the Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM
Section 33: E/2

- (o) EXTEND the East Saunders-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 9: SW/4

- (p) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 15: NW/4

- (q) EXTEND the Southeast Scharb-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 15: SW/4

- (r) EXTEND the North Shoe Bar-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 15: N/2 NE/4 and NW/4

- (s) EXTEND the Townsend-Permo Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 35: SE/4

- (t) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 23: NE/4

- (u) EXTEND the Weir-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 15: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 2: NW/4

Docket No. 42-84

DOCKET: COMMISSION HEARING - WEDNESDAY - NOVEMBER 7, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8397: Application of Gulf Oil Corporation for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purposes of a secondary recovery project, all mineral interests from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation underlying the Eunice Monument South Unit Area encompassing 14,189.84 acres, more or less, of State, Federal and Fee lands underlying portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21 and 22 of Township 21 South, Range 36 East. The unitized interval would be from an upper limit described as 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation between the depths of 3,666 feet to 5,283 feet, respectively, in Continental Oil Company's Meyer B-4 Well No. 23 located 660 feet from the South line and 1980 feet from the East line of Section 4, Township 21 South, Range 36 East. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in well and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 8398: Application of Gulf Oil Corporation for a waterflood project, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into the producing interval which shall include the formations which extend from an upper limit of 100 feet below mean sea level or at the top of the Grayburg formation, whichever is higher, to a lower limit to the base of the San Andres formation in the proposed Eunice Monument South Unit Area, in portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21, and 22 of Township 21 South, Range 36 East, Lea County, New Mexico.

CASE 8399: Application of Gulf Oil Corporation for pool extension and contraction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the upward extension of the vertical limits of the Eunice-Monument Pool to include either the top of the Grayburg formation or to a subsea datum of minus 100 feet, whichever is higher, underlying their proposed Eunice Monument South Unit Area in portions of Sections 25 and 36 of Township 20 South, Range 36 East, Sections 30 through 32 of Township 20 South, Range 37 East, and Sections 2 through 18, 21, and 22 of Township 21 South, Range 36 East, Lea County, New Mexico. Applicant also proposes the contraction of the vertical limits of the Eumont Gas Pool by contracting its lower limits to either the top of the Grayburg formation or to a subsea datum of minus 100 feet, whichever is higher, underlying the same area as described above.

CASE 8182: (De Novo)

Application of Mesa Petroleum Co. for NPGA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AJ Well No. 34 located in the NW/4 NW/4 of Section 31, Township 32 North, Range 12 West, is above normal NPGA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8183: (De Novo)

Application of Mesa Petroleum Co. for NPGA determination, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that production from its State Com AI Well No. 33 located in the NW/4 NW/4 of Section 32, Township 27 North, Range 9 West, is above normal NPGA stripper well levels as a result of the recognized enhanced recovery techniques as defined by 18 CFR 271.803 (a).

Upon application of Mesa Petroleum Co., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

CASE 8106: (Reopened)

Application of Caulkins Oil Co. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe Office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8400: Application of Jack J. Grynberg for amendment of Division Order R-6873, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6873 to 1) declare the applicant to be the operator of said Order's subject well and unit, 2) allow for the drilling of a second PrePermian well on the established 320-acre proration unit and 3) the establishment of a risk factor and overhead charges for the new well.

CASE 8087: (De Novo)

Application of Union Oil Company of California for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow well location 2050 feet from the South line and 825 feet from the West line of Section 27, Township 24 South, Range 26 East, White City-Pennsylvanian Gas Pool, all of said Section 27 to be dedicated to the well.

Upon application of Gulf Oil Exploration and Production, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8228: (De Novo)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Langlie "A" State Well No. 3 located in Unit I of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Upon application of Doyle Hartman, this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 17, 1984

8:00 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Michael E. Stogner Alternate Examiner:

ALLOWABLE: (1) Consideration of the allowable production of gas for November, 1984, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.

(2) Consideration of the allowable production of gas for November, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8354: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval for the La Mesa Unit comprising 80,000 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, and 18 North, Ranges 8 and 9 East.

CASE 8355: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Chaves and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the One Three Unit comprising 176,800 acres, more or less, of State, Federal, and Fee lands in Townships 16, 17, 18 and 19 South, Ranges 13, 14, 15, 16, and 17 East.

CASE 8356: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a unit agreement, Santa Fe and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Caja Del Rio Grande Unit comprising 122,600 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, 18 and 19 North, Ranges 6, 7, and 8 East.

CASE 8371: Application of Petroleum Corporation of Delaware for pool creation and special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool for Strawn production comprising the SE/4 of Section 5, Township 20 South, Range 29 East, and the promulgation of temporary special pool rules therefor including a provision for 160-acre well spacing and proration units and a 3,000 to 1 gas-oil ratio limitation retroactive to February 1, 1984.

CASE 8372: Application of Harvey E. Yates 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 bottom of the Mississippian formation underlying the N/2 of Section 24, Township 14 South, Range 35 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8373: Application of Harvey E. Yates Company 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 11, Township 18 South, Range 31 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8374: Application of J. Cleo Thompson and James Cleo Thompson, Jr., a Partnership, for an exception to Rule 104 C.I., Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 104 C.I. of the Division's General Rules and Regulations to allow for more efficient development of its West Square Lake Waterflood Project in its West Square Lake Unit Area, Townships 16 and 17 South, Range 30 East.

CASE 8324: (Continued and Readvertised)

Application of Yates Petroleum Corporation for a Carbon Dioxide Injection Pilot Project and unorthodox locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a carbon dioxide injection pilot project by the injection of carbon dioxide and water into the Grayburg formation in two wells proposed to be drilled in the West Loco Hills Unit at unorthodox locations:

- (a) West Loco Hills Unit G4S Tract 13-12, located 1980 feet from the North line and 10 feet from the East line; and
- (b) West Loco Hills Unit G4S Tract 6-5, located 2475 feet from the South line and 10 feet from the East line

both in Section 12, Township 18 South, Range 29 East.

CASE 8375: Application of Yates Petroleum Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North and East lines of Section 32, Township 19 South, Range 24 East, to test the Wolfcamp through Morrow formations, the N/2 of said Section 32 to be dedicated to the well.

CASE 8376: Application of Yates Petroleum Corporation for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 330 feet from the North line and 2,600 feet from the East line of Section 32, Township 16 South, Range 31 East, to test the San Andres formation, the NW/4 NE/4 of said Section 32 to be dedicated to the well.

CASE 8348: (Continued from October 3, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 950 feet from the North line and 1500 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8377: Application of Ray Westall for amendment of Division Order No. R-7567, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7567 to change the operator to Ray Westall of Loco Hills, New Mexico, and to extend the time for commencement of the subject well to October 15, 1984.

CASE 8226: *(Continued from October 31, 1984, Examiner Hearing)*
~~(Continued from October 3, 1984, Examiner Hearing)~~

Application of Doyle Hartman for HARSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8359: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.

CASE 8360: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.

CASE 8361: (Continued from October 3, 1984, Examiner Hearing)

Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.

CASE 8343: (Continued and Readvertised)

Application of Chama Petroleum Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1640 feet from the South line and 1170 feet from the East line of Section 10, Township 22 South, Range 24 East, to test the Pennsylvanian formation, the E/2 of said Section 10 to be dedicated to the well. In the absence of objection, this application will be approved based upon the record of hearing held on September 19, 1984.

CASE 8378: Application of Santa Fe Energy Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 330 feet from the East line of Section 6, Township 17 South, Range 30 East, Atoka, Morrow, Strawn and Wolfcamp formations, the N/2 of said Section 6 to be dedicated to the well.

CASE 8367: (Continued from October 3, 1984, Examiner Hearing)

Application of Hondo Oil & Gas Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8368: (Continued from October 3, 1984, Examiner Hearing)

Application of Hamon Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to 12,000 feet underlying the N/2 of Section 25, Township 23 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8379: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Square Lake Federal "Q" Waterflood Project by converting the Federal "R" Well No. 3 located 330 feet from the North and West lines and its Federal "R" Well No. 8 located 1980 feet from the North line and 660 feet from the East line, both in Section 10, Township 17 South, Range 30 East, Square Lake Grayburg San Andres Pool, from producing oil wells to water injection wells.

CASE 8380: Application of Anadarko Production Company for a waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Burnham GSA Unit Waterflood Project by converting the Burnham GSA, Tract 6, Well No. 1 located 1980 feet from the South and West lines of Section 2, Township 17 South, Range 30 East, Square Lake Grayburg-San Andres Pool, from a producing oil well to a water injection well.

- CASE 8381: Application of Anadarko Production Company for waterflood expansion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to expand its Ballard Grayburg-San Andres Waterflood Unit, Loco Hills Pool, by converting 8 wells located in Sections 5, 6, and 8, and drilling two new injection wells to be drilled at unorthodox locations in the SW/4 NW/4 and the SW/4 SW/4 of Section 4, all in Township 18 South, Range 29 East.
- CASE 8382: Application of TXO Production Company for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Pioneer Federal Com Well No. 1 located 1980 feet from the North line and 1740 feet from the East line (Unit G) of Section 19, Township 21 South, Range 27 East, to produce oil and gas from the Lahuerta-Wolfcamp Pool through a string of tubing and gas from the Burton Flat-Morrow Gas Pool through the casing-tubing annulus.
- CASE 8383: Application of TXO Production Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Drinkard and Strawn formations underlying the E/2 SE/4 and all mineral interests in all other formations from the surface to 11,500 feet underlying the NE/2 SE/4 of Section 33, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8384: Application of J. M. Huber Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the South and West lines of Section 32, Township 12 South, Range 36 East, Tatum-Wolfcamp Pool, the S/2 SW/4 of said Section 32 to be dedicated to the well.
- CASE 8217: (Continued from October 3, 1984, Examiner Hearing)
- Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8337: (Continued from October 3, 1984, Examiner Hearing)
- Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8385: 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 Eddy and Chaves Counties, New Mexico:
- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Avalon-Lower Bone Spring Pool. The discovery well is the Exxon Yates C Federal Well No. 22 located in Unit E of Section 4, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 4: Lots 3, 4, 5, 6, 11 & 12
 - (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Forty Niner Ridge-Delaware Pool. The discovery well is the Getty Oil Company Forty Niner Ridge Unit Well No. 1 located in Unit J of Section 16, Township 23 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM

Section 16: SE/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Malaga-Bone Spring Pool. The discovery well is the HCW Exploration, Inc. Ann Com Well No. 1 located in Unit G of Section 15, Township 24 South, Range 28 East, NMPPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPPM

Section 15: NE/4

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sand Tank-Morrow Gas Pool. The discovery well is the Southland Royalty Company Holly 8 Fed. Com Well No. 1 located in Unit G of Section 8, Township 18 South, Range 30 East, NMPPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPPM

Section 8: E/2

- (e) EXTEND the vertical limits of the South Leo Queen-Grayburg Pool in Eddy County, New Mexico, to include the Seven Rivers and San Andres formations and redesignate said pool as the South Leo Seven Rivers-Queen-Grayburg-San Andres Pool.

- (f) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPPM

Section 35: S/2

- (g) EXTEND the Fenton-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPPM

Section 21: A11

Section 22: N/2

- (h) EXTEND the Northwest Fenton-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPPM

Section 7: S/2

Section 8: SW/4

- (i) EXTEND the Foor Ranch-PrePermian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPPM

Section 14: W/2

Section 15: A11

Section 16: E/2

- (j) EXTEND the Henshaw-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPPM

Section 14: SE/4

- (k) EXTEND the Leslie Spring-Wolfcamp Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPPM

Section 15: S/2

- (l) EXTEND the South Millman-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 6: S/2
Section 7: N/2

- (m) EXTEND the West Palmito-Wolfcamp Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 1: S/2 SE/4
Section 12: NE/4

- (n) EXTEND the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 4 SOUTH, RANGE 24 EAST, NMPM

Section 33: A11
Section 34: S/2

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM

Section 31: E/2

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM

Section 17: NW/4
Section 18: A11
Sections 31 thru 34: A11

- (o) EXTEND the South Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 24 EAST, NMPM

Sections 13 and 14: A11
Sections 24 and 25: A11

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Sections 1 and 2: A11
Section 3: E/2
Section 10: E/2
Sections 11 thru 14: A11

TOWNSHIP 10 SOUTH, RANGE 25 EAST, NMPM

Section 23: NE/4

- (p) EXTEND the West Pecos Slope-Abo Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 21 EAST, NMPM

Sections 30 thru 34: A11

TOWNSHIP 8 SOUTH, RANGE 22 EAST, NMPM

Section 28: W/2
Section 29: A11

TOWNSHIP 8 SOUTH, RANGE 23 EAST, NMPM

Section 9: S/2

- (q) EXTEND the North Square Lake Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 4: N/2 SE/4 and SW/4 SE/4

- (r) EXTEND the Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 23: N/2

Dockets Nos. 40-84 and 41-84 are tentatively set for October 17 and October 31, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - OCTOBER 3, 1984

8 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner or Gilbert P. Quintana, Alternate Examiners:

CASE 8353: Application of Pogo Producing Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South and East lines of Section 14, Township 24 South, Range 28 East, Malaga Atoka and Malaga Morrow Fields, the S/2 of said Section 14 to be dedicated to the well.

CASE 8336: (Continued from September 5, 1984, Examiner Hearing)

Application of Kaiser-Francis Oil Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Pure Gold "A" Federal Well No. 1 located in Unit A of Section 21, Township 23 South, Range 31 East, West Sand Dunes-Morrow Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8348: (Continued and Readvertised)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the North line and 1100 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8354: Application of Yates Petroleum Corporation for a unit agreement, Santa Fe County, New Mexico. Applicant, in the above-styled cause, seeks approval for the La Mesa Unit comprising 80,000 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17 and 18 North, Ranges 8 and 9 East.

CASE 8355: Application of Yates Petroleum Corporation for a unit agreement, Chaves and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the One Three Unit comprising 176,800 acres, more or less, of State, Federal and Fee lands in Townships 16, 17, 18 and 19 South, Ranges 13, 14, 15, 16, and 17 East.

CASE 8356: Application of Yates Petroleum Corporation for a unit agreement, Santa Fe and Sandoval Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Caja Del Rio Grande Unit comprising 122,600 acres, more or less, of State, Federal and Fee lands in Townships 15, 16, 17, 18 and 19 North, Ranges 6, 7, and 8 East.

CASE 8357: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Wolfcamp through the base of the Morrow formation underlying the S/2 of Section 2, Township 20 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8303: (Continued from September 19, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for an exception to Rules 2(B) and 5(A) of Division Order R-1670-I, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 2(B) of Division Order R-1670-I to permit applicant to complete its well at an unorthodox oil well location 1650 feet from the North line and 2310 feet from the East line of Section 20, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool. Applicant also seeks an exception to Rule 5(A) of Division Order R-1670-I for approval of a non-standard 80-acre oil proration unit comprising the SW/4 NE/4 and NW/4 SE/4 of said Section 20 to be dedicated to the well.

CASE 8348: (Continued from September 19, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 950 feet from the North line and 1500 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8358: (This Case will be dismissed)

Application of Harvey E. Yates Company 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 S/2 of Section 24, Township 16 South, Range 27 East, to be dedicated to a gas well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8226: (Continued from September 19, 1984, Examiner Hearing)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8359: Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 320-acre non-standard gas proration unit comprised of the S/2 of Section 17, Township 24 South, Range 37 East, Jalmat Gas Pool, and dedicated to its Late Thomas Wells Nos. 1, 2, and 3 located in Units M, L, and J, respectively, of said Section 17.CASE 8360: Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the E/2 SW/4 of Section 36, Township 23 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Maralo State Well No. 1 located in the SE/4 SW/4 of said Section 36.CASE 8361: Application of Doyle Hartman for the reinstatement of cancelled underproduction, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order to reinstate the cancelled underproduction assigned to the existing 80-acre non-standard gas proration unit comprised of the SE/4 NW/4 and SW/4 NE/4 of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, and dedicated to its Custer State Well No. 1 located in the SW/4 NE/4 of Section 36.CASE 8362: Application of Southland Royalty Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the W/2 of Section 16, Township 18 South, Range 29 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.CASE 8363: Application of Southland Royalty Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the E/2 of Section 24, Township 24 South, Range 33 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8345: (Continued from September 19, 1984, Examiner Hearing)

Application of Texaco, Inc. for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit comprising the S/2 S/2 of Section 12, Township 20 South, Range 37 East, Skaggs Abo Gas Pool.

CASE 8364: Application of Santa Fe Energy Co. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the North line and 990 feet from the West line of Section 26, Township 22 South, Range 27 East, the N/2 of said Section 26 to be dedicated to the well.

CASE 8365: Application of Sohio Petroleum Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the N.E. Salado Draw (Deep) Unit comprising 2,560.36 acres, more or less, of State, Federal and Fee lands in Townships 25 and 26 South, Ranges 33 and 34 East.

CASE 8366: Application of Phillips Petroleum Company for compulsory pooling and an unorthodox well location, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pennsylvanian formation underlying the N/2 of Section 12, Township 6 South, Range 33 East, to be dedicated to a well to be drilled at an unorthodox location 2310 feet from the North line and 1650 feet from the West line of Section 12, Township 6 South, Range 33 East. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8367: Application of Hondo Oil & Gas Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 22, Township 18 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8368: Application of Hamon Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to 12,000 feet underlying the N/2 of Section 25, Township 23 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8369: Application of Mewbourne Oil Company to vacate and void Division Order No. R-7591, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to vacate and void Division Order No. R-7591, dated July 20, 1984, pooling all mineral interests in the Upper Pennsylvanian formation underlying the SW/4 NE/4 of Section 5, Township 20 South, Range 25 East.

CASE 8370: Application of Southern Union Exploration Company for temporary special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of temporary special pool rules for the Northeast Vacuum-Wolfcamp Pool located in the NE/4 of Section 32, Township 16 South, Range 35 East, including a provision for 80-acre oil well spacing.

CASE 8217: (Continued from September 5, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8337: (Continued from September 19, 1984, Examiner Hearing)

Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Dockets Nos. 39-84 and 40-84 are tentatively set for October 3 and October 17, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 19, 1984

8 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner or Gilbert Quintana, Alternate Examiners:

- ALLOWABLE: (1) Consideration of the allowable production of gas for October, 1984, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for October, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8269: (Continued from July 25, 1984, Examiner Hearing)

Application of Cibola Energy Corporation for a unit agreement, Lincoln and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Three Rivers Unit Agreement comprising 24,539.73 acres, more or less, of Federal, State and Fee lands in Townships 9, 10 and 11 South, Ranges 8, 9, and 9 1/2 East.

CASE 8241: (Continued from August 22, 1984, Examiner Hearing)

Application of Sanders Oil & Gas Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Rio Pecos Deep Unit comprising 1600 acres, more or less, of Federal and Fee lands in Township 10 South, Range 25 East.

CASE 8306: (Continued from August 22, 1984, Examiner Hearing)

Application of Red Mountain Associates for an unorthodox location, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the North line and 2635 feet from the East line of Section 28, Township 20 North, Range 9 West, Chaco Wash-Mesaverde Oil Pool.

CASE 8273: (Continued and Readvertised)

Application of Blanks Energy Corporation for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 405 feet from the South line and 2000 feet from the East line of Section 16, Township 18 South, Range 35 East, South Vacuum-Devonian Pool, the W/2 SE/4 of said Section 16 to be dedicated to the well.

- CASE 8341: Application of Lynx Petroleum Consultants, 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 Paddock formation underlying the NE/4 SW/4 of Section 25, Township 16 South, Range 36 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

- CASE 8342: Application of Amoco Production Company for an unorthodox carbon dioxide gas well location, Harding County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 660 feet from the South and West lines of Section 24, Township 18 North, Range 33 East, Bravo Dome Carbon Dioxide Gas Unit (640-acre) Area, all of said Section 24 to be dedicated to the well.

CASE 8315: (Continued and Readvertised)

Application of Getty Oil Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks blanket approval to downhole commingle all Grayburg-Jackson Pool and Fren-Seven Rivers production underlying its Skelly Unit located in Township 17 South, Range 31 East. In the absence of objection, this application will be approved based upon the prior record.

CASE 8330: (Continued from September 5, 1984, Examiner Hearing)

Application of Chama Petroleum Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 1980 feet from the North line and 660 feet from the East line of Section 5, Township 19 South, Range 28 East, to test the Pennsylvanian and Wolfcamp formations, the N/2 of said Section 5 to be dedicated to the well.

CASE 8343: Application of Chama Petroleum Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow gas well location 1200 feet from the South line and 1400 feet from the East line of Section 10, Township 22 South, Range 24 East, the E/2 of said Section 10 to be dedicated to the well.CASE 8226: (Continued from September 5, 1984, Examiner Hearing)

Application of Doyle Hartman for HARSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8344: (This case will be dismissed)

Application of Santa Fe Energy Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1439 feet from the South line and 1090 feet from the West line of Section 27, Township 22 South, Range 27 East, South Carlsbad-Morrow Gas Pool, the S/2 of said Section 27 to be dedicated to the well.

CASE 8345: Application of Texaco Inc. for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit comprising the S/2 S/2 of Section 12, Township 20 South, Range 37 East, Skaggs Abo Gas Pool.CASE 8346: Application of BBC, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from 3,350 feet to 3,396 feet, and into an open-hole interval from 3,555 feet to 3,700 feet in its Federal "AZ" Well No. 1 located in Section 29, Township 26 South, Range 30 East.CASE 8303: (Continued and Readvertised)

Application of Yates Petroleum Corporation for an exception to Rules 2(B) and 5(A) of Division Order R-1670-I, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 2(B) of Division Order R-1670-I to permit applicant to complete its well at an unorthodox oil well location 1650 feet from the North line and 2310 feet from East line of Section 20, Township 8 South, Range 38 East, Bluit-San Andres Associated Pool. Applicant also seeks an exception to Rule 5(A) of Division Order R-1670-I for approval of a non-standard 80-acre oil proration unit comprising the SW/4 NE/4 and NW/4 SE/4 of said Section 20 to be dedicated to the well.

CASE 8324: (Continued from September 5, 1984, Examiner Hearing)

Application of Yates Petroleum Corporation for a Carbon Dioxide Injection Pilot Project and unorthodox locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a carbon dioxide injection pilot project by the injection of carbon dioxide and water into the Grayburg formation in two wells proposed to be drilled in the West Loco Hills Unit at unorthodox locations as follows:

- (a) West Loco Hills Unit G4S Tract 13-12, located 1980 feet from the North line and 10 feet from the East line; and
- (b) West Loco Hills Unit G4S Tract 6-5, located 1475 feet from the South line and 10 feet from the East line

both in Section 12, Township 18 South, Range 29 East.

CASE 8347: Application of Yates Petroleum Corporation for an Exception to Rule 202, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Rule 202 of the Division Rules and Regulations to provide an extension until July 1, 1987, of the obligation to plug or temporarily abandon existing wells in the West Loco Hills Grayburg No. 4 Sand Unit Area pending results of its Carbon Dioxide Injection Pilot Project to determine whether such wells can be utilized in the project.

CASE 8348: Application of Yates Petroleum Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 950 feet from the North line and 1500 feet from the West line of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the N/2 NW/4 of said Section 27 to be dedicated to the well.

CASE 8314: (Continued and Readvertised)

Application of Cities Service Oil & Gas Corp. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the North line and 660 feet from the East line of Section 21, Township 21 South, Range 27 East, Burton Flats-Morrow Gas Pool, the N/2 of said Section 21 to be dedicated to the well. In the absence of objection, this application will be approved based upon the prior record.

CASE 8311: (Continued and Readvertised)

Application of Sun Exploration and Production Company for an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox location 2630 feet from the North line and 1625 feet from the East line of Section 27, Township 9 South, Range 36 East, to test the Montoya, Simpson and Granite Wash formations and also to test the Crossroads-Devonian Pool, the SW/4 NE/4 of said Section 27 to be dedicated to the well. In the absence of objection, this application will be approved based upon the record of hearing held on August 22, 1984.

CASE 8337: (Continued from September 5, 1984, Examiner Hearing)

Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Docket No. 37-84

DOCKET: COMMISSION HEARING - THURSDAY - SEPTEMBER 20, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8275: (Continued from August 8, 1984, Examiner Hearing)
(This Case will be dismissed)

Application of Robert E. Landreth for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow, Atoka and Strawn formations underlying the N/2 of Section 3, Township 25 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North and West lines 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.

CASE 8349: Application of HNG Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 3, Township 25 South, Range 34 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8286: (Continued from August 1, 1984, Commission Hearing)

Application of Mesa Grande Resources, Inc. for creation of a new oil pool and special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for oil production to be designated as the Gavilan Greenhorn-Graneros-Dakota Oil Pool in Townships 24 and 25 North, Range 2 West, and the promulgation of special pool rules including a provision for 160-acre spacing.

CASE 8350: Application of Jerome P. McHugh for new pool creation and special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new oil pool to be designated as the Gavilan Greenhorn-Graneros-Dakota Oil Pool comprising Sections 1 through 3 in Township 24 North, Range 2 West and Sections 17 through 30 plus 33 through 36 in Township 25 North, Range 2 West, and the promulgation of temporary special pool rules therefor including a provision for 320-acre well spacing and proration units and specified well location requirements.

Docket No. 38-84

DOCKET: COMMISSION HEARING - WEDNESDAY - SEPTEMBER 26, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8351:

Application of Cities Service Oil & Gas Corporation for a unit agreement, Harding and San Miguel Counties, New Mexico. Applicant, in the above-styled cause, seeks approval for the West Bravo Dome Unit comprising 43,154 acres, more or less, of State, Federal and Fee lands in portions of Townships 17, 18, 19 and 20 North, Ranges 29 and 30 East.

CASE 8352:

Application of Cities Service Oil & Gas Corporation for special pool rules, Harding and San Miguel Counties, New Mexico. Applicant, in the above-styled cause, seeks an order establishing temporary 640-acre spacing rules for an area in portions of Townships 17, 18, 19 and 20 North, Ranges 29, 30 and 31 East.

Docket Nos. 36-84 and 37-84 are tentatively set for September 19 and October 3, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 5, 1984

8 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Richard L. Stamets or Michael E. Stogner, Alternate Examiners:

CASE 8290: (Continued from August 15, 1984, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Jack L. Cayias, J. R. Abraham and all other interested parties to appear and show cause why the Charles M. Well No. 1 located 1850 feet from the South line and 790 feet from the West line of Section 1, Township 25 North, Range 3 West, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.

CASE 8319: Application of Amerind Oil Co. for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 NW/4 of Section 28, Township 16 South, Range 37 East, Northeast Lovington-Pennsylvanian Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8320: Application of Amerind Oil Co. for compulsory pooling, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 NW/4 of Section 28, Township 16 South, Range 37 East, Northeast Lovington-Pennsylvanian Pool, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8321: Application of Exxon Corporation for an unorthodox oil well location, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 2500 feet from the North line and 1350 feet from the East line of Section 18, Township 23 South, Range 33 East, Cruz-Delaware Field, the SW/4 NE/4 of said Section 18 to be dedicated to the well.

CASE 8322: Application of Exxon Corporation for an unorthodox oil well location, Lea County, New Mexico.

Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1350 feet from the South line and 2500 feet from the West line of Section 18, Township 23 South, Range 33 East, Cruz-Delaware Field, the NE/4 SW/4 of said Section 18 to be dedicated to the well.

CASE 8217: (Continued from August 15, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico.

Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8249: (Continued and Readvertised)

Application of Yates Petroleum Corporation for salt water disposal, Eddy County, New Mexico.

Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Morrow formation through the perforated interval from 8,901 feet to 9,062 feet in its Dayton Townsite Well No. 1 located in Section 21, Township 18 South, Range 26 East. In the absence of objection, this application will be approved based upon the prior record.

CASE 8304: (Continued and Readvertised)

Application of Yates Petroleum Corporation for a non-standard proration unit or in the alternative, compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of a non-standard 120-acre proration unit comprising the NE/4 NE/4 and S/2 NE/4 of Section 36, Township 20 South, Range 27 East, Bone Spring formation, or in the alternative, applicant seeks an order pooling all mineral interests from the surface through the Bone Spring formation underlying the NE/4 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.

CASE 8323:

Application of Blanco Engineering, Inc. for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Atoka Penn formation in the perforated interval from 9,094 feet to 9,116 feet in its Pan American Flint Gas Com Well No. 1 located in Section 22, Township 18 South, Range 26 East.

CASE 8324:

Application of Yates Petroleum Corporation for a Carbon Dioxide Injection Pilot Project and unorthodox locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a carbon dioxide injection pilot project by the injection of carbon dioxide and water into the Grayburg formation in two wells proposed to be drilled in the West Loco Hills Unit at unorthodox locations as follows:

- (a) West Loco Hills Unit G4S Tract 13-12, located 1980 feet from the North line and 10 feet from the East line; and
- (b) West Loco Hills Unit G4S Tract 6-5, located 1475 feet from the South line and 10 feet from the East line

both in Section 12, Township 18 South, Range 29 East.

CASE 8308: (Continued from August 22, 1984, Examiner Hearing)

Application of Dugan Production Corp. for amendment of Division Order R-7258, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order R-7258 to revise only the oil allocation factor to reflect 90% of the commingled oil stream being allocated to the Mancos zone and 10% of the commingled oil stream allocated to the Dakota zone.

CASE 8309: (Continued from August 22, 1984, Examiner Hearing)

Application of Dugan Production Corp. for amendment of Division Order R-7367, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order R-7367 to revise only the oil allocation factor to reflect 92% of the commingled oil stream being allocated to the Mancos zone and 8% of the commingled oil stream allocated to the Dakota zone.

CASE 8310: (Continued from August 22, 1984, Examiner Hearing)

Application of Dugan Production Corp. for amendment of Division Order R-7365, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order R-7365 to revise only the oil allocation factor to reflect 97% of the commingled oil stream being allocated to the Mancos zone and 3% of the commingled oil stream allocated to the Dakota zone.

CASE 8325: Application of Marbob Energy Corporation for two unorthodox locations, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of two unorthodox locations one well which is to be located 1350 feet from the North line and 330 feet from the East line and another to be located 100 feet from the North line and 330 feet from the East line of Section 22, Township 17 South, Range 29 East, Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool, the SE/4 NE/4 and the NE/4 NE/4, respectively, or said Section 22 are to be dedicated to the wells.

CASE 8326: Application of Marbob Energy Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 1170 feet from the South line and 2310 feet from the East line of Section 22, Township 17 South, Range 28 East, Red Lake Queen-Grayburg-San Andres Pool.

- CASE 8327: Application of Marbob Energy Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 1295 feet from the South line and 1650 feet from the East line of Section 22, Township 17 South, Range 28 East, Red Lake Queen-Grayburg-San Andres Pool.
- CASE 8328: Application of Dinero Operating Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 660 feet from the South and East lines of Section 16, Township 22 South, Range 28 East, the S/2 of said Section 16 to be dedicated to the well.
- CASE 8329: Application of Kimbark Oil & Gas Company for an unorthodox location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration spacing and proration unit comprising the SE/4 of Section 27, Township 12 South, Range 37 East, South Gladiola Mississippian Pool, for a well to be drilled at an unorthodox location 2000 feet from the South line and 1980 feet from the East line of said Section 27.
- CASE 8330: Application of Chama Petroleum Company for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 1980 feet from the North line and 660 feet from the East line of Section 5, Township 19 South, Range 26 East, to test the Pennsylvanian and Wolfcamp formations, the N2/ of said Section 5 to be dedicated to the well.
- CASE 8326: (Continued from August 8, 1984, Examiner Hearing)
- Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8331: Application of Amoco Production Company for an extension of the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the Gavilan-Mancos Oil Pool to include Sections 10, 11, 12, 13, 14, 23 and 24 in Township 24 North, Range 2 West.
- CASE 8332: Application of Tenneco Oil Exploration and Production for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Delaware formation in the perforated interval from 4956 feet to 4970 feet in its Jennings Federal Well No. 1 located in Unit C of Section 14, Township 24 South, Range 32 East.
- CASE 8333: Application of Sun Exploration and Production Co. for amendment to Division Order R-7313-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order R-7313-A to include the Seven Rivers formation in its salt water disposal authorization for its Jennings "B" Federal Well No. 2 located in Section 15, Township 19 South, Range 32 East.
- CASE 8334: Application of Sun Exploration and Production Company for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 2561 feet from the South line and 1610 feet from the East line of Section 27, Township 9 South, Range 36 East, the SE/4 of said Section 27 to be dedicated to the well.
- CASE 8335: Application of Hilliard Oil Company for an unorthodox gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1980 feet from the South line and 460 feet from the West line of Section 26, Township 15 South, Range 30 East, Cedar Point-Strawn Gas Pool, the W/2 SW/4 of said Section 26 to be dedicated to the well.
- CASE 8336: Application of Kaiser-Francis Oil Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Pure Gold "A" Federal Well No. 1 located in Unit A of Section 21, Township 23 South, Range 31 East, West Sand Dunes-Morrow Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8337: Application of Schalk Development Co. for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Schalk 62 Well No. 1 located in Unit P of Section 33, Township 32 North, Range 5 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8338: 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, Chaves and Roosevelt Counties, New Mexico:

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Northeast Vacuum-Wolfcamp Pool. The discovery well is the Southern Union Exploration Company Kathy Folk Well No. 1 located in Unit H of Section 32, Township 16 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 32: NE/4

- (b) EXTEND the Northwest Austin-Mississippian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 35 EAST, NMPM
Section 26: N/2

- (c) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM
Section 33: SW/4

- (d) EXTEND the Caprock-Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 31 EAST, NMPM
Section 3: N/2

- (e) EXTEND the Casey Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 27: N/2

- (f) EXTEND the Double X Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 27: SW/4

- (g) EXTEND the East Grama Ridge-Strawn Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 1: E/2 and NW/4
Section 2: N/2

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

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 32: SE/4

- (i) EXTEND the Oil Center Glorieta Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: SW/4 and Lots 11, 12, 13, and 14

- (j) EXTEND the South Peterson-Pennsylvanian Associated Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 5 SOUTH, RANGE 32 EAST, NMPM
Section 36: SW/4

- (k) EXTEND the Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM

Section 31: E/2

- (l) EXTEND the South Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 8: S/2

Section 16: NW/4 and E/2

- (m) EXTEND the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM

Section 29: SW/4

- (n) EXTEND the Scharb-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM

Section 9: SE/4

- (o) EXTEND the Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM

Section 19: NE/4

Section 20: NW/4

- (p) EXTEND the Tubb Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM

Section 20: SE/4

Section 21: W/2

CASE 8339: 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 Eddy County, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Benson-Bone Spring Pool. The discovery well is Great Western Drilling Company, Mabel Hale Federal No. 2 located in Unit C of Section 11, Township 19 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMPM

Section 11: NW/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the N. E. Fenton-Bone Spring Pool. The discovery well is Ammex Production, Inc., Big Eddy Well No. 103 located in Unit N of Section 10, Township 21 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 10: SW/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Four Mile Draw-Atoka Gas Pool. The discovery well is Robert Enfield, Walters Well No. 1 located in Unit B of Section 7, Township 19 South, Range 27 East. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM

Section 7: N/2

- (d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the East Indian Draw-Delaware Pool. The discovery well is Perry R. Bass, Bass 10 Federal Well No. 1 located in Unit J of Section 10, Township 22 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM

Section 10: SE/4

- (e) EXTEND the Antelope Sink-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM

Section 13: S/2

- (f) EXTEND the West Atoka-Upper Penn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM

Section 14: W/2

- (g) EXTEND the Northeast Avalon-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 25: E/2

- (h) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 28: NE/4

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 1: Lots 1, 2, 7-16, and S/2

- (i) EXTEND the Avalon-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 25: SE/4

Section 36: NE/4

- (j) EXTEND The Brushy-Draw Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 23: W/2

- (k) EXTEND the Carlsbad-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 18: A11

Section 19: N/2

- (l) EXTEND the South Carlsbad-Strawn Gas Pool in Eddy county, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 28: A11

Section 29: S/2

- (m) EXTEND the Cemetery Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM

Section 34: S/2

Section 35: S/2

- (n) EXTEND the Fenton-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 16: N/2

- (o) EXTEND the Happy Valley-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 19: S/2

Section 30: N/2

- (p) EXTEND the Hay Hollow-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM

Section 13: SW/4

- (q) EXTEND the High Lonesome-Queen Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM

Section 10: SE/4

- (r) EXTEND the West Indian-Flats Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 28: W/2

- (s) EXTEND the Shugart-Yates-Seven Rivers-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 35: SE/4 and S/2 NE/4

- (t) EXTEND the Square Lake-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 21: NE/4

- (u) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 23: N/2

Docket No. 35-84

DOCKET: COMMISSION HEARING - WEDNESDAY - SEPTEMBER 12, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8340: Application of Tenneco Oil Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Catclaw Draw Field of Southeast New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe Office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8104: (Continued from May 15, 1984, Commission Hearing)

Application of Tenneco Oil Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico and the Catclaw Draw Field of Southeast New Mexico as provided in Section 62-7-5, NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8103: (Continued from May 15, 1984, Commission Hearing)

Application of DEPCO, Inc. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order No. R-5436 will be granted.

CASE 8107: (Continued from May 15, 1984, Commission Hearing)

Application of Energy Reserves Group for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8108: (Continued from May 15, 1984, Commission Hearing)

Application of Southern Union Exploration Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8110: (Continued from May 15, 1984, Commission Hearing)

Application of Union Texas Petroleum Corporation for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8132: (Continued from July 17, 1984, Commission Hearing)

Application of Amoco Production Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of the wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted. The Commission will consider applications for exemption for those wells which were not considered at the hearing of this case heard on July 17, 1984.

CASE 8109: (Continued from July 17, 1984, Commission Hearing)

Application of Amoco Production Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8111: (Continued from July 17, 1984, Commission Hearing)

Application of Southland Royalty Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted. The Commission will consider applications for exemption for those wells which were not considered at the hearing of this case heard on July 17, 1984.

CASE 8265: (Continued from July 17, 1984, Commission Hearing)

Application of Southland Royalty Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted. The Commission will consider applications for exemption for those wells which were not considered at the hearing of this case heard on July 17, 1984.

CASE 8134: (Continued from July 17, 1984, Commission Hearing)

Application of Ladd Petroleum Corp. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota Pool of Northwest New Mexico as provided in Section 62-7-5, NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted. The Commission will consider applications for exemption for those wells which were not considered at the hearing of this case heard on July 17, 1984.

CASE 8135: (Continued from July 17, 1984, Commission Hearing)

Application of Verly F. Moore for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Pictured Cliffs formation of Northwest New Mexico as provided in Section 62-7-5, NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8267: (Continued from July 17, 1984 Commission Hearing)

Application of Caulkins Oil Co. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota, Blanco-Mesaverde and Pictured Cliffs Pools as provided in Section 62-7-5, NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

Docket Nos. 32-84 and 33-84 are tentatively set for August 22 and September 5, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 8, 1984

8 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner or Gilbert P. Quintana, Alternate Examiners:

- CASE 8290: In the matter of the hearing called by the Oil Conservation Division on its own motion to permit Jack L. Cayias, J. R. Abraham and all other interested parties to appear and show cause why the Charles M Well No. 1 located 1850 feet from the South line and 790 feet from the West line of Section 1, Township 25 North, Range 3 West, Rio Arriba County, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program.
- CASE 8291: Application of I & W Transportation, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Kemnitz-Lower Wolfcamp Pool in the perforated interval from 10,694 feet to 11,348 feet in its Sombrero "MS" State Well No. 2 located in Unit C of Section 27, Township 16 South, Range 33 East.
- CASE 8278: (Continued from July 25, 1984, Examiner Hearing)
- Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Gavilan-Mancos Pool to the base of the Dakota producing interval underlying the W/2 of Section 23, Township 25 North, Range 2 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8292: Application of Pollution Control, Inc. for amendment to Division Order No. R-3725, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-3725 to authorize the expansion of the existing disposal facility in the vicinity of Laguna Gatuna to include the SW/4 SW/4 of Section 17, Township 20 South, Range 32 East.
- CASE 8293: Application of Apollo Energy Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Bough "C" formation through the open hole completion from 9597 feet to 9615 feet in its Federal A-13 Well No. 1 located in Unit C of Section 13, Township 9 South, Range 35 East.
- CASE 8294: Application of Lewis B. Burleson, Inc. for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Harrison Well No. 2 located in Unit N of Section 25, Township 24 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8295: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Undesignated Gallup and Dakota production in the wellbore of its Jicarilla Apache A-118 Well No. 8 located in Unit P of Section 35, Township 26 North, Range 3 West, and all wells subsequently to be drilled on this same lease which includes Sections 25, 26, 35, and 36 of this Township.
- CASE 8296: Application of Amoco Production Company for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Mesaverde, Gallup and Dakota production in the wellbore of its Fred Phillips "C" Well No. 3 in Section 15, Township 25 North, Range 3 West, the NW/4 of said Section 15 to be dedicated to the well, and in all wells subsequently to be drilled on these leases which include all of Section 10 and the N/2 of said Section 15, Township 25 North, Range 3 West.
- CASE 8276: (Continued and Readvertised)
- Application of ARCO Oil & Gas Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinbrook Drinkard and Wantz-Abo production in the wellbores of its Roy Barton Well No. 2 located in Unit B, its Roy Barton Well No. 3 located in Unit H, and its S. J. Sarkeys Well No. 4 located in Unit P, all in Section 23, Township 21 South, Range 37 East.

CASE 8297: (This case will be dismissed.)

Application of HNG Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 of Section 25, Township 24 South, Range 28 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8298: Application of Mesa Petroleum Co. for retroactive allowable, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of a retroactive gas allowable to its State Com AK Well No. 35 and its State Com AK Well No. 35E located in Section 36, Township 32 North, Range 12 West, Basin-Dakota Pool. Applicant seeks the assignment of the retroactive allowable from the date of first connection in October, 1980 until the date of the first regular allowable in April, 1982.

CASE 8299: (This case will be dismissed.)

Application of Southland Royalty Company for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 201.67-acre non-standard proration unit in Section 12, Township 32 North, Range 8 West, Albino-Pictured Cliffs Pool.

CASE 8275: (Continued from July 25, 1984, Examiner Hearing)

Application of Robert E. Landreth for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow, Atoka, and Strawn formations underlying the N/2 of Section 3, Township 25 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North and West lines 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.

CASE 8300: Application of Morris R. Antweil 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 Blinberry formation underlying the NE/4 NW/4 of Section 7, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8301: Application of Morris R. Antweil 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 Abo formation underlying the NW/4 NE/4 of Section 33, Township 19 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8212: (Continued from July 25, 1984, Examiner Hearing)

Application of W. A. Moncrief, Jr. for a HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, Mosley Canyon-Strawn Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8213: (Continued from July 11, 1984, Examiner Hearing)

Application of W. A. Moncrief, Jr. for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Marathon State Well No. 1 located in Unit J of Section 11, Township 24 South, Range 24 East, Baldrige Canyon-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8214: (Continued from July 25, 1984, Examiner Hearing)

Application of W. A. Moncrief, Jr. for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Baldrige Federal Well No. 2 located in Unit B of Section 14, Township 24 South, Range 24 East, Baldrige Canyon-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8226: (Continued from July 25, 1984, Examiner Hearing)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

Docket No. 31-84

DOCKET: EXAMINER HEARING - WEDNESDAY - AUGUST 15, 1984

8 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Gilbert P. Quintana, Examiner, or Richard L. Stamets or Michael E. Stogner, Alternate Examiners:

- ALLOWABLE:
- (1) Consideration of the allowable production of gas for September, 1984, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
 - (2) Consideration of the allowable production of gas for September, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8217: (Continued from July 25, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8204: (Continued from July 25, 1984, Examiner Hearing)

Application of Costa Resources, Inc. for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow well location 1600 feet from the South line and 660 feet from the East line of Section 2, Township 18 South, Range 28 East, the S/2 of said Section 2 to be dedicated to the well.

Docket Nos. 30-84 and 31-84 are tentatively set for August 8 and August 22, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 25, 1984

8 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 Richard L. Stamets, Alternate Examiner:

- CASE 8268: Application of Randolph M. Richardson for a unit agreement, Dona Ana County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Sunland Park Unit Agreement comprising 22,284 acres, more or less, of Federal, State, and Fee lands in Townships 26 and 27 South, Ranges 1 West and 1 East.
- CASE 8269: Application of Cibola Energy Corporation for a unit agreement, Lincoln and Otero Counties, New Mexico. Applicant, in the above-styled cause, seeks approval of the Three Rivers Unit Agreement comprising 24,539.73 acres, more or less, of Federal, State and Fee lands in Townships 9, 10 and 11 South, Ranges 8, 9, and 9½ East.
- CASE 8270: Application of Yates Petroleum Corporation for a non-standard oil proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 160-acre non-standard proration unit comprising the SW/4 of Section 11, Township 7 South, Range 33 East, in the Bough C formation.
- CASE 8271: Application of Mustard Seed Oil & Chemical Corporation for a non-standard proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard proration unit comprising the NE/4 SE/4 of Section 21, Township 26 North, Range 1 East, East Puerto Chiquito-Mancos Oil Pool.
- CASE 8247: (Continued from July 11, 1984, Examiner Hearing)
- Application of Charles B. Gillespie, Jr. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Townsend Wolfcamp (Permo Upper-Penn) formation in the perforated interval from 10546 feet to 10598 feet in its State D Well No. 3 located 3,000 feet from the South line and 330 feet from the West line of Section 1, Township 16 South, Range 35 East.
- CASE 8272: Application of Shell Western E & P, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1285 feet from the South line and 660 feet from the East line of Section 33, Township 23 South, Range 34 East, to test the Ellenburger formation and/or to develop the Antelope Ridge-Devonian Gas Pool.
- CASE 8273: Application of Blanks Energy Corporation for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 330 feet from the South line and 2000 feet from the East line of Section 16, Township 18 South, Range 35 East, South Vacuum-Devonian Pool, the W/2 SE/4 of said Section 16 to be dedicated to the well.
- CASE 8274: Application of Blanks Energy Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 660 feet from the North line and 990 feet from the East line of Section 21, Township 18 South, Range 35 East, South Vacuum-Devonian Pool, the E/2 NE/4 of said Section 21 to be dedicated to the well.
- CASE 8217: (Continued from July 11, 1984, Examiner Hearing)
- Application of Curtis J. Little for HARSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8275: Application of Robert E. Landreth for compulsory pooling and an unorthodox location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Morrow, Atoka, and Strawn formations underlying the N/2 of Section 3, Township 25 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 660 feet from the North and West lines 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.
- CASE 8276: Application of ARCO Oil and Gas Company for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of Blinebry, Drinkard, and Wantz-Abo production in the wellbore of its Roy Barton Well No. 2 located in Unit B of Section 23, Township 21 South, Range 37 East.

CASE 8212: (Continued from July 11, 1984, Examiner Hearing)

Application of W. A. Moncrief, Jr. for a HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, Mosley Canyon-Strawn Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8214: (Continued from July 11, 1984, Examiner Hearing)

Application of W. A. Moncrief, Jr. for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Baldrige Federal Well No. 2 located in Unit B of Section 14, Township 24 South, Range 24 East, Baldrige Canyon-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8226: (Continued from July 11, 1984, Examiner Hearing)

Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8277: Application of Fred G. Yates for compulsory pooling and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in all formations from the surface through the Pennsylvanian formation underlying the SW/4 of Section 18, Township 13 South, Range 32 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Applicant also seeks approval of a 160-acre non-standard proration unit comprising the SW/4 of said Section 18 to be dedicated to this well.CASE 8207: (Continued from June 6, 1984, Examiner Hearing)

Application of Coastal Oil & Gas Corporation for a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard oil proration unit comprising the NE/4 SE/4 of Section 6, Township 14 South, Range 33 East, Baum-Upper Pennsylvanian Pool.

CASE 8278: Application of Mesa Grande Resources, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the top of the Gavilan-Mancos Pool to the base of the Dakota producing interval underlying the W/2 of Section 23, Township 25 North, Range 2 West, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.CASE 8243: (Continued from July 11, 1984, Examiner Hearing)

Application of Robert E. Chandler Corp. 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 Drinkard formation underlying the NW/4 NW/4 of Section 12, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8279: Application of Phillips Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Ranger Lake-Pennsylvanian Pool in the perforated interval from 10,228 feet to 10,346 feet in its Ranger Well No. 6 located in Unit N of Section 23, Township 12 South, Range 34 East.

CASE 3170: (Continued from June 20, 1984, Examiner Hearing)

Application of Pennzoil 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 11,500 feet or the base of the Strawn, whichever is lower, underlying the N/2 SE/4 of Section 20, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8280: Application of Gulf Oil Corporation for dual completion, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the dual completion of its Artesia State Com Well No. 1 located in Unit G of Section 23, Township 18 South, Range 28 East, to produce oil and gas from the Travis-Upper Pennsylvanian Pool through a string of tubing and gas from the North Turkey Track-Morrow Gas Pool through the casing-tubing annulus.CASE 8204: (Continued from July 11, 1984, Examiner Hearing)

Application of Costa Resources, Inc. for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow well location 1600 feet from the South line and 660 feet from the East line of Section 2, Township 18 South, Range 28 East, the S/2 of said Section 2 to be dedicated to the well.

CASE 8281: Application of Tenneco Oil Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1500 feet from the South line and 1980 feet from the East line of Section 13, Township 24 South, Range 28 East, Pennsylvanian gas pools, the E/2 of said Section 13 to be dedicated to the well.CASE 8282: Application of Tenneco Oil Company for seven non-standard proration units, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of seven 160-acre non-standard proration units, Blanco-Mesaverde Pool, comprising the following:

Eaton Com "B" Well No. 1
Township 29 North, Range 11 West
Section 25: SE/4

Bruce Sullivan Com "B" Well No. 1
Township 29 North, Range 11 West
Section 25: NW/4

Sullivan Frame Com "B" Well No. 1
Township 29 North, Range 10 West
Section 30: NW/4

Bunce Com Well No. 1
Township 29 North, Range 10 West
Section 19: NW/4

Sullivan Frame "A" Well No. 1-E
Township 29 North, Range 10 West
Section 30: NE/4

Sullivan Gas Unit "A" Well No. 1-E
Township 29 North, Range 11 West
Section 25: SW/4

Marcus G. Eaton Unit "A" Well No. 1-E
Township 29 North, Range 11 West
Section 25: NE/4

CASE 8245: (Continued from July 11, 1984, Examiner Hearing)

Application of Tenneco Oil Exploration and Production for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Dawson Federal Well No. 1 located in Unit D of Section 26, Township 27 North, Range 8 West, Blanco Mesaverde Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 3283: Application of Tenneco Oil Exploration and Production for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Jones Well No. 5 located in Unit A of Section 35, Township 29 North, Range 8 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8284: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order reclassifying, contracting and extending certain pools in Chaves, Lea and Roosevelt Counties, New Mexico:

- (a) RECLASSIFY the Dublin-Devonian Oil Pool in Lea County, New Mexico, to a gas pool because the Petroleum Corporation Tenneco Federal Well No. 1 located in Unit N of Section 12, Township 26 South, Range 37 East, NMPM, the only producing well in the pool is classified as a gas well. The other two wells which produced from this pool have been plugged.

Further, CONTRACT the horizontal limits of said Dublin-Devonian Gas Pool by the deletion of the following described area:

TOWNSHIP 26 SOUTH, RANGE 37 EAST, NMPM

Section 13: A11

Section 14: A11

- (b) EXTEND the Baum-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM

Section 23: NW/4

- (c) EXTEND the Cruz-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 33 EAST, NMPM

Section 17: SW/4

Section 18: SW/4

- (d) EXTEND The South Double A-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM

Section 30: S/2

- (e) EXTEND the E K-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 25: SE/4

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM

Section 29: SW/4

- (f) EXTEND The Eunice Monument Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM

Section 32: SE/4

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM

Section 5: E/2

- (g) EXTEND The Foster-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM

Section 31: SE/4

- (h) EXTEND the Gladiola-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 37 EAST, NMPM

Section 36: NE/4

TOWNSHIP 11 SOUTH, RANGE 38 EAST, NMPM

Section 31: NW/4

- (i) EXTEND the Hobbs-Drinkard Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM
Section 30: SE/4
- (j) EXTEND the South King-Devonian Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 14 SOUTH, RANGE 37 EAST, NMPM
Section 12: NW/4
- (k) EXTEND the South Leonard-Queen Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 26 SOUTH, RANGE 38 EAST, NMPM
Section 18: NW/4
- (l) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 21: SW/4
- (m) EXTEND the Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 12: SW/4
TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 7: SW/4
- (n) EXTEND the West Pearl-San Andres Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 29: SE/4
- (o) EXTEND the South Peterson-Fusselman Pool in Roosevelt County, New Mexico, to include therein:
TOWNSHIP 6 SOUTH, RANGE 33 EAST, NMPM
Section 1: Lots 3 and 4
Section 2: Lots 1, 2, 3, and 4
Section 3: Lots 1 and 2
Section 10: NE/4
- (p) EXTEND the South Salt Lake-Atoka Gas Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 5: Lots 1, 2, 3, 4, 5, 6, 7, and 8
- (q) EXTEND the Scharb-Bone Spring Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 8: S/2
Section 17: N/2 and SE/4

(r) EXTEND the Siete-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 31 EAST, NMPM

Section 17: NW/4
Section 18: NE/4

(s) EXTEND the North Tom-Tom San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 31 EAST, NMPM

Section 16: SW/4
Section 17: SE/4

(t) EXTEND the Wantz-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Section 3: Lots 11, 12, 13, and 14

(u) EXTEND the North Williams-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 32 EAST, NMPM

Section 9: E/2
Section 10: NW/4
Section 16: NE/4

Docket No. 28-84

DOCKET: COMMISSION HEARING - WEDNESDAY - AUGUST 1, 1984

9:00 A.M. - OIL CONSERVATION COMMISSION - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8234: (Continued from June 20, 1984, Examiner Hearing)

Application of Anadarko Production Company for salt water disposal and an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Upper Pennsylvanian formation in the perforated interval from 7800 feet to 8040 feet in its Dagger Draw SWD Well No. 1 to be located at an unorthodox location 1495 feet from the North line and 225 feet from the West line of Section 22, Township 19 South, Range 25 East.

CASE 8042: (De Novo)

Application of Northwest Exploration Company for an exception to the special pool rules for the Gavilan-Mancos Oil Pool, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to simultaneously dedicate its Gavilan Well No. 1 in Unit A and its Gavilan Well No. 1-E in Unit E of Section 26, Township 25 North, Range 2 West, to a standard spacing unit comprised of the N/2 of said Section 26. Applicant further seeks approval for the downhole commingling of Gallup, Mancos and Dakota production in the wellbore of each of said wells. Upon request of Northwest Exploration Company and Mesa Grande Resources, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 8285: Application of Greenwood Properties, Inc. to vacate and void Division Order No. R-7482, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks to vacate and void Division Order No. R-7482 which authorized a 70.57-acre non-standard proration unit for Slayton Oil Corporation comprising Lots 8 and 9 of Section 18, Township 29 North, Range 14 West, Cha Cha-Gallup Oil Pool.

- CASE 8286: Application of Mesa Grande Resources, Inc. for creation of a new oil pool and special pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for oil production to be designated as the Gavilan Greenhorn-Graneros-Dakota Oil Pool in Townships 24 and 25 North, Range 2 West, and the promulgation of special pool rules including a provision for 160-acre spacing.
- CASE 8287: Application of Bass Enterprises Production Co. for the amendment of Division Order No. R-111-A, Eddy and Lea Counties, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-111-A, as amended, by the inclusion of an Article whereby the Director of the Oil Conservation Division shall have the authority to grant approval, without notice and hearing, for the directional drilling of wells from orthodox and unorthodox surface locations outside the Potash-Oil Area to orthodox and unorthodox bottomhole locations beneath the Potash-Oil Area provided that the Salado formation is not penetrated therein.
- CASE 8288: Application of Bass Enterprises Production Co. for the approval of drilling islands and special rules for Potash-Oil Area, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of 18 specified drilling islands for the drilling of shallow and deep wells (above or below the base of the Strawn formation) and for special rules to be applied therein including approval of vertical and directional drilling; orthodox and unorthodox surface and bottomhole locations; and special drilling, casing and cementing requirements all within or in the vicinity of the Potash-Oil Area as defined in Division Order R-111-A, as amended.

Docket No. 29-84

DOCKET: COMMISSION HEARING - FRIDAY - AUGUST 3, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

- CASE 8289: In the matter of Case 8289 being called by the Oil Conservation Division on its own motion pursuant to the provisions of Division Order No. R-6446-B 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 8259: (Continued from July 11, 1984, Examiner Hearing)
- Application of Robert N. Enfield for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1,200 feet from the South line and 330 feet from the East line of Section 18, Township 21 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool, all of said Section 18 to be dedicated to the well.

Docket Nos. 27-84 and 28-84 are tentatively set for July 25 and August 8, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 11, 1984

8:00 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Richard L. Stamets, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for August, 1984, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for August, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

- CASE 8240: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the rescission of Order No. R-2788. The Division seeks to rescind this order which allows special salt water disposal procedures in Townships 6 and 7 South, Range 26 East.
- CASE 8241: Application of Sanders Oil & Gas Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Pecos River Unit comprising 1600 acres, more or less, of Federal and Fee lands in Township 10 South, Range 25 East.
- CASE 8242: Application of Petrus Operating Company, Inc. for an unorthodox oil well location and a non-standard proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of a 40-acre non-standard spacing and proration unit comprising the NE/4 SE/4 of Section 34, Township 11 South, Range 33 East, Bagley-Siluro Devonian Pool, for a well to be drilled at an unorthodox location in the quarter-quarter section.
- CASE 8243: Application of Robert E. Chandler Corp. 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 Drinkard formation underlying the NW/4 NW/4 of Section 12, Township 20 South, Range 38 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8244: Application of Tenneco Oil Company for discovery allowable and creation of a new oil pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new Queen oil pool for its State J. L. 36 Well No. 1 located 660 feet from the South line and 1980 feet from the East line of Section 36, Township 18 South, Range 29 East. In addition, applicant seeks the assignment of a discovery allowable for this well.
- CASE 8245: Application of Tenneco Oil Exploration and Production for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Dawson Federal Well No. 1 located in Unit D of Section 26, Township 27 North, Range 8 West, Blanco Mesaverde Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8204: (Continued from June 20, 1984, Examiner Hearing)
- Application of Costa Resources, Inc. for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow well location 1600 feet from the South line and 660 feet from the East line of Section 2, Township 18 South, Range 28 East, the S/2 of said Section 2 to be dedicated to the well.
- CASE 8246: Application of Trans Pecos Resources, Inc. for authority to inject produced gas for an enhanced oil recovery pilot project, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks authority to inject produced gas for an Enhanced Oil Recovery Pilot Project into the Pennsylvanian formation in the perforated interval from 6165 feet to 6203 feet in its Latigo Ranch Block "A" Well No. 1 located 1980 feet from the North and East lines of Section 2, Township 9 North, Range 23 East.

- CASE 8247: Application of Charles B. Gillespie, Jr. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Townsend Wolfcamp (Permo-Upper Penn) formation in the perforated interval from 10546 feet to 10598 feet in its State D Well No. 3 located 3000 feet from the South line and 330 feet from the West line of Section 1, Township 16 South, Range 35 East.
- CASE 8248: Application of Consolidated Oil & Gas Inc. for amendment of Division Order No. R-6943-A, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-6943-A, as amended, which authorized the Midway State Well No. 1, located 330 feet from the South and East lines of Section 8, Township 17 South, Range 37 East, to dispose of produced salt water into the Glorieta formation and provided in part that 4 Midway Abo producing wells, all within a 1/2 mile radius of the SWD well, were not adequately cemented through the injection interval. Consolidated now requests that the stipulation to have these four wells properly cemented be amended to provide for close monitoring of these well bores.
- CASE 8249: Application of Yates Petroleum Corporation for salt water disposal, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Morrow formation in the perforated intervals from 8,901 to 8,914 feet, 8,978 to 8,992 feet and 9,045 to 9,062 feet in its Dayton Townsite Well No. 1 located 1,980 feet from the North and East lines of Section 21, Township 18 South, Range 26 East.
- CASE 8250: Application of Alpha Twenty-One 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 Grayburg formation underlying the NE/4 SE/4 of Section 32, Township 18 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8251: Application of Alpha Twenty-One 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 Grayburg formation underlying the SE/4 SE/4 of Section 32, Township 18 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8215: (Continued from June 6, 1984, Examiner Hearing)
- Application of Alpha Twenty-One Production Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its BRC Madera Well No. 1 located in Unit B of Section 29, Township 22 South, Range 27 East, South Carlsbad-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8252: Application of Alpha Twenty-One Production Company for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its El Paso Smith Well No. 1 located in Unit N of Section 21, Township 24 South, Range 37 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8253: Application of Alpha Twenty-One Production Company for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Justis "BC" Federal Com Well No. 2 located in Unit H of Section 11, Township 25 South, Range 37 East, Justis-Glorieta Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8254: Application of Alpha Twenty-One Production Company for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Lansford Well No. 1 located in Unit N of Section 21, Township 21 South, Range 37 East, Hare-San Andres Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8255: Application of Arco Oil and Gas Company for amendment of Division Order No. R-7395, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7395 to delete requirement No. 5 regarding conducting annual tracer surveys on all injection wells and providing notice of the dates and the results of such surveys to the New Mexico Oil Conservation Division's Aztec District Office.
- CASE 8256: Application of Getty Oil Company for surface commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle Gallup, Dakota and Pictured Cliffs production from several wells on its Jicarilla B and C Leases, portions of which are in; Sections 5 and 6, Township 24 North, Range 5 West, and Sections 21, 22, 27, 28, 31, 32, 33, 34, in Township 25 North, Range 5 West.

- CASE 8257: Application of Getty Oil Company for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the NW/4 of Section 20, Township 6 South, Range 26 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8212: (Continued from June 6, 1984, Examiner Hearing)
- Application of W. A. Moncrief, Jr. for a HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Jurnegan State Well No. 1 located in Unit C of Section 8, Township 24 South, Range 25 East, Mosley Canyon-Strawn Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8214: (Continued from June 6, 1984, Examiner Hearing)
- Application of W. A. Moncrief, Jr. for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Baldrige Federal Well No. 2 located in Unit B of Section 14, Township 24 South, Range 24 East, Baldrige Canyon-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8226: (Continued from June 20, 1984, Examiner Hearing)
- Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8227: (Continued from June 20, 1984, Examiner Hearing)
- Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Gulf-Greer Well No. 1 located in Unit L of Section 21, Township 22 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8228: (Continued from June 20, 1984, Examiner Hearing)
- Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Langlie "A" State Well No. 3 located in Unit I of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8229: (Continued from June 20, 1984, Examiner Hearing)
- Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Bates-BB&S Well No. 1 located in Unit E of Section 29, Township 25 South, Range 37 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8258: Application of The Ronadero Company, Inc. for downhole commingling and dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle Devonian and Pennsylvanian production in the wellbore of a well located 1,650 feet from the North line and 1980 feet from the West line of Section 23, Township 12 South, Range 32 East, the SE/4 NW/4 of said Section 23 to be dedicated to the well. In addition, applicant seeks authorization of future dual completion of these zones.
- CASE 8259: Application of Robert N. Enfield for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1,200 feet from the South line and 330 feet from the East line of Section 18, Township 21 South, Range 23 East, Indian Basin-Upper Pennsylvanian Gas Pool, all of said Section 18 to be dedicated to the well.

CASE 8239: (Continued from June 20, 1984, Examiner Hearing)

Application of Coastal Oil & Gas Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 990 feet from the South line and 1980 feet from the West line of Section 31, Township 13 South, Range 33 East, Baum-Pennsylvanian Field, the SW/4 of said Section 31 to be dedicated to the well.

CASE 8210: (Continued from June 20, 1984, Examiner Hearing)

Application of Coastal Oil & Gas Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation at a depth of 5100 feet to 5500 feet in the following two wells in Township 14 South, Range 32 East: State "27" Well No. 1 located in Unit H of Section 27 and State "22" Well No. 1 located in Unit I of Section 22. Said State "22" Well No. 1 is currently being used to dispose of produced salt water into the Pennsylvanian formation.

CASE 8217: (Continued from June 6, 1984, Examiner Hearing)

Application of Curtis J. Little for HARDSHIP GAS WELL CLASSIFICATION, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Federal Com Well No. 2E located in Unit N of Section 11, Township 28 North, Range 13 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8218: (Continued from June 6, 1984, Examiner Hearing)

Application of Dinero Operating Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Dinero State Comm. Well No. 1 located in Unit C of Section 16, Township 22 South, Range 28 East, Dublin Ranch-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8219: (Continued from June 6, 1984, Examiner Hearing)

Application of Dinero Operating Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Little Squaw Comm. Well No. 1 located in Unit F of Section 27, Township 22 South, Range 28 East, Dublin Ranch-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8220: (Continued from June 6, 1984, Examiner Hearing)

Application of Dinero Operating Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Big Chief Comm. Well No. 4 located in Unit N of Section 15, Township 22 South, Range 28 East, Dublin Ranch-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8221: (Continued from June 6, 1984, Examiner Hearing)

Application of Dinero Operating Company for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Big Chief Comm Well No. 1 located in Unit F of Section 22, Township 22 South, Range 28 East, Dublin Ranch-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8261: Application of Merrion Oil & Gas Corporation for retroactive allowable, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the assignment of a retroactive gas allowable to its East Lindrith Well No. 5 located in Unit L of Section 27, Township 24 North, Range 2 West, South Blanco-Pictured Cliffs Pool. Applicant seeks the assignment of the retroactive allowable from the date of first connection in June, 1982 until the date of the first regular allowable in July, 1983.CASE 8262: Application of Shell Western E & P, Inc. for infill findings, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that infill drilling of 38 proration units in the North Hobbs (Grayburg San Andres) Unit (Grayburg San Andres) Pool is necessary to effectively and efficiently drain those proration units.CASE 8263: Application of Shell Western E & P, Inc. for unorthodox locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of 35 unorthodox well locations in the North Hobbs (Grayburg San Andres) Unit, Hobbs (Grayburg San Andres) Pool.

SE 8264: Application of Shell Western E & P, Inc. for directional drilling and unorthodox locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the directional drilling of three wells in the North Hobbs (Grayburg San Andres) Unit at unorthodox surface locations to unorthodox bottom hole locations. Applicant proposes to drill a well from a location 1163 feet from the South line and 2014 feet from the West line of Section 28, Township 18 South, Range 38 East, to a bottom hole location within 100 feet of a point 1100 feet from the South line and 2400 feet from the West line of that Section.

Applicant proposes to drill a well from a surface location 110 feet from the North line and 1830 feet from the East line of Section 33, Township 18 South, Range 38 East to a bottom hole location 10 feet from the North line and 1330 feet from the East line of that Section.

Applicant proposes to drill a well from a surface location 500 feet from the North line and 1448 feet from the East line of Section 30, Township 18 South, Range 38 East, to a bottom hole location 20 feet from the North line and 1268 feet from the East line.

CASE 8260: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider: The assignment of a discovery allowable of 29,200 barrels to the East Avalon-Bone Spring Pool in Eddy County.

Docket No. 26-84

DOCKET: COMMISSION HEARING - TUESDAY - JULY 17, 1984

OIL CONSERVATION COMMISSION - 9 A.M. - ROOM 205
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

CASE 8132: (Continued from May 15, 1984, Commission Hearing)

Application of Amoco Production Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of the wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such applications for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8109: (Continued from May 15, 1984, Commission Hearing)

Application of Amoco Production Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in Order R-5436 will be granted.

CASE 8111: (Continued from May 15, 1984, Commission Hearing)

Application of Southland Royalty Company for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8265: Application of Southland Royalty Co. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

SE 8134: (Continued from May 15, 1984, Commission Hearing)

Application of Ladd Petroleum Corp. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota Pool of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8135: (Continued from May 15, 1984 Commission Hearing)

Application of Veryl F. Moore for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Pictured Cliffs formation of Northwest New Mexico as provided in Section 62-7-5, NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8266: Application of Sun Exploration and Production for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota Pool as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.CASE 8133: (Continued from May 15, 1984, Commission Hearing)

Application of Gulf Oil Exploration for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8105: (Continued from May 15, 1984, Commission Hearing)

Application of Conoco Inc. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota and Blanco-Mesaverde Pools of Northwest New Mexico as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

CASE 8267: Application of Caulkins Oil Co. for exemption from the New Mexico Natural Gas Pricing Act (NMPA). Applicant, in the above-styled cause, seeks the exemption from the NMPA of certain infill wells in the Basin-Dakota, Blanco-Mesaverde and Pictured Cliffs Pools as provided in Section 62-7-5 NMSA, 1978. To be considered will be the granting of these exemptions from the date of the filing of the application. A list of wells for which exemptions are being sought may be obtained by contacting the Oil Conservation Division's Santa Fe office. In the absence of objection, any such application for exemption which meets the criteria set forth in OCD Order R-5436 will be granted.

Dockets Nos. 25-84 and 26-84 are tentatively set for July 11 and July 25, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - JUNE 20, 1984

8:00 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 Richard L. Stamets, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for July, 1984, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for July, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8226: Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its South Empire State Com Well No. 1 located in Unit M of Section 24, Township 17 South, Range 28 East, South Empire-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8227: Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Gulf-Greer Well No. 1 located in Unit L of Section 21, Township 22 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8228: Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Langlie "A" State Well No. 3 located in Unit I of Section 36, Township 24 South, Range 36 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8229: Application of Doyle Hartman for HARDSHIP GAS WELL CLASSIFICATION, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Bates-BB&S Well No. 1 located in Unit E of Section 29, Township 25 South, Range 37 East, Jalmat Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8122: (Continued from April 25, 1984, Examiner Hearing)

Application of Atlantic Richfield Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of all Kutz-Gallup Oil and Basin-Dakota Gas production underlying Sections 3 and 10 in Township 27 North, Range 11 West, and Sections 27 through 29, and 32 through 34 in Township 28 North, Range 11 West.

CASE 8230: Application of Rio Petro, Ltd. for a unit agreement, Guadalupe County, New Mexico. Applicant, in the above-styled cause, seeks approval of the T-4 (Enhanced Recovery) Unit Area comprising 1,520.00 acres, more or less, of State and Fee lands in Township 11 North, Range 26 East.

CASE 8161: (Continued from May 23, 1984, Examiner Hearing)

Application of Corrida Oil Inc. for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard proration unit comprising the SW/4 SE/4 of Section 13 and the NW/4 NE/4 of Section 24, Township 25 North, Range 13 West, Bisti-Lower Gallup Oil Pool.

CASE 8162: (Continued from May 23, 1984, Examiner Hearing)

Application of Corrida Oil Inc. for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard proration unit comprising the E/2 SE/4 of Section 13, Township 25 North, Range 13 West, Bisti-Lower Gallup Oil Pool.

CASE 8163: (Continued from May 23, 1984, Examiner Hearing)

Application of Corrida Oil Inc. for a non-standard proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an 80-acre non-standard proration unit comprising the E/2 NE/4 of Section 24, Township 25 North, Range 13 West, Bisti-Lower Gallup Oil Pool.

- CASE 8231: Application of Amerind Oil Co. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the S/2 SW/4 of Section 21, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8232: Application of Amerind Oil Co. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pennsylvanian formation underlying the N/2 SW/4 of Section 21, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8233: Application of Tenneco Oil Exploration and Production for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation in the perforated interval from 4458 feet to 4528 feet in its Coastal "A" State Well No. 2 located 718 feet from the North line and 2029 feet from the East line of Section 9, Township 9 South, Range 33 East.
- CASE 8205: (Continued and Readvertised) (This Case is to be dismissed)
- Application of Cities Service Oil & Gas Corporation for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 1500 feet from the North line and 1000 feet from the East line of Section 21, Township 21 South, Range 27 East, Burton Flats-Morrow Gas Pool, the N/2 of said Section 21 to be dedicated to the well.
- CASE 8170: (Continued from May 23, 1984, Examiner Hearing)
- Application of Pennzoil 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 11,500 feet or the base of the Strawn, whichever is lower, underlying the N/2 SE/4 of Section 20, Township 16 South, Range 37 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.
- CASE 8204: (Continued from June 6, 1984, Examiner Hearing)
- Application of Costa Resources, Inc. for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow well location 1600 feet from the South line and 660 feet from the East line of Section 2, Township 18 South, Range 28 East, the S/2 of said Section 2 to be dedicated to the well.
- CASE 8234: Application of Anadarko Production Company for salt water disposal and an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Upper Pennsylvanian formation in the perforated interval from 7800 feet to 8040 feet in its Dagger Draw SWD Well No. 1 to be located at an unorthodox location 1495 feet from the North line and 225 feet from the West line of Section 22, Township 19 South, Range 25 East.
- CASE 8211: (Continued from June 6, 1984, Examiner Hearing)
- Application of Penroc Oil Corporation for HARDSHIP GAS WELL CLASSIFICATION, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Angell Ranch Well No. 1 located in Unit B of Section 33, Township 19 South, Range 28 East, Winchester-Morrow Gas Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.
- CASE 8235: Application of Yates Petroleum Corporation for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 2310 feet from the North and East lines of Section 27, Township 16 South, Range 37 East, Casey-Strawn Pool, the W/2 NE/4 of said Section 27 to be dedicated to the well.
- CASE 8236: Application of Yates Petroleum Corporation for an unorthodox well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 330 feet from the North line and 2600 feet from the East line of Section 32, Township 16 South, Range 31 East, Square Lake Grayburg-San Andres Pool, the NW/4 NE/4 of said Section 32 to be dedicated to the well.

CASE 8237: Application of TXO Production Corp. for compulsory pooling, directional drilling and an unorthodox 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 the base of the Morrow formation underlying the N/2 of Section 30, Township 21 South, Range 27 East, and proposes to directionally drill a well at an unorthodox surface location located 660 feet from the South line and 560 feet from the East line of Section 19, Township 21 South, Range 27 East, with an unorthodox bottomhole location 660 feet from the North line and 660 feet from the East line of Section 30, Township 21 South, Range 27 East, at a vertical depth of 11,700 feet. Applicant also seeks an unorthodox oil well location in the Wolfcamp formation 130 feet from the North line and 623 feet from the East line of said Section 30. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8238: Application of Robert L. Bayless for surface commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks authority to commingle South Blanco-Pictured Cliffs production from its Jicarilla 363 B Well No. 4 located in Unit C of Section 16 and 5 located in Unit B of Section 26, both in Township 24 North, Range 4 West. Applicant further seeks to meter these wells with the existing facilities at the Jicarilla 363 B Well No. 4.

CASE 8199: (Continued from June 6, 1984, Examiner Hearing)

Application of Earle M. Craig, Jr. Corp. for an unorthodox well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox Morrow location 1320 feet from the North and East lines of Section 2, Township 21 South, Range 33 East, Lots 1 through 8 of said Section 2 to be dedicated to the well.

CASE 8195: (Continued from May 23, 1984, Examiner Hearing)

Application of Don Stuckey for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Upper Pennsylvanian formation underlying the SE/4 NW/4 of Section 5, Township 20 South, Range 25 East, to be dedicated to a well to be drilled at a standard location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8239: Application of Coastal Oil & Gas Corporation for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 990 feet from the South line and 1980 feet from the West line of Section 31, Township 13 South, Range 33 East, Baum-Pennsylvanian Field, the SW/4 of said Section 31 to be dedicated to the well.

CASE 8210: (Continued from June 6, 1984, Examiner Hearing)

Application of Coastal Oil & Gas Corporation for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the San Andres formation at a depth of 5100 feet to 5500 feet in the following two wells in Township 14 South, Range 32 East: State "27" Well No. 1 located in Unit H of Section 27 and State "22" Well No. 1 located in Unit I of Section 22. Said State "22" Well No. 1 is currently being used to dispose of produced salt water into the Pennsylvanian formation.