

Dockets Nos. 30-85 and 31-85 are tentatively set for October 9 and October 23, 1985. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - SEPTEMBER 25, 1985

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 8686: (Continued from the August 28, 1985 Examiner Hearing)

Application of Robert E. Chandler Corporation for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Granite Wash formation underlying the NE/4 SW/4 of Section 7, Township 22 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 8705: Application of Exxon 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 Undesignated Avalon-Delaware Pool in the perforated interval from 3976 feet to 4306 feet in its Yates Federal "C" Well No. 22 located 1557 feet from the North line and 660 feet from the West line (Unit E) of Section 4, Township 21 South, Range 27 East.

CASE 8706: Application of Texaco Inc. for compulsory pooling, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Pecos Slope Abo Gas Pool underlying the SE/4 of Section 17, Township 6 South, Range 26 East, to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling said well.

CASE 8707: Application of Earle M. Craig, Jr. 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 South and East lines of Section 18, Township 26 South, Range 31 East, Phantom Draw Wolfcamp Gas Pool, the S/2 of said Section 18 to be dedicated to the well.

CASE 8708: Application of Dwight A. Tipton for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the North Shoe Bar-Wolfcamp Pool in the perforated interval from 10,082 feet to 10,308 feet in his Leavelle Well No. 1 located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 23, Township 16 South, Range 35 East.

CASE 8709: Application of El Paso Natural Gas Company (Meridian Oil Inc.) for an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox gas well location 220 feet from the North line and 665 feet from the West line of Section 1, Township 26 North, Range 8 West, Blanco-Mesaverde Pool, the W/2 of said Section 1 to be dedicated to the well.

CASE 8689: (Continued from August 28, 1985, Examiner Hearing)

Application of Doyle Hartman for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Jalmat Gas Pool underlying a previously approved 120-acre non-standard proration unit comprising the N/2 NW/4 and SW/4 NW/4 of Section 20, Township 25 South, Range 37 East, to be dedicated to its Justis Christmas Gas Com Well No. 1

located 2225 feet from the North line and 790 feet from the West line of said Section 20. 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 8690: (Continued from September 11, 1985, Examiner Hearing)

Application of Doyle Hartman for a non-standard proration unit, two unorthodox locations, and simultaneous dedication, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a finding that the drilling of two wells to be located at unorthodox well locations, the first of which is to be at least 1325 feet from the South line but not more than 1650 feet from the South line and at least 660 feet from the West line but not more than 850 feet from the West line of Section 22, and the second of which is to be at least 250 feet from the North line but not more than 990 feet from the North line and at least 660 feet from the West line but not more than 1980 feet from the West line of Section 27, all in Township 25 South, Range 37 East, Jalmat Gas Pool and Langlie Mattix Pool, is necessary to effectively and efficiently drain that portion of a 240-acre non-standard gas proration unit in the Jalmat Gas Pool only, comprising the W/2 SW/4 of Section 22 and the NW/4 of Section 27, Township 25 South, Range 37 East, which cannot be so drained by the existing Jalmat wells. Applicant further seeks approval for the simultaneous dedication of said 240-acre non-standard Jalmat proration unit to the subject wells and the currently producing Carlson-Harrison Federal Com Wells Nos. 1, 2, and 3.

CASE 8710: 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 surface to the base of the Morrow formation underlying the W/2 of Section 4, Township 18 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 8711: Application of Yates Petroleum Corporation for compulsory pooling, De Baca County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the top of the PreCambrian formation underlying the S/2 of Section 27, Township 2 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 8712: Application of Kimbell Oil Company of Texas for HARDSHIP GAS WELL CLASSIFICATION, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its Salazar Well No. 4-E located 1630 feet from the North line and 1460 feet from the West line (Unit F) of Section 34, Township 25 North, Range 6 West, Basin-Dakota Pool, is a hardship gas well which should be granted priority access to pipeline takes in order to avoid waste.

CASE 8713: Application of Dugan Production Corporation for pool extension and an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the extension of the West Puerto Chiquito-Mancos Oil Pool to include all of Sections 1, 2, 11, 12, 13, and 14, Township 25 North, Range 2 West and all of Sections 25, 26, 35, and 36, Township 26 North, Range 2 West. Applicant further seeks approval of an unorthodox oil well location 1740 feet from the North line and 870 feet from the East line of Section 1, Township 25 North, Range 2 West, within the proposed West Puerto Chiquito-Mancos Oil Pool extension area, all of said Section 1 to be dedicated to the well.

CASE 8684: (Continued from the September 11, 1985, Examiner Hearing)

Application of David Fasken for pool extensions and contractions, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the contraction of the Burton Flat-Morrow Gas Pool by the deletion therefrom of all of Section 35, Township 20 South, Range 27 East, and Lots 1 through 16 of Section 1, Township 21 South, Range 26 East, and the concomitant extension of the Avalon-Morrow Gas Pool.

CASE 8695: (Continued from the September 11, 1985, Examiner Hearing)

Application of Benson-Montin-Greer Drilling Corp. for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1850 feet from the North line and 870 feet from the West line of Section 6, Township 25 North, Range 1 West, West Puerto Chiquito-Mancos Oil Pool, all of said Section 6 to be dedicated to the well.

CASE 8714: Application of Benson-Montin-Greer Drilling Corporation for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 900 feet from the South line and 1650 feet from the West line of Section 31, Township 26 North, Range 1 West, NMPM, West Puerto-Chiquito-Mancos Oil Pool, Rio Arriba County, New Mexico, all of said Section 31 to be dedicated to the well.

CASE 8715: Application of Benson-Montin-Greer Drilling Corporation for the amendment of pool rules, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool as promulgated by Division Orders Nos. R-2565-B, as amended, and R-6469, as amended, to allow a second well to be drilled on a standard 640-acre spacing and proration unit within a buffer zone and for special location requirements for such infill wells. Further, that the oil allowable assigned to proration units pool-wide, as promulgated by RULE 5 of said Order No. R-6469, be amended and that the allowable be based on the allowable that would be assigned to 320 acres times two.

CASE 8716: In the matter of the hearing called by the Oil Conservation Division on its own motion to consider:

The creation of the following pools:

North San Miguel-Seven Rivers Gas Pool in Township 19 South,
Range 34 East, Lea County;

Southwest Tulk-Wolfcamp Pool in Township 15 South,
Range 31 East, Chaves County;

The Extension of the vertical limits of the West Kemnitz-Lower Wolfcamp Pool in Lea County to include the upper Wolfcamp formation and the redesignation of said pool as the West Kemnitz-Wolfcamp Pool;

The Extension of the North Chaveroo-Permo Pennsylvanian Pool in Roosevelt County;

The Extension of the following pools in Lea County:

Denton-Wolfcamp
Gem-Morrow Gas
East Hightower-Upper Pennsylvanian
West Nadine-Drinkard
Querecho Plains-Upper Bone Spring
Red Hills-Wolfcamp Gas
San Simon-Yates

The Extension of the Little Lucky Lake-Morrow Gas Pool in Chaves County.