

CASE 10833: (This case will be continued to October 7, 1993, Examiner Hearing.)

Application of Giant Exploration & Production Company for an unorthodox infill coal gas well location, San Juan County, New Mexico. Applicant seeks approval of an unorthodox coal gas well location 1850 feet from the South line and 790 feet from the East line of Section 29, Township 25 North, Range 12 West, Basin-Fruitland Coal (Gas) Pool. Further, the applicant seeks an exception to the requirements of Rule No. 4 of the Special Rules and Regulations for said Basin-Fruitland Coal (Gas) Pool as promulgated by Division Order No. R-8768, as amended, to allow the drilling of a second well on a standard 320-acre spacing and proration unit comprising the E/2 of said Section 29. Said unit is located approximately 8 miles south of Chaco Plant.

CASE 10800: (Continued from September 9, 1993, Examiner Hearing.)

Application of Merriam Oil & Gas Corporation for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Basin-Fruitland Coal (Gas) formation, underlying the E/2 of Section 26, Township 26 North, Range 13 West, forming a standard 320-acre coal gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, including the Basin-Fruitland Coal Gas Pool. Said unit is to be dedicated to its Serendipity Well No. 1 to be recompleted at a standard coal gas well location 1650 feet from the South line and 2310 feet from the East line of said Section 26. Also to be considered will be the cost of recompleting said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in recompleting said well. Said well is located approximately 3 miles southeast of the Chaco Gas Plant.

CASE 10513: (Continued from September 9, Examiner Hearing.)

Application of Hanley Petroleum Inc. for determination of reasonable well costs, Lea County, New Mexico. Applicant, in the above-styled cause, as a working interest owner in the Santa Fe Energy Operating Partners, L.P. Kachina "8" Federal Well No. 2 located 1830 feet from the North line and 660 feet from the West line (Unit E) of Section 8, Township 18 South, Range 33 East, South Corbin-Wolfcamp Pool, which was drilled pursuant to the compulsory pooling provisions of Division Order Nos. R-9480, R-9480-A, and R-9480-B, all entered in Case Nos. 10211 and 10219, and to which is dedicated the W/2 NW/4 (Units D and E) of said Section 8, seeks an order ascertaining the reasonableness of actual well costs for the subject well. Said unit is located approximately 7.5 miles southeast by south of Maljamar, New Mexico.

CASE 10834: 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 East Carlsbad-Bone Spring Pool. The discovery well is the Collins & Ware, Inc. Lone Tree Federal Com Well No. 1 located in Unit N of Section 24, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 24: S/2

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Northwest Poker Lake-Delaware Pool. Further, assign a discovery allowable of approximately 39,620 barrels of oil to the discovery well, the Meridian Oil, Inc. Poker Lake 18 Federal Well No. 1 located in Unit F of Section 18, Township 24 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 18: NW/4

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

TOWNSHIP 25 SOUTH, RANGE 29 EAST, NMPM
Section 35: SE/4

- (d) EXTEND the South Golden Lane-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 17: NW/4

CASE 10817: (Continued from September 9, 1993, Examiner Hearing.)

Application of Meridian Oil Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Section 35, Township 17 South, Range 30 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Cedar Lake-Morrow Gas Pool. Said unit is to be dedicated to its Loco Hills "35" Federal Well No. 1 to be drilled and completed at a standard location within Unit J (NW/4 SE/4) of said Section 35. Also to be considered will be the cost of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles southeast of Loco Hills, New Mexico.

CASE 10830: Application of Conoco Inc. for establishment of a temporary special testing allowable, Lea County, New Mexico. Applicant seeks an order establishing a special testing allowable for its Lockhart A-27 Lease Project, N/2 of Section 27, Township 21 South, Range 37 East, Paddock Pool, for a maximum period of twelve months at a maximum rate equal to the capacity of each well up to a limiting 6,000 to 1 GOR within the project to produce oil from said pool. This project is located approximately one mile northeast of Eunice, New Mexico.

CASE 10831: Application of Robert L. Bayless for downhole commingling, Rio Arriba County, New Mexico. Applicant seeks approval to downhole commingle oil production from the Cabresto-Gallup and East Blanco-Pictured Cliffs fields within the wellbore of the Simms Com Well No. 1, located in Unit J of Section 13, Township 30 North, Range 4 West. Said well is located approximately 7.5 miles east of Ojo Encino Trailer School.

CASE 10832: Application of Robert L. Bayless for an unorthodox gas well location, Rio Arriba County, New Mexico. Applicant seeks approval of an unorthodox gas well location 2100 feet from the South line and 490 feet from the East line (Unit I) of Section 11, Township 24 North, Range 7 West, to test the Undesignated Ballard-Pictured Cliffs Pool. The SE/4 of said Section 11 is to be dedicated to said well forming a standard 160-acre gas spacing and proration unit for said pool. The proposed unit is located approximately 6 miles north of the Sunterra Gas Processing Lybrook Gas Plant.

CASE 10781: (Reopened)

Application of Marathon Oil Company for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant seeks approval of an unorthodox well location in the Basin-Fruitland Coal Gas Pool for its proposed Schwerdtfeger Well No. 17-2 to be drilled at an unorthodox well location 1605 feet from the South line and 1135 feet from the East line (Unit I) of Section 17, Township 27 North, Range 11 West. Said well is to be dedicated to a 320-acre spacing unit consisting of the E/2 of Section 17. Said unit is located approximately 9 miles south of Bloomfield, New Mexico.

CASE 10811: (Continued from September 9, 1993, Examiner Hearing.)

Application of Giant Exploration & Production Company for an unorthodox oil well location, Santa Fe County, New Mexico. Applicant seeks approval of an unorthodox oil well location 1300 feet from the South line and 1000 feet from the West line (Unit M) of Section 10, Township 20 North, Range 9 East, to test the Pennsylvanian formation. The SW/4 SW/4 of said Section 10 is to be dedicated to said well. Said well is located approximately 2 miles southwest of El Patrero, New Mexico.

CASE 10812: (Continued from September 9, 1993, Examiner Hearing.)

Application of Giant Exploration & Production Company for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Basin-Fruitland Coal Gas Pool, underlying the N/2 of Section 33, Township 26 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes only the Basin Fruitland Coal Gas Pool. Said unit is to be dedicated to a well to be drilled at a standard location thereon in said Section 33. 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 the operator of the well, and a charge for risk involved in drilling said well. Said unit is located near the Huerfano Boarding School.