

Dockets Nos. 46-84 and 1-85 are tentatively set for December 19, 1984 and January 3, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 28, 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 Gilbert P. Quintana, Alternate Examiner:

CASE 8387: (Continued from October 31, 1984, Examiner Hearing)

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

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

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 8410: Application of Inexco Oil Company for a unit agreement, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Madewell Anticline Unit Area comprising 39,278.45 acres, more or less, of State, Federal and Fee lands in Townships 12, 13, and 14 South, Ranges 21 and 22 East.

CASE 8411: Application of GGC, Inc. for an oil treating plant permit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority for the construction and operation of an oil treating plant for the purpose of treating and reclaiming sediment oil at a site in Section 29, Township 9 South, Range 33 East.

CASE 8412: Application of Chama Petroleum 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 15, Township 19 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 8413: Application of Union Texas Petroleum 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, Tapacito-Pictured Cliffs, Blanco Mesaverde, Ballard-Pictured Cliffs, Fulcher Kutz-Pictured Cliffs, and Aztec-Pictured Cliffs 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.

CASE 8408: (Continued from November 14, 1984, Examiner Hearing)

Application of Union Texas Petroleum Corporation for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Culpepper-Martin Well No. 1E located in the SE/4 SE/4 of Section 31, Township 32 North, Range 12 West, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Blanco Mesaverde Pool which cannot be so drained by the two existing wells on the unit.

CASE 8390: (Continued from November 14, 1984, Examiner Hearing)

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 8414: Application of Harvey E. Yates Company 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 intervals from 3285 feet to 3308 feet in its Stebbins Deep Federal Well No. 4 located in the NE/4 NE/4 of Section 30, Township 20 South, Range 29 East.

CASE 8415: Application of Conoco Inc. for compulsory pooling, a non-standard proration unit and an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Abo formation underlying the N/2 N/2 of Section 12, Township 20 South, Range 37 East, to be dedicated to a well drilled at an unorthodox location 990 feet from the North line and 1980 feet from the East line of said Section 12. Applicant further seeks approval of a 160-acre non-standard gas proration unit comprising the N/2 N/2 of said Section 12. 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 8416: Application of Phillips Oil Company for an unorthodox oil well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox well location 1300 feet from the North line and 1500 feet from the East line of Section 24, Township 17 South, Range 29 East, Grayburg-Jackson Pool.

CASE 8417: Application of Phillips Oil Company 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 2580 feet from the West line of Section 23, Township 17 South, Range 29 East, Grayburg-Jackson Pool.

CASE 8418: Application of Phillips Oil Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project by the injection of water into certain wells on its Keely A Federal, Keely B Federal, Keely C Federal, Burch BB Federal, Burch C Federal, and Dexter Federal leases, Grayburg-Jackson Pool, in portions of Sections 23, 24, 25 and 26 of Township 17 South, Range 29 East, and portions of Sections 19, 24, and 30, Township 17 South, Range 30 East. Applicant further seeks an administrative approval procedure for waterflood expansion and unorthodox locations.

CASE 8406: (Continued and Readvertised)

Application of Greenwood Resources, Inc. for compulsory pooling and an unorthodox well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Lower Gallup formation for any formation or pool with 80-acre spacing underlying the N/2 NE/4 of Section 18, Township 29 North, Range 14 West, to be dedicated to a well to be drilled at an unorthodox location 990 feet from the North line and 360 feet from the East line of said Section 18. 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 8419: Application of TXO Production Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Strawn formation for any formation or pool on 160-acre spacing underlying the SW/4 of Section 12, Township 16 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 8420: Application of BTA Oil Producers for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation for any formation or pool on 160-acre spacing underlying the SW/4 of Section 24, Township 20 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 8421: Application of Samson Resources 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 9,750 feet for any formation or pool on 160-acre spacing underlying the NW/4 of Section 8, Township 9 South, Range 34 East, to be dedicated to a well to be drilled at an unorthodox location 600 feet from the North line and 525 feet from the West line of said Section 8. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8422: Application of Chaveroo Operating Co., Inc. for five unorthodox oil well locations and a non-standard proration unit, Roosevelt County, New Mexico. Applicant, in the above-styled cause, seeks approval of five unorthodox oil well locations as follows:

Anderson State Well No. 10
1310 FML and 1310 FEL Section 36

Humble Federal Well No. 9
1310 FML and 1310 FWL Section 25

Tucker No. 5
1310 FSL and 1310 FML Section 24

Tucker Hall No. 9
1310 FML and 1310 FEL Section 25

KMS No. 6 Well
2630 FML and 1310 FWL Section 36

all in Township 7 South, Range 32 East.

Applicant further seeks approval of a non-standard 160-acre proration unit comprising the S/2 NW/4 and N/2 SW/4 for its KMS Well No. 6 located in Section 36, Township 7 South, Range 32 East.

CASE 8423:

Application of Braden-Deem, Inc. for salt water disposal, Roosevelt 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 4352 feet to 4382 feet in its State DB Well No. 6 located in the SW/4 SW/4 of Section 25, Township 7 South, Range 33 East, Chaveroo-San Andres Pool.

CASE 8424: 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 Chaves and Eddy Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the North Black River-Atoka Gas Pool. The discovery well is the Hamon Oil Co. State L-4325 Well No. 1 located in Unit K of Section 2, Township 24 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM

Section 2: S/2

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the North Willow Lake-Delaware Pool. The discovery well is the Ned Maddox Enfield Federal Well No. 1 located in Unit P of Section 17, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 17: SE/4

- (c) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Red Lake Ridge-San Andres Pool. The discovery well is the Stevens Operating Corp. O'Brien A Well No. 1 located in Unit O of Section 21, Township 8 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM

Section 21: S/2

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

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 2: Lots 9 through 16 and S/2

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

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 22: E/2

- (f) EXTEND the Dublin Ranch-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM

Section 35: W/2

- (g) EXTEND the South Leo Seven Rivers-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 36: NW/4 and S/2

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 1: N/2

- (h) EXTEND the Logan Draw-Cisco Canyon Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 30: A11

Section 31: W/2

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

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 16: S/2

- (j) EXTEND the Sheep Draw-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM

Section 1: S/2

Section 12: N/2

- (k) 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 9: S/2

Dockets Nos. 44-84 and 45-84 are tentatively set for November 28 and December 19, 1984. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - NOVEMBER 14, 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 December, 1984, from fifteen prorated pools in Lea, Eddy and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for December, 1984, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8370: (Continued from October 3, 1984, Examiner Hearing)
(This Case will be dismissed.)

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 8355: (Continued from October 17, 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 8377: (Continued and Readvertised)

Application of Ray Westall for amendment of Division Order R-7567, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-7567, which authorized Ammex Petroleum, Inc. to pool all mineral interests in the Bone Spring formation, South Culebra Bluff-Bone Spring Pool, underlying the S/2 SE/4 of Section 28, Township 23 South, Range 28 East, and to pool all mineral interests from the surface to the top of the Bone Spring formation and from the base of the Bone Spring formation to a depth of 8000 feet underlying the SE/4 SE/4 of said Section 28, to change the operator to Ray Westall, to change the risk charge involved in the drilling of the subject well to 200 percent, and to further amend said Order No. R-7567 so that all the provisions thereof will be effective upon the date the proposed amended order is entered, and to allow the applicant a reasonable extension of time, not to exceed ninety days, in which to commence drilling of the subject well.

CASE 8401: Application of J. M. Huber Corporation 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 Wolfcamp formation underlying the S/2 SW/4 of Section 32, Township 12 South, Range 36 East, Tatum-Wolfcamp Pool, to be dedicated to a well to be drilled at an unorthodox location 669 feet from the South line and 1326 feet from the West line of said Section 32. 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 8402: Application of Yates Petroleum Corporation for compulsory pooling, 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 Mississippian formation underlying the NE/4 of Section 15, Township 7 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 8390: (Continued from October 31, 1984, Examiner Hearing)

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 8374: (Continued from October 17, 1984, Examiner Hearing)

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 8403: Application of Amerind Oil 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 in the Strawn 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 an unorthodox location 1350 feet from the North line and 1980 feet from the West line of said Section 28. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well.

CASE 8404: Application of Exxon Corporation for an unorthodox gas well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 660 feet from the South line and 990 feet from the East line of Section 22, Township 16 South, Range 34 East, Undesignated South Kemnitz Atoka-Morrow Field; the S/2 of said Section 22 to be dedicated to the well.

CASE 8405: Application of P & O Treating Plant for an amendment to Administrative Order SWD-272, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Administrative Order SWD-272 to dispose of produced salt water into the Seven Rivers formation in its Meador "A" Well No. 1 located in the SW/4 NE/4 of Section 10, Township 25 South, Range 36 East.

CASE 8406: Application of Greenwood Resources, Inc. for an unorthodox oil well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 990 feet from the North line and 360 feet from the East line of Section 18, Township 29 North, Range 14 West, Cha Cha-Gallup Pool, the N/2 NE/4 of said Section 18 to be dedicated to the well.

CASE 8382: (Continued from October 17, 1984, Examiner Hearing)

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 8407: Application of TXO 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 7,250 feet underlying the NW/4 SE/4 of Section 6, Township 20 South, Range 39 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 8408: Application of Union Texas Petroleum Corporation for approval of infill drilling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the Culpepper-Martin Well No. 1E located in the SE/4 SE/4 of Section 31, Township 32 North, Range 12 West, is necessary to effectively and efficiently drain that portion of an existing proration unit in the Blanco Mesaverde Pool which cannot be so drained by the two existing wells on the unit.

CASE 8409: 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 Bough "C" formation underlying the NE/4 of Section 7, Township 9 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 8217: (Continued from October 31, 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 hard-ship gas well which should be granted priority access to pipeline takes in order to avoid waste.

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 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 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 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 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-Blaine 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.

Commission Hearing - Wednesday - November 7, 1984

- 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 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: (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 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 1 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.