DOCKET: EXAMINER HEARING - WEDNESDAY - JULY 25, 1973

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

The following cases will be heard before Richard L. Stamets, Examiner, or Elvis A. Utz, Alternate Examiner:

- CASE 5028: Application of Great Basins Petroleum for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Antebellum Unit Area comprising 3840 acres, more or less, of State and Federal lands in Township 23 South, Range 34 East, Lea County, New Mexico.
- <u>CASE 5029</u>: Application of Amoco Production Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Old Indian Draw Unit Area comprising 3,128 acres, more or less, of Federal and fee lands in Township 22 South, Range 28 East, Eddy County, New Mexico.
- <u>CASE 5030</u>: Application of Yates Drilling Company for a unit agreement, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Artesia Metex Unit Area comprising 2,000 acres, more or less, of State lands in Township 18 South, Ranges 27 and 28 East, Eddy County, New Mexico.
- CASE 5031: Application of Yates Drilling Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Artesia Metex Unit Area by the injection of water into the Grayburg formation through 14 wells located in Sections 24, 25, 26, 35, and 36 of Township 18 South, Range 27 East, and Sections 19 and 30 of Township 18 South, Range 28 East, Eddy County, New Mexico.

Applicant further seeks an administrative procedure whereby the locations of said wells can be changed without further notice and hearing.

- <u>CASE 5032</u>: Application of Anadarko Production Company for a waterflood project, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a waterflood project in its Burnham GSA Unit Area by the injection of water into the Grayburg-San Andres formation through six wells in Section 2, Township 17 South, Range 30 East, Square Lake Pool, Eddy County, New Mexico.
- <u>CASE 5033</u>: Application of Continental Oil Company for a special gas-oil ratio limit or in the alternative, a lease casinghead gas allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of the special pool rules for the Bell Lake-Bone Spring Pool to provide a gas-oil ratio limit of 5000 to 1 or in the alternative to provide for lease casinghead gas allowable in said pool.

- CASE 5034: Application of Mark Production Company for special pool rules, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the promulgation of special pool rules for the Red Lake-Pennsylvanian Pool, Eddy County, New Mexico, including a provision for 320-acre drilling and proration units. In the absence of objection, this pool will be placed on 320-acre spacing rather than the present 160-acre spacing.
- CASE 5035: Application of Texaco 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 Yates-Seven Rivers formation in the open-hole interval from 3373 feet to 3731 feet in its B. V. Lynch "A" Fed Well No. 1 and from 3712 feet to 3734 feet in its Well No. 10 located in Units J and C, respectively, Section 34, Township 20 South, Range 34 East, Lynch Yates-Seven Rivers Pool, Lea County, New Mexico.
- CASE 5036: Application of The Wil-Mc Oil Corporation for salt water disposal, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water in the San Andres formation in the perforated interval from 4208 feet to 4282 feet in its Champlin State Well No. 1 located in Unit M of Section 3, Township 8 South, Range 33 East, Chaveroo-San Andres Pool, Chaves County, New Mexico.
- CASE 5037: Application of David Fasken for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests underlying Section 31, Township 20 South, Range 25 East, Indian Basin-Morrow Gas Pool, Eddy County, New Mexico, to be dedicated to a well to be drilled in Unit J of said Section 31. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs, as well as actual operating costs and charges for supervision. Also to be considered is the designation of applicant as operator of the well and up to 200 percent charge for risk involved in drilling said well.
- CASE 5038: Application of Twinlakes Oil Company for a dual completion and salt water disposal exception, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to dually complete its O'Brien "C" Well No. 3 located in Unit K of Section 1, Township 9 South, Range 28 East, Chaves County, New Mexico, as a dual completion (tubingless) to produce oil from the Twin Lakes-San Andres Pool and gas from an undesignated Cisco gas pool through parallel strings of 2 7/8" casing cemented in a common wellbore. Said well was formerly dually completed for San Andres production and Devonian salt water disposal pursuant to Order No. R-4497. Applicant further seeks the amendment of Order No. R-3636 which authorized, as an exception to Order R-3221, the disposal of Devonian and San Andres water production in unlined surface pits; applicant seeks authority to also dispose of water produced from the aforesaid Cisco gas pool in said pits.

CASE 5039: Southeastern nomenclature case calling for an order for the abolishment and extension of certain pools in Lea County, New Mexico.

(a) Abolish the East Brunson-Granite Wash Pool in Lea County, New Mexico, described as:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 13: W/2 Section 24: W/2 and SE/4 Section 25: NW/4 TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM Section 19: SW/4

(b) Extend the Wantz-Granite Wash Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 13: W/2 Section 24: W/2 and SE/4 Section 25: NW/4 TOWNSHIP 22 SOUTH, RANGE 38 EAST, NMPM Section 19: SW/4

(c) Abolish the North Lynch Yates-Seven Rivers Pool in Lea County, New Mexico, described as:

TOWNSHIP 20	SOUTH,	RANGE	34	EAST,	NMPM
Section 17:	SW/4				
Section 18:	E/2				
Section 19:	NE/4				
Section 20:	NW/4				

(d) Extend the Teas Yates-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20	SOUTH,	RANGE 34	EAST, NMPM
Section 17:	SW/4		1
Section 18:	E/2,	SW/4, and	E/2 NW/4
Section 19:	NE/4		
Section 20:	NW/4		

(e) Extend the Antelope Ridge-Atoka Gas Pool in Lea County, New Mexico, to include therein:

> TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM Section 2: N/2 Section 3: N/2

(f) Extend the Eunice-Monument Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM Section 7: NW/4 (g) Extend the Justis-Blinebry Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 37 EAST, NMPM Section 12: N/2

(h) Extend the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM Section 35: NW/4

(i) Extend the West Sawyer-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM Section 23: E/2 SW/4

TOWNSHIP 10 SOUTH, RANGE 37 EAST, NMPM Section 5: NW/4 Section 6: N/2 and SE/4

(j) Extend the Triple X-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM Section 1: SE/4

(k) Extend the North Vacuum-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM Section 17: SW/4 Section 18: SE/4 Section 21: NW/4

Docket No. 21-73

DOCKET: REGULAR HEARING - TUESDAY - AUGUST 7, 1973

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

CASE 5007: (Continued from the June 28, 1973, Regular Hearing)

Application of Belco Petroleum Corporation for a drilling permit in the Potash-Oil Area, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its proposed Felmont Federal Well No. 1 to test the Morrow formation adjacent to the South Salt Lake-Morrow Cas Pool at a location 660 feet from the North line and 1980 fest from the East line of Section 25, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico, said location being within the boundaries of the Potash-Oil Area as defined by Commission Order No. R-111-A, and having been objected to by the owners of potash leases in the area.