

CASE 8858: Application of Exxon Company, USA for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Upper Pennsylvanian Formations (Cisco and Canyon) and from the Undesignated Sheep Draw Strawn Gas Pool in the wellbore of its Mary Federal Well No. 5 located 790 feet from the South line and 1829 feet from the West line of Section 11, Township 23 South, Range 25 East.

CASE 8842: (Continued from March 5, 1986, Examiner Hearing)

Application of Exxon 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 for its existing Mary Federal Well No. 1 located 1924 feet from the North line and 651 feet from the East line (Unit H) of Section 11, Township 23 South, Range 25 East, Sheep Draw-Strawn Gas Pool, the N/2 of said Section 11 to be dedicated to the well.

CASE 8859: Application of Robert E. Chandler Corporation for an amendment to Division Order No. R-8047, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the amendment of Division Order No. R-8047 by which compulsorily pooled the NE/4 SW/4 of Section 7, Township 23 South, Range 38 East, extending the effective dates of this order, including the commencement date of the subject well and a provision declaring certain leasehold interests to be excessive burdens and authorizing the applicant to recover out of production its well costs and risk factor penalty before any such excessive leasehold interests are paid.

CASE 8860: Application of Pennzoil Company for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location 1310 feet from the South line and 1980 feet from the West line of Section 3, Township 17 South, Range 37 East, Undesignated Shipp-Strawn Pool or Undesignated Humble City-Strawn Pool, the E/2 SW/4 of said Section 3 to be dedicated to the well.

CASE 8845: (Continued from March 5, 1986, Examiner Hearing)

Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blanco-Mesaverde and Otero-Chacra Pools in the wellbores of two wells to be drilled in Section 8, Township 27 North, Range 8 West, and in Section 29, Township 28 North, Range 9 West.

CASE 8846: (Continued from March 5, 1986, Examiner Hearing)

Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blanco-Mesaverde and Undesignated Otero-Chacra Pools in the wellbores of five wells to be drilled in Sections 18, 20, 21, and 28, Township 27 North, Range 8 West.

CASE 8861: 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 County, New Mexico:

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the South Cass-Strawn Pool. The discovery well is the Conoco Inc. State 35 Well No. 1 located in Unit P of Section 20, Township 20 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 35: SE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Lower Wolfcamp production and designated as the EK-Wolfcamp Pool. The discovery well is the Manzano Oil Corporation Airstrip Northwest Deep Unit Well No. 1 located in Section 20, Township 18 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 20: NE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Laguna Valley-Morrow Gas Pool. The discovery well is the Chama Petroleum Company Rett Federal Com Well No. 1-Y located in Unit P of Section 23, Township 20 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
Section 23: S/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the West Tonto-Bone Spring Pool. The discovery well is the Spectrum 7 Exploration Company Federal 12 Well No. 1 located in Unit G of Section 12, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 12: NE/4

(e) EXTEND the Cline Drinkard-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 12: S/2

(f) EXTEND the Central Corbin-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 4: NW/4

(g) EXTEND the Hardy-Drinkard Pool in Lea County, New Mexico to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 3: SE/4

(h) EXTEND the South Humble City-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 13: NW/4

(i) EXTEND the Johnson Ranch-Wolfcamp Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 22: W/2

(j) EXTEND the Northeast Lovington-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 8: NE/4
Section 10: S/2

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 25: NE/4

(l) EXTEND the Mescalero-Permo Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 33: N/2

(m) EXTEND the Mescalero Escarpe-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 11: SW/4

All of the above-described acreage is to be dedicated to a single well to be drilled at a standard location in the NW/4 SE/4 (Unit J) of said Section 11. 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 8845: Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blanco-Mesaverde and Otero-Chacra Pools in the wellbores of two wells to be drilled in Section 8, Township 27 North, Range 8 West, and in Section 29, Township 28 North, Range 9 West.

CASE 8846: Application of Tenneco Oil Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Blanco-Mesaverde and Undesignated Otero-Chacra Pools in the wellbores of five wells to be drilled in Sections 18, 20, 21, and 28, Township 27 North, Range 8 West.

CASE 8847: Application of Nearburg Producing Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of production from the Atoka and Morrow formations in the wellbore of its Osage-Boyd Com Well No. 1 located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 15, Township 19 South, Range 25 East, Boyd-Morrow Gas Pool and Undesignated North Dagger Draw-Upper Pennsylvanian Gas Pool.

CASE 8823: (Continued from February 19, 1986, Examiner Hearing)

Application of Nearburg Producing Company 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 760 feet from the East line of Section 23, Township 20 South, Range 34 East, Pennsylvanian formation, the S/2 of said Section 23 to be dedicated to the well.

CASE 8848: 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.

CASE 8849: Application of Southland Royalty 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 four 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) Smith "5" Well No. 2 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 5;
- 2) Smith "5" Well No. 4 located 2149 feet from the South line and 700 feet from the East line (Unit I) of Section 5;
- 3) Scharb "8" Well No. 2 located 660 feet from the North line and 2180 feet from the East line (Unit B) of Section 8; and,
- 4) Scharb "9" Well No. 4 located 766 feet from the North line and 2086 feet from the West line (Unit C) of Section 9.

CASE 8850: 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 and Chaves Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Catclaw Draw-Delaware Pool. The discovery well is the Exxon Corporation Catclaw Draw Well No. 8 located in Unit G of Section 22, Township 21 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 25 EAST, NMPM

Section 22: NE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the East Herradura Bend-Delaware Pool. The discovery well is the Amoco Production Company State GO Well No. 1, located in Unit E of Section 2, Township 23 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM

Section 2: NW/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the North Laguna Salado-Atoka Gas Pool. The discovery well is the Eastland Oil Company Carthel Federal Com. Well No. 2, located in Unit G of Section 5, Township 23 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM

Section 5: N/2

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Permo Pennsylvanian production and designated as the Red Tank Draw-Permo Pennsylvanian Gas Pool. The discovery well is the Exxon Corporation Altwein B Federal Com. Well No. 1, located in Unit N of Section 12, Township 19 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 23 EAST, NMPM

Section 12: S/2

- (e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the East Shugart-Delaware Pool. The discovery well is the Siete Oil and Gas Corporation Geronimo Federal Well No. 3, located in Unit A of Section 24, Township 18 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM

Section 24: NE/4

Said discovery well will be assigned a discovery allowable of 25,060 barrels to be produced over a two year period.

- (f) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Siegreist Draw-Wolfcamp Pool. The discovery well is the Yates Petroleum Corporation Amoco QT Federal Well No. 2, located in Unit P of Section 29, Township 19 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 29: SE/4

- (g) CREATE a new pool in Chaves County, New Mexico, classified as a gas pool for Fusselman production and designated as the North Twin Lakes-Fusselman Gas Pool. The discovery well is the Stevens Operating Company Lynx Well No. 1, located in Unit G of Section 19, Township 8 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM

Section 19: N/2