

- CASE 8891: Application of Manana Gas, 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 for its proposed Hartman Well No. 1-E to be drilled 1230 feet from the North line and 55 feet from the East line of Section 22, Township 29 North, Range 11 West, Basin-Dakota Pool, the E/2 of said Section 22 to be dedicated to the well.
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- CASE 8894: Application of HCW Exploration, Inc. for the amendment of Division Order No. R-8071, Lea County, New Mexico. The New Mexico Oil Conservation Commission issued Division Order No. R-8071 on November 19, 1985 for Case No. 8604, which compulsorily pooled all mineral interests in any gas pool down to and including the Jalmat Gas Pool underlying the SE/4 of Section 27, Township 23 South, Range 36 East. Applicant, in the above-styled cause, now seeks the amendment of said Order No. R-8071 to include a provision pooling all mineral interests in the Jalmat zone underlying the SE/4 SE/4 (Unit P) of said Section 27 if the subject well covered in the original Order is completed as a Jalmat oil well. Applicant further requests that all other provisions in said Order No. R-8071 remain in full force and effect.
- CASE 8895: Application of the Eastland Oil Company for the amendment of Division Order No. R-8165, Eddy County, New Mexico. Division Order No. R-8165, dated February 25, 1986, authorized Eastland Oil Company to institute a waterflood project on its Power Grayburg (Federal) Unit located in portions of Section 1, Township 18 South, Range 30 East, and in portions of Sections 5 and 6, Township 18 South, Range 31 East by the injection of water, under pressure, into the Grayburg formation through four certain wells within the Unit Area. Applicant, in the above-styled cause, now seeks the amendment of said Order No. R-8165 authorizing a change in the development of the waterflood pattern within the Unit Area.
- CASE 8896: Application of Kirby Exploration Company of Texas for an unorthodox oil well location and simultaneous dedication, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location within the NW/4 of Section 22, Township 19 North, Range 3 West, Southwest Media-Entrada Oil Pool, the NW/4 of said Section 22 forming a standard 160-acre oil spacing and proration unit to be simultaneously dedicated to said well and to its existing Boling Federal Wells Nos. 6 and 8, located in Units F and C of said Section 22, respectively.
- CASE 8030: (Continued from April 16, 1986, Examiner Hearing) (Reopened)
- In the matter of Case 8030 being reopened pursuant to the provisions of Order No. R-7471, which order promulgated temporary special rules and regulations for the Rio Puerco-Mancos Oil Pool in Sandoval County, including a provision for 320-acre spacing units. Operators in said pool may appear and show cause why said pool should not be developed on 40-acre spacing units.
- CASE 8848: (Continued from April 16, 1986, Examiner Hearing)
- Application of Amoco Production Company for NGPA Wellhead Price Ceiling Category Determinations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination by the Division that the following three wells in Township 19 South, Range 35 East, Scharb-Bone Springs Pool, meet the NGPA well category criteria for New Onshore Reservoir under Section 102 of the Natural Gas Policy Act of 1978 and the applicable rules of the Federal Energy Regulatory Commission:

- 1) Elkan Well No. 3 located 1980 feet from the South and East lines (Unit J) of Section 9;
- 2) Elkan Well No. 4 located 519 feet from the South line and 2121 feet from the West line (Unit N) of Section 9; and,
- 3) State "MX" Well No. 1 located 660 feet from the North line and 710 feet from the West line (Unit D) of Section 15.

Dockets Nos. 17-86 and 18-86 are tentatively set for May 28 and June 11, 1986. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MAY 14, 1986
8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before David R. Catanach, Examiner, or Michael E. Stogner, Alternate Examiner:

- ALLOWABLE: (1) Consideration of the allowable production of gas for June, 1986, from fifteen prorated pools in Lea, Eddy, and Chaves Counties, New Mexico.
- (2) Consideration of the allowable production of gas for June, 1986, from four prorated pools in San Juan, Rio Arriba, and Sandoval Counties, New Mexico.

CASE 8878: (Continued from April 30, 1986, Examiner Hearing)

In the matter of the hearing called by the Oil Conservation Division on its own motion to consider the amendment of Rule 101 relating to bonds. The proposed amendment would provide for the posting of a cash bond upon a showing that the operator is unable to obtain a surety bond.

CASE 8839: (Continued and Readvertised)

Application of Jerome P. McHugh for exceptions to the Special Pool Rules for the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks exceptions to the spacing and well location provisions of the Special Rules and Regulations governing the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, authorizing two unorthodox oil well locations, 1980 feet from the South line and 660 feet from the East line of Section 19 and 1420 feet from the South line and 660 feet from the East line of Section 30, both Sections in Township 25 North, Range 2 West. All of said Section 19 consisting of 187.76 acres, more or less, and all of said Section 30 consisting of 187.88 acres, more or less, are to be dedicated to said wells, respectively, forming two non-standard oil spacing and proration units in said pool, said units to necessitate for the irregular sections along the western side of the subject Township resulting from survey corrections in the United States Public Lands Survey.

CASE 8879: (Continued from April 30, 1986, Examiner Hearing)

Application of Dugan Production Corporation for an exception to the Special Pool Rules for the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the well location provisions of the Special Rules and Regulations governing the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, authorizing an unorthodox oil well location for its Divide Well No. 3 to be located 1780 feet from the South line and 2120 feet from the West line of Section 35, Township 26 North, Range 2 West, the W/2 of said Section 35 to be dedicated to the well.

CASE 8887: Application of Newstar Resources, 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 the N/2 N/2 of Section 14, Township 20 South, Range 38 East.

CASE 8888: Application of Southwestern, Inc. to vacate and void Division Order No. R-8163, Lea County, New Mexico. Division Order No. R-8163, dated March 3, 1986, authorized the applicant to utilize the Apollo Energy Inc. State G-36 Well No. 1, located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 36, Township 17 South, Range 35 East, to dispose of produced salt water into the Vacuum Grayburg-San Andres Pool, with injection into the perforated interval from approximately 4804 feet to 5212 feet. Applicant, in the above-styled cause now seeks to vacate and void Order No. R-8163.

CASE 8889: Application of Apollo Energy, Inc. for three Hardship Gas Well Classifications, Lea County, New Mexico. Applicant, in the above-styled cause, seeks a determination that the following wells in Township 20 South, Range 36 East, Eumont (Yates-Seven Rivers-Queen) Gas Pool are hardship gas wells which should be granted priority access to pipeline takes in order to avoid waste:

Divine State "29" Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 29;

Sinclair State Well No. 1 located 1980 feet from the North and East lines (Unit G) of Section 32; and

Sinclair State Well No. 2, located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 32.

CASE 8890: Application of Northwest Pipeline Corp. for Hardship Gas Well Classification, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks a determination that its San Juan 29-5 Unit Well No. 91 located 1140 feet from the North line and 1840 feet from the East line (Unit B) of Section 35, Township 29 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. 17-86 and 18-86 are tentatively set for May 28 and June 11, 1986. Applications for hearing must be filed at least 22 days in advance of hearing date.

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