

DOCKET: EXAMINER HEARING - THURSDAY - MAY 4, 1995

8:15 A.M. - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos 15-95 and 16-95 are tentatively set for May 18, 1995 and June 1, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11229: (Continued from April 6, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Phoenix Resources Company, and all other interested parties to appear and show cause why the Powell Well No. 1 (API No. 30-005-60668), located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 23, Township 7 South, Range 28 East, Chaves County, New Mexico (which is approximately 1/2 mile west of Elkins, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

CASE 11275: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Sage Oil Company and all other interested parties to appear and show cause why the Gulf State Well No. 1, located 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 30, Township 10 South, Range 27 East, Chaves County, New Mexico (which is approximately 1/4 mile south of U. S. Highway No. 380 at mile marker No. 172), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11191: (Continued from April 20, 1995, Examiner Hearing.)

Application of Great Western Drilling 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 for its existing Glenn Cleveland Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7, Township 15 South, Range 35 East, in order to test and recomplate this well in the Morrow formation. The E/2 of said Section 7 to be dedicated to said well to form a standard 320-acre gas spacing and proration unit. Said unit is located approximately 7 miles northwest of Lovington, New Mexico.

CASE 11224: Continued from April 20, 1995, Examiner Hearing.

Application of Southeastern Petroleum, Inc. 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 Strawn formation underlying the following described acreage in Section 28, Township 16 South, Range 37 East, and in the following manner: the W/2 SW/4

CASE 11276: **Application of Plains Petroleum Operating Corporation for directional drilling and an unorthodox bottomhole oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks authority to directionally drill its E. C. Hill "B" Federal Well No. 13 from a surface location 947 feet from the South line and 1361 feet from the East line (Unit O) of Section 34, Township 23 South, Range 37 East, wherein the applicant proposes to deviate said well to a more geologically advantageous position on a structure within the Teague-Simpson Pool at an unorthodox bottomhole oil well location that is within a 50 foot radius of a point 1120 feet from the South line and 1380 feet from the East line of said Section 34. The NW/4 NE/4 (Unit O) of said Section 34 is to be dedicated to said well to form a standard 40-acre oil spacing and proration unit for said pool. The subject acreage is located approximately 3 miles east of the El Paso Natural Gas Company Plant No. 4. **IN THE ABSENCE OF OBJECTION THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

CASE 11277: **Application of Maralo, Inc. for a non-standard oil proration unit and an unorthodox oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill its proposed Johnson "19" Well No. 1 at an unorthodox oil well location for the Undesignated Northeast Jenkins-Devonian Pool 2310 feet from the South line and 994 feet from the East line (Unit I) of Section 19, Township 9 South, Range 35 East. Further, the applicant seeks to dedicate said well to a non-standard 80-acre oil spacing and proration unit comprising the SE/4 NE/4 and NE/4 SE/4 of said Section 19, which is located approximately 3.25 miles west by north of Crossroads, New Mexico.

CASE 11242: (READVERTISED)

Application of Conoco, Inc. for directional drilling and an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to vertically drill its Savannah Well No. 1 from a surface location 660 feet from the North and East lines (Unit A) of Section 32, Township 19 South, Range 25 East, into the Undesignated North Dagger Draw-Upper Pennsylvanian Pool, in which the NE/4 of said Section 32 is to be dedicated to form a standard 160-acre oil spacing and proration unit for said oil pool. The applicant then proposes to kick-off in a southwesterly direction and continue drilling into the Undesignated Cemetery-Morrow Gas Pool within a target area that is 100 feet of a point located 1100 feet from the North and East lines (Unit A) of said Section 32, being an unorthodox gas well location for the Morrow formation. Further, the N/2 of said Section 32 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit in the Cemetery-Morrow Gas Pool. Said unit is located approximately 8 miles west of Lakewood, New Mexico.

CASE 11262: (Continued from April 20, 1995, Examiner Hearing.)

Application of Texaco Exploration and Production, Inc. for special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations for the South Sand Dunes-Bone Spring Pool including a provision for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said pool currently comprises portions of Sections 29, 30, 31, and 32, of Township 23 South, Range 32 East, and is located on the Lea/Eddy County line approximately 2 miles north of State Highway No. 128.

CASE 11278: Application of Texaco Exploration and Production Inc. for downhole commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks blanket approval to downhole commingle Justis-Blinbry Pool and Justis-Tubb-Drinkard Pool production within those wellbores that are located in portions of Sections 26 and 35, Township 24 South, Range 37 East and a portion of Section 2, Township 25 South, Range 37 East. Said area is located approximately 5 miles northeast of Eunice, New Mexico.

CASE 11279: Application of Exxon Corporation, pursuant to the provisions of Division Order No. R-9035, to relax the conditions governing the North King Camp-Devonian Pool and to acknowledge a recently approved Federal Unit Area in Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9035, which order established a pool allowable for the North King Camp-Devonian Pool of 235 barrels of oil per day to be shared by three 160-acre oil spacing and proration units all in Section 9, Township 14 South, Range 29 East, said allowable to remain in effect until such time as all interest owners in the pool have reached voluntary agreement to provide for unitized operations. Applicant further seeks to have the recently approved Anchor Deep (Federal) Unit Agreement recognized as an appropriate instrument needed, pursuant to the provisions of said Order No. R-9035, in order to have the pool allowable increased to 1,030 barrels of oil per day, to be distributed according to said unit agreement. Said pool/unit area is located approximately 17 miles east of Hagerman, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 11280: Application of Dalen Resources Oil & Gas Company for pool creation, a special gas-oil ratio, and for the assignment of a special depth bracket oil allowable, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Delaware formation underlying the SE/4 NE/4 (Unit H) of Section 2, Township 25 South, Range 26 East (being approximately 2.5 miles south of the village of Black River, New Mexico) and for the promulgation of special rules and regulations therefor including provisions for a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of oil and for the assignment of a special poolwide depth bracket oil allowable, pursuant to Division General Rule 505(d), of 250 barrels of oil per day per.

CASE 11245: (Continued from April 20, 1995, Examiner Hearing.)

Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NE/4 of Section 14, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit. Said unit is to be dedicated to the Roberts Well No. 1 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said area is located approximately 1.5 miles east of Farmington, New Mexico.

CASE 11270: (Continued from April 20, 1995, Examiner Hearing.)

Application of Maralo, Inc. 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 Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 3, Township 19 South, Range 28 East, thereby forming a 320.90-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 Undesignated Millman-Wolfcamp Gas Pool, Undesignated Millman-Atoka Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and Undesignated Millman-Morrow Gas Pool. Said unit is 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 the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles east-southeast of the old Illinois Oil Camp.

CASE 11281: **Application of Maralo, Inc. 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 Bone Spring formation, underlying the SE/4 NW/4 (Unit F) of Section 4, Township 24 South, Range 29 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 5 miles east-northeast of Malaga, New Mexico.

CASE 11266: (Continued from April 20, 1995, Examiner Hearing.)

Application of Nearburg Exploration Company 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 following described acreage in Section 32, Township 17 South, Range 27 East, and in the following manner: the N/2 to form 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 Undesignated Jennings Spring-Wolfcamp Gas Pool, Undesignated Logan Draw-Cisco/Canyon Gas Pool, Undesignated Red Lake-Pennsylvanian Gas Pool, Undesignated West Logan Draw-Morrow Gas Pool, and Undesignated Logan Draw-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the NW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Red Lake Queen-Grayburg-San Andres Pool, Undesignated Empire-Abo Pool, and Undesignated Chalk Bluff-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled and completed at a standard location in Unit "B" of said Section 32. 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 Nearburg Producing Company as the operator of the well, and a charge for risk involved in drilling said well. Said well location is approximately 2.5 miles south of Riverside, New Mexico.

CASE 11248: (Continued from April 20, 1995, Examiner Hearing.)

Application of Bahlburg Exploration, Inc. for directional drilling and unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the plugged and abandoned Manzano Oil Corporation Kim Harris Well No. 2, located 600 feet from the North line and 797 feet from the East line (Unit A) of Section 12, Township 16 South, Range 36 East, wherein the applicant proposes to kick-off from the vertical portion of the wellbore in a northerly direction to within 50 feet of the following targeted locations (both of which are unorthodox):

- in the Northeast Lovington-Wolfcamp Pool, 300 feet from the North line and 797 feet from the East line of said Section 12, the NE/4 NE/4 to be dedicated to this interval to form a standard 40-acre oil proration unit; and,
- in the Undesignated Northeast Lovington-Pennsylvanian Pool, 50 feet from the North line and 797 feet from the East line of said Section 12, the N/2 NE/4 to be dedicated to form a standard 80-acre oil proration unit.

Said well is located approximately 3 miles east of Lovington, New Mexico.

DOCKET: COMMISSION HEARING - THURSDAY - MAY 11, 1995

9:00 A.M. - 2040 SOUTH PACHECO

SANTA FE, NEW MEXICO

The Land Commissioner's designee for this hearing will be Jami Bailey or Gary Carlson

CASE 10907: (Readvertised)

In the matter of the hearing called by the Oil Conservation Division to amend Rules 1111, 1112 and 1115 of its General Rules and Regulations. The Oil Conservation Division seeks to amend its General Rules and Regulations to provide for the filing of Forms C-111, C-112, and C-115, respectively, on the last business day of the month following the month of production and to provide for the imposition of penalties for failure to file timely and accurate reports.

CASE 11143: (Readvertised)

In the matter of the hearing called by the Oil Conservation Division to amend Rule 711 of its General Rules and Regulations pertaining to the permitting of surface water disposal facilities. Some of the proposed amendments to Rule 711 include 1) adding "centralized" facilities to the scope of Rule 711; 2) increasing the scope of the notice requirements; 3) expanding the closure plan requirements; and 4) increasing the bonding requirements. Copies of the proposed amended Rule 711 are available by request in the Santa Fe Office and District Offices of the Division.

CASE 11216: (Continued from March 9, 1995, Commission Hearing.)

In the matter of the application of the Oil Conservation Division on its own motion for an order amending Rule 711 by incorporating existing Rule 312 and repealing Rule 312 of the General Rules and Regulations of the Oil Conservation Division. Said change pertains to the regulation of Treating Plants (Rule 312) and Commercial Surface Waste Disposal Facilities (Rule 7111).

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 20, 1995**8:15 A.M. - 2040 South Pacheco****Santa Fe, New Mexico**

Dockets Nos 13-95 and 14-95 are tentatively set for May 4, 1995 and May 18, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11202: (Continued from February 16, 1995, Examiner Hearing.)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11252: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Stevens Operating Corporation, operator, American Employers Insurance, surety, and all other interested parties to appear and show cause why the Marjohn State Well No. 1 (API No. 30-005-00380), located 660 feet from the North and East lines (Unit A) of Section 11, Township 13 South, Range 28 East, Chaves County, New Mexico (which is approximately 15 miles east-northeast of Hagerman, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said wells, the Division should then be authorized to take such action as is deemed necessary to have both wells properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11253: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 1, located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11254: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Manufacturers Mutual Insurance Company, surety, and all other interested parties to appear and show cause why the Zimmerman Well No. 2, located 1650 feet from the North line and 1980 feet from the West line (Unit F) of Section 35, Township 10 South, Range 25 East, Chaves County, New Mexico (which is approximately 8 miles east of Roswell, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11255: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Charles W. Harle, operator, American Employers' Insurance Company, surety, and all other interested parties to appear and show cause why the Christopher Well No. 1 (API No. 30-005-60591), located 330 feet from the North line and 2310 feet from the East line (Unit B) of Section 32, Township 6 South, Range 26 East, Chaves County, New Mexico (which is approximately 15.5 miles west-northwest of Elkins, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have said well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11256: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Otis H. Sanders, and all other interested parties to appear and show cause why the Thigpen, et al Well No. 1-Y (API No. 30-015-22933), located 1800 feet from the North line and 1980 feet from the West line (Unit F) of Section 7, Township 16 South, Range 25 East, Eddy County, New Mexico (which is approximately 7.25 miles northwest by north of the Artesia, New Mexico Municipal Airport), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon Sunwest Bank at Roswell, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

CASE 11257: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 1 (API No. 30-039-24055), located 610 feet from the South line and 2000 feet from the West line (Unit N) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5.5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

CASE 11258: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, A. L. Dawsey, and all other interested parties to appear and show cause why the El Vado Well No. 2 (API No. 30-039-24053), located 1770 feet from the South line and 970 feet from the East line (Unit I) of Section 11, Township 27 North, Range 1 East, as projected into the unsurveyed Tierra Amarilla Land Grant, Rio Arriba County, New Mexico (which is approximately 5 miles northwest of El Vado, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Additionally, should the operator fail to properly plug said well, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond covering this well and authorizing the Director of the Division to make demand upon the First Security Bank, formerly First National Bank in Albuquerque, New Mexico to pay to the Division so much of the funds of the certificate of deposit given as collateral for said bond as is necessary to compensate the costs of plugging said well.

CASE 11259: **Application of Chevron U.S.A. Inc. for an unorthodox gas well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval for its W. T. McComack Well No. 18, formerly the Central Drinkard Unit Well No. 428, (API No. 30-025-26447) to be recompleted to the Tubb Oil and Gas Pool at an unorthodox gas well location 210 feet from the North line and 2390 feet from the East line (Unit B) of Section 32, Township 21 South, Range 37 East, the NE/4 of said Section 32 is to be dedicated to said well to form a standard 160-acre gas spacing and proration unit for said pool. Said unit is located approximately one mile west of Eunice, New Mexico. IN THE ABSENCE OF OBJECTION THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.

CASE 11260: **Application of Santa Fe Energy Resources, Inc. for a unit agreement, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval of the Abe Unit Agreement for an area comprising 3,200 acres, more or less, of State and Fee lands in Sections 21, 22, 27, 28, and 29, Township 21 South, Range 33 East. Said unit area is centered approximately 24 miles West-Northwest of Eunice, New Mexico.

CASE 11191: (Continued from March 16, 1995, Examiner Hearing.)

Application of Great Western Drilling 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 for its existing Glenn Cleveland Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 7, Township 15 South, Range 35 East, in order to test and recomplete this well in the Morrow formation. The E/2 of said Section 7 to be dedicated to said well to form a standard 320-acre gas spacing and proration unit. Said unit is located approximately 7 miles northwest of Lovington, New Mexico.

CASE 11261: **Application of Marathon Oil Company for an additional high angle/horizontal wellbore and to amend Division Order No. R-10082-A, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks to amend Division Order No. R-10082-A to authorize the applicant to utilize the existing J. M. Denton Well No. 5 located in Unit "N" of Section 11, Township 15 South, Range 37 East, by kicking-off from vertical, build angle to approximately 90 degrees with a short-radius curve and continue drilling a horizontal drainhole within its "high angle/horizontal directional drilling project" in the Denton-Devonian Pool, currently comprising the SW/4, N/2 SE/4 and SE/4 SE/4 of said Section 11. Applicant further seeks the designation of a target window for said well such that the horizontal or producing portion of said wellbore shall be no closer than 330 feet to the outer boundary of said project area, the creation and formation of an oversized and irregularly shaped spacing and proration unit to accommodate said wellbore, and the assignment of a special oil allowable for such non-standard oil proration unit. Said project area is located approximately 4.5 miles south-southeast of Prairieview, New Mexico.

CASE 11262: **Application of Texaco Exploration and Production, Inc. for special pool rules, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations for the South Sand Dunes-Bone Spring Pool including a provision for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said pool currently comprises portions of Sections 29, 30, 31, and 32, of Township 23 South, Range 32 East, and is located on the Lea/Eddy County line approximately 2 miles north of State Highway No. 128.

CASE 11224: Continued from March 16, 1995, Examiner Hearing.

Application of Southeastern Petroleum, Inc. 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 Strawn formation underlying the following described acreage in Section 28, Township 16 South, Range 37 East, and in the following manner: the W/2 SW/4 thereby forming a standard 80-acre oil spacing and proration unit for any and all pools developed on 80-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Knowles-Drinkard Pool and the Undesignated West Casey-Strawn Pool; and the SW/4 SW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Lovington-Grayburg San Andres Pool, Undesignated Lovington-Paddock Pool, Lovington-Abo Pool, and the Undesignated East Lovington-Upper Pennsylvanian (Cisco and Canyon formations) Pool. Said units are to be dedicated to the plugged and abandoned Shell Oil Company Home Stake Well No. 1 (T.D. - 12,125 feet), located at a standard oil well location 660 feet from the South and West lines (Unit M) of said Section 28. Also to be considered will be the costs of re-entering and the recompletion of said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in the re-entry of said well. The location of this wellbore is approximately 7 miles north-northwest of Humble City, New Mexico.

CASE 11263: **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 Canyon formation underlying the NE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Ross "EG" Federal Com Well No. 14 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 21. 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 unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

CASE 11232: (Contined from April 6, 1995, Examiner Hearing.)

Application of Nearburg Exploration Company 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 Canyon formation underlying the NE/4 of Section 24, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. 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 Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles west-northwest of Lakewood, New Mexico.

CASE 11264: **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 Canyon formation underlying the NE/4 of Section 24, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. 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 unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles west-northwest of Lakewood, New Mexico.

CASE 11265: **Application of Nearburg Exploration Company 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 Canyon formation underlying the NE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Alto "21" Well No. 1 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 21. 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 Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

- CASE 11266:** Application of Nearburg Exploration Company 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 following described acreage in Section 32, Township 17 South, Range 27 East, and in the following manner: the N/2 to form 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 Undesignated Jennings Spring-Wolfcamp Gas Pool, Undesignated Logan Draw-Cisco/Canyon Gas Pool, Undesignated Red Lake-Pennsylvanian Gas Pool, Undesignated West Logan Draw-Morrow Gas Pool, and Undesignated Logan Draw-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and the NW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Red Lake Queen-Grayburg-San Andres Pool, Undesignated Empire-Abo Pool, and Undesignated Chalk Bluff-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled and completed at a standard location in Unit "B" of said Section 32. 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 Nearburg Producing Company as the operator of the well, and a charge for risk involved in drilling said well. Said well location is approximately 2.5 miles south of Riverside, New Mexico.
- CASE 11267:** Application of Arch Petroleum Inc. for special pool rules, Lea County, New Mexic. Applicant, in the above-styled cause, seeks an order promulgating special rules and regulations for the Justis-Fusselman Pool including a provision for a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of oil. Said pool currently comprises all or portions of Sections 13, 24, 25, and 36, of Township 25 South, Range 37 East, and portions of Sections 30 and 31, of Township 25 South, Range 38 East and is located approximately 5 miles east of Jal, New Mexico.
- CASE 11268:** Application of Mack Energy 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 Drinkard formation, underlying the NE/4 NW/4 (Unit C) of Section 27, Township 16 South, Range 38 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Garrett-San Andres Pool, Undesignated Garrett-Drinkard Pool, and Undesignated East Garrett-Drinkard Pool. Said unit is to be dedicated to either the plugged and abandoned Texas Oil Company Gotlieb Ertel Well No. 1, located at a standard oil well location 660 feet from the North line and 1980 feet, more or less, from the West line of said Section 27, in which the applicant proposes to re-enter, OR IN THE ALTERNATIVE, to a new well to be drilled at a standard oil well location thereon. Also to be considered will be the costs of re-entering and the recompletion of said plugged well or drilling and completing a new well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the unit and subsequent well, and a charge for the risk involved in the re-entry of said plugged well or in drilling a new well. Said unit is located approximately 4 miles north of Knowles, New Mexico.
- CASE 11269:** Application of Amerada Hess Corporation for pool creation, the promulgation of special pool rules, assignment of an appropriate oil allowable, and for an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks the creation of a new pool for the production of oil from the Ellenburger formation underlying all of Section 5, Township 23 South, Range 34 East (being approximately 20.5 miles west-southwest of Eunice, New Mexico) and for the promulgation of special rules and regulations therefor including provisions for 640-acre oil spacing and proration units, designated well location requirements, and for the assignment of an appropriate poolwide depth bracket oil allowable. Applicant further seeks approval of an unorthodox oil well location in this newly created Ellenburger oil pool for its North Bell Federal Well No. 2 (API No. 30-025-32672), located 1100 feet from the South line and 1500 feet from the West line (Unit N) of said Section 5, all of said Section 5 to be dedicated to said well thereby forming a 640.28-acre oil spacing and proration unit.
- CASE 11270:** Application of Maralo, Inc. 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 Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 3, Township 19 South, Range 28 East, thereby forming a 320.90-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 Undesignated Millman-Wolfcamp Gas Pool, Undesignated Millman-Atoka Gas Pool, Undesignated North Turkey Track-Atoka Gas Pool, and Undesignated Millman-Morrow Gas Pool. Said unit is 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 the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 miles east-southeast of the old Illinois Oil Camp.

CASE 11271: **Application of Medallion Production Company for compulsory pooling and an unorthodox gas well location, 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 Atoka formation, underlying the following described acreage in Section 31, Township 16 South, Range 35 East, and in the following manner: the E/2 to form 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 Undesignated North Vacuum Atoka-Morrow Gas Pool and Undesignated Shoe Bar-Atoka Gas Pool; the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; the W/2 SE/4 to form a standard 80-acre oil spacing and proration unit for any and all pools developed on 80-acre spacing within said vertical extent which presently includes only the Undesignated North Vacuum-Abo Pool; and the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Vacuum-Grayburg San Andres Pool and Undesignated Northeast Vacuum-Wolfcamp Pool. Said units are to be dedicated to a single well to be drilled 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 31 being a standard well location for 40, 80, and 160-acre spacing and proration units but an unorthodox gas well location for a 320-acre spacing unit. 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 well location is approximately 5 miles north of Buckeye, New Mexico.

CASE 11227: **Continued from March 16, 1995, Examiner Hearing.**

Application of PermOK Oil, Inc. for a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to establish a non-standard 80-acre gas spacing and proration unit in the Undesignated Rhodes Yates-Seven Rivers Gas Pool comprising the N/2 NW/4 of Section 23, Township 26 South, Range 37 East, being approximately 6.5 miles southeast by south of Jal, New Mexico. Said unit is to be dedicated to its proposed Leonard Brothers "A" Federal Well No. 2 to be drilled at a standard gas well location 660 feet from the North and West lines (Unit D) of said Section 23.

CASE 11194: **(Continued from April 6, 1995, Examiner Hearing.)**

Application of Charles B. Gillespie, Jr. for a pressure maintenance project and qualification for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to institute a pressure maintenance project in the designated and Undesignated West Lovington-Strawn Pool within its proposed West Lovington Strawn Unit Area (being the subject of Case No. 11195) located in portions of Townships 15 and 16 South, Ranges 35 and 36 East, by the injection of natural gas through the perforated interval from approximately 11,424 feet to 11,434 feet into its existing Speight Fee Well No. 1 located 660 feet from the North line and 2310 feet from the West line (Lot 3/Unit C) of Section 1, Township 16 South, Range 35 East. Applicant further seeks to qualify this project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Law 1992, Chapter 38, Sections 1 through 5). Said project is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

CASE 11195: **(Continued from April 6, 1995, Examiner Hearing.)**

Application of Charles B. Gillespie, Jr. for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a pressure maintenance project, all mineral interests in the designated and Undesignated West Lovington-Strawn Pool underlying its proposed West Lovington Strawn Unit Area encompassing some 1457.05-acres, more or less, of Federal, State, and Fee lands comprising all of Section 33 and the W/2 of Section 34 of Township 15 South, Range 35 East, a portion of Section 1, Township 16 South, Range 35 East, and a portion of Section 6, Township 16 South, Range 36 East. Among the matters to be considered at the hearing, pursuant to the "New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and changes to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures, selection, removal or substitution of the unit operator, and time of commencement and termination of unit operations. Said unit area is centered approximately 4.5 miles West-Northwest of Lovington, New Mexico.

CASE 11243: (Continued from April 6, 1995, Examiner Hearing.)

Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 12, Township 29 North, Range 13 West, and in the following manner: the W/2 thereby forming a standard 320-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent which presently includes only the Basin-Fruitland Coal (Gas) Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well (the proposed Burnham Gas Com "B" Well No. 1) to be drilled at a standard gas well location in the SW/4 of said Section 12. 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 area is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11244: (Continued from April 6, 1995, Examiner Hearing.)

Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said unit is to be dedicated to a single well (the proposed Burnham Gas Com "A" Well No. 1) 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11247: (Continued from April 6, 1995, Examiner Hearing.)

Application of Richardson Operating Co. for compulsory pooling, downhole commingling and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the SW/4 of Section 12, Township 29 North, Range 13 West, and all mineral interests in the Basin-Fruitland Coal (Gas) Pool, underlying the W/2 of said Section 12, thereby forming a standard 160-acre and 320-acre gas spacing and proration unit for both pools, respectively. Said units are to be dedicated to a single well, the proposed ROPCO Federal "12" Well No. 3, which is to be drilled at a potential unorthodox gas well location within 200 feet of a point 870 feet from the South line and 1180 feet from the West line of said Section 12. Applicant further seeks authorization to commingle Undesignated West Kutz-Pictured Cliffs Pool production with gas production from the Basin-Fruitland Coal (Gas) Pool within the wellbore of said well. Also to be considered will be the cost of participation in said well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefor as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well. Said well is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11245: (Continued from April 6, 1995, Examiner Hearing.)

Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NE/4 of Section 14, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit. Said unit is to be dedicated to the Roberts Well No. 1 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said area is located approximately 1.5 miles east of Farmington, New Mexico.

CASE 11248: (Continued from April 6, 1995, Examiner Hearing.)

Application of Bahlburg Exploration, Inc. for directional drilling and unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the plugged and abandoned Manzano Oil Corporation Kim Harris Well No. 2, located 600 feet from the North line and 797 feet from the East line (Unit A) of Section 12, Township 16 South, Range 36 East, wherein the applicant proposes to kick-off from the vertical portion of the wellbore in a northerly direction to within 50 feet of the following targeted locations (both of which are unorthodox):

- in the Northeast Lovington-Wolfcamp Pool, 300 feet from the North line and 797 feet from the East line of said Section 12, the NE/4 NE/4 to be dedicated to this interval to form a standard 40-acre oil proration unit; and,
- in the Undesignated Northeast Lovington-Pennsylvanian Pool, 50 feet from the North line and 797 feet from the East line of said Section 12, the N/2 NE/4 to be dedicated to form a standard 80-acre oil proration unit.

Said well is located approximately 3 miles east of Lovington, New Mexico.

CASE 11272: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Rio Arriba, Sandoval, and San Juan Counties, New Mexico.

- (a) CREATE a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Mancos production and designated as the Dike Rock-Mancos Oil Pool. The discovery well is the Enre Corporation Leavry Canyon 18 I Well No. 1 located in Unit I of Section 18, Township 27 North, Range 2 West, NMPM. Said pool would comprise:

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM
Section 18: NE/4 SE/4

(Paragraph (b) will be dismissed.)

- (b) CREATE a new pool in Rio Arriba County, New Mexico, classified as an oil pool for Gallup production and designated as the Ensenada-Gallup Oil Pool. The discovery well is the Meridian Oil Inc. Klein Well No. 28E located in Unit C of Section 33, Township 26 North, Range 6 West, NMPM. Said pool would comprise:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM
Section 33: NW/4

- (c) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Greek-Gallup Oil Pool. The discovery well is the Dugan Production Corporation Pole's Paradise Well No. 2 located in Unit K of Section 9, Township 30 North, Range 14 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 14 WEST, NMPM
Section 9: NW/4 SW/4

- (d) EXTEND the BS Mesa-Gallup Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM
Section 2: SW/4

- (e) EXTEND the Ballard-Pictured Cliffs Pool in Rio Arriba, San Juan, and Sandoval Counties, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM
Section 7: SW/4
Section 18: W/2

- (f) EXTEND the Bisti-Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 9 WEST, NMPM
Section 1: N/2 and SW/4

TOWNSHIP 23 NORTH, RANGE 9 WEST, NMPM
Section 36: SW/4

- (g) EXTEND the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 6 WEST, NMPM

Section 19: N/2
Section 20: SW/4
Section 29: W/2
Section 32: All

- (h) EXTEND the Cha Cha-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 14 WEST, NMPM

Section 23: N/2 SW/4

- (i) EXTEND the Fulcher Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 12 WEST, NMPM

Section 27: SE/4
Section 35: SE/4

- (j) EXTEND the West Kutz-Pictured Cliffs Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 11 WEST, NMPM

Section 11: SE/4
Section 14: NE/4

TOWNSHIP 28 NORTH, RANGE 11 WEST, NMPM

Section 20: E/2
Section 21: W/2

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM

Section 12: NE/4

- (k) EXTEND the Otero-Chacra Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 9 WEST, NMPM

Section 13: SW/4
Section 24: W/2
Section 25: NW/4

- (l) EXTEND the West Puerto Chiquito-Mancos Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 2 WEST, NMPM

Sections 1 and 2: All

- (m) EXTEND the Rusty-Chacra Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM

Section 5: SW/4
Section 6: S/2 and NE/4
Section 7: NE/4
Sections 8 and 9: All
Section 15: N/2 and SW/4
Section 16: All
Section 17: N/2
Section 21: NW/4
Section 22: NW/4

- (n) EXTEND the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM

Section 19: SE/4

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 15: SW/4

Section 22: S/2 and NW/4

Section 23: S/2

Section 26: N/2

Section 27: N/2

DOCKET NO. 12-95

DOCKET: COMMISSION HEARING - THURSDAY - APRIL 27, 1995

9:00 A.M. - 2040 SOUTH PACHECO

SANTA FE, NEW MEXICO

CASE 11273: In the matter of the application of the Oil Conservation Division on its own motion for an order adopting rules to implement the recently passed Production Restoration Incentive and Workover Severance Tax Exemption Act (HB 65). The New Mexico Oil Conservation Division seeks an order adopting rules setting forth the procedures to implement the provisions of this Act providing for the qualification of projects and the certification for the "Production Restoration or Workover Tax Rate". Evidence and testimony will not be taken at this time but a Committee will be appointed to produce a preliminary draft of rules for the Commission to consider at a later date.

CASE 11274: **Application of Meridian Oil Inc. to establish a statewide administrative procedure for approval of high angle/horizontal directional drilling projects in the State of New Mexico.** Applicant, in the above-styled cause, seeks the establishment of a new rule or an amended Rule 111 of the Oil Conservation Division Rules and Regulations establishing a statewide administrative procedure for approval of high angle/horizontal directional drilling projects in the State of New Mexico without the necessity of holding a hearing.

CASE 10280: **De Novo**

In the matter of the Case No. 10280 being reopened pursuant to the provisions of Division Order Nos. R-9594 and R-9594-A, which orders promulgated temporary special rules and regulations for the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, including a provision for 80-acre spacing. Operators in the subject pool may appear and show cause why said special pool rules should not be rescinded and why the Milnesand-Abo Pool should not be developed on other than 40-acre spacing and proration units. Upon the application of Petroleum Production Management, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 6, 1995**8:15 A.M. - 2040 SOUTH PACHECO****SANTA FE, NEW MEXICO**

Dockets Nos. 11-95 and 12-95 are tentatively set for April 20, 1995 and May 4, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11202: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson - Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11228: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Rapid Company, Inc., and all other interested parties to appear and show cause why the Copelan State Well No. 1 (API No. 30-005-60372), located 330 feet from the North line and 1650 feet from the West line (Unit C) and the Copelan State Well No. 2, located 660 feet from the North and East lines (Unit A), both in Section 31, Township 10 South, Range 27 East, Chaves County, New Mexico (which is approximately 8 miles northeast of the Bottomless Lake State Park), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said wells, the Division should then be authorized to take such action as is deemed necessary to have both wells properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11229: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Phoenix Resources Company, and all other interested parties to appear and show cause why the Powell Well No. 1 (API No. 30-005-60668), located 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 23, Township 7 South, Range 28 East, Chaves County, New Mexico (which is approximately 1/2 mile west of Elkins, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

CASE 11230: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit the operator, Leonard Oil Company, and all other interested parties to appear and show cause why the State B-7717 Well No. 1 located approximately 1980 feet from the South line and 660 feet from the East line (Unit H) of Section 2, Township 19 South, Range 29 East, Eddy County, New Mexico (which is approximately 9.5 miles south-southwest of Loco Hills, New Mexico), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the owner/operator to pay the costs of such plugging.

CASE 11226: Continued from March 16, 1995, Examiner Hearing.

Application of Santa Fe Energy Resources, Inc. for compulsory pooling and an unorthodox gas well location, 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 Devonian formation underlying the following described acreage in Section 29, Township 22 South, Range 34 East, and in the following manner: the entire section to form a standard 640-acre gas spacing and proration unit for any and all pools developed on 640-acre spacing within said vertical extent which presently includes only the Undesignated North Bell Lake-Devonian Gas Pool; and the N/2 to form 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 Undesignated Antelope Ridge-Atoka Gas Pool. Said units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1330 feet from the North and East lines (Unit G) of said Section 29. 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 approximately 20 miles west by south of Eunice, New Mexico.

CASE 11231: **Application of Enron Oil & Gas Company 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 Bone Spring formation, underlying the NW/4 NW/4 (Unit D) of Section 20, Township 25 South, Range 35 East, to form a standard 40-acre oil spacing and proration unit. The applicant proposes to re-enter the Southland Royalty Company Gulf Federal Well No. 1, located at a standard oil well location 660 feet from the North and West lines of said Section 20. Also to be considered will be the costs of re-entering and the recompletion of said well and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in the re-entry of said well. Said unit is located approximately 12 miles west of Jal, New Mexico.

CASE 11232: Application of Nearburg Exploration Company 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 Canyon formation underlying the NE/4 of Section 24, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. 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 Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles west-northwest of Lakewood, New Mexico.

CASE 11233: Application of Nearburg Exploration Company 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 Canyon formation underlying the SW/4 of Section 13, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "13" Well No. 2 to be drilled at a standard location in the SE/4 SW/4 (Unit N) of said Section 13. 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 Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4.5 miles west-northwest of Lakewood, New Mexico.

CASE 11222: Continued from March 16, 1995, Examiner Hearing.

Application of Yates Petroleum Corporation for certification of a positive production response pursuant to New Mexico's "Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant, in the above-styled cause, seeks certification, pursuant to the Rules and Procedures for Qualification of Enhanced Oil Recovery Projects and Certification for the Recovered Oil Tax Rate, as promulgated by Division Order No. R-9708, for a positive production response on its Sanmal Queen Unit Waterflood Project, which qualified for the recovered oil tax rate under New Mexico's "Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5) by Division Order No. R-9961. Said project is located in portions of Sections 1 and 12, Township 17 South, Range 33 East, which is located approximately 3 miles north of Buckeye, New Mexico.

CASE 11223: Continued from March 16, 1995, Examiner Hearing.

Application of Yates Drilling Company for certification of a positive production response pursuant to New Mexico's "Enhanced Oil Recovery Act", Chaves County, New Mexico. Applicant, in the above-styled cause, seeks certification, pursuant to the Rules and Procedures for Qualification of Enhanced Oil Recovery Projects and Certification for the Recovered Oil Tax Rate, as promulgated by Division Order No. R-9708, for a positive production response on the "expanded area" of the Cactus Queen (Voluntary) Unit Waterflood Project comprising the SW/4 NE/4, S/2 NW/4, SW/4, and NW/4 SE/4 of Section 34, Township 12 South, Range 31 East, which qualified for the recovered oil tax rate under New Mexico's "Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5) by Division Order No. R-9075-B-1. Said area is located approximately 12 miles southwest by west of Caprock, New Mexico.

CASE 11234: 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 Canyon formation underlying the SW/4 of Section 13, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4.5 miles west-northwest of Lakewood, New Mexico.

CASE 11235: Application of Yates Petroleum Corporation for an unorthodox oil well location and simultaneous dedication, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location in the North Dagger Draw-Upper Pennsylvanian Pool to be drilled 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 29, Township 19 South, Range 25 East. Said well is to be included within the existing standard 160-acre oil spacing and proration unit comprising the SW/4 of said Section 29 and its production to be simultaneously dedicated with the existing Boyd "X" State Com Well No. 4 located in Unit "K", the Boyd "X" State Com Well No. 2 in Unit "L", and the Aspden "AOH" Federal Com Well No. 1 in Unit "M". Said unit is located approximately 8 miles west of Lakewood, New Mexico.

CASE 11236: **Application of Yates Petroleum Corporation for a pressure maintenance project, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks authority to institute a pressure maintenance project on a portion of its Quincy "AMQ" State lease underlying the NW/4 of Section 12, Township 8 South, Range 27 East, by the injection of water into the Southeast Acme-San Andres Pool through the perforated interval from approximately 2162 feet to 2182 feet in its Quincy "AMQ" State Well No. 8, located 2310 feet from the North and West lines (Unit F) of said Section 12. This area is located approximately 7 miles southwest by west of Elkins, New Mexico.

CASE 11198: **(Continued from March 2, 1995, Examiner Hearing.)**

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 Canyon formation, underlying the NW/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 2, which has been drilled at a standard location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 21. 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 and completing said well. Said unit is located approximately 6.5 miles west by north of Lakewood, New Mexico.

CASE 11199: **(Continued from March 2, 1995, Examiner Hearing.)**

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 Canyon formation, underlying the SW/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Hooper "AMP" Well No. 1, which has been drilled at a standard location 820 feet from the South line and 660 feet from the West line (Unit M) of said Section 21. 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 and completing said well. Said unit is located approximately 6.5 miles west by north of Lakewood, New Mexico.

CASE 11200: **(Continued from March 2, 1995, Examiner Hearing.)**

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 Canyon formation, underlying the SE/4 of Section 21, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes only the Undesignated North Dagger Draw-Upper Pennsylvanian Pool. Said unit is to be dedicated to its Patriot "AIZ" Well No. 5, which has been drilled at a standard location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 21. 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 and completing said well. Said unit is located approximately 6.25 miles west by north of Lakewood, New Mexico.

CASE 11237: **Application of Bonneville Fuels Corporation for an unorthodox oil well location, Lea County, New Mexico.** Applicant, in the above-styled cause, seeks approval for an unorthodox oil well location in the Undesignated South Humble City-Strawn Pool to be drilled 2030 feet from the South line and 2300 feet from the West line (Unit K) of Section 14, Township 17 South, Range 37 East. The E/2 SW/4 of said Section 14 is to be dedicated to said well forming a standard 80-acre oil spacing and proration unit for said pool. Said unit is located approximately 5 miles north of the Hobbs Industrial Air Park.

CASE 11238: **Application of Marbob Energy Corporation for an unorthodox oil well location, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks approval of an unorthodox oil well location in the South Lone Wolf-Devonian Pool for its White Fang Federal Well No. 1 to be drilled 1353 feet from the North line and 1914 feet from the West line (Unit F) of Section 33, Township 13 South, Range 29 East. The SE/4 NW/4 of said Section 33 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit for said pool. Said unit is located approximately 17 miles east by north of Hagerman, New Mexico.

CASE 11239: **Application of Marbob Energy Corporation for an unorthodox oil well location, Chaves County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill its Havasu Federal Well No. 1 to test the Devonian formation, at an unorthodox oil well location of 2588 feet from the South line and 2309 feet from the East line (Unit J) in Section 11, Township 13 South, Range 27 East. The NW/4 SE/4 of said Section 11 is to be dedicated to said well forming a standard 40-acre oil spacing and proration unit. Said unit is located approximately 9.5 miles east of Dexter, New Mexico.

CASE 11213: **(Continued from March 2, 1995, Examiner Hearing.)**

Application of Maralo, Inc. for compulsory pooling and an unorthodox oil well location, 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 Devonian formation, underlying the NW/4 NE/4 (Unit B) of Section 20, Township 13 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at an unorthodox oil well location 350 feet from the North line and 1500 feet from the East 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 6.25 miles southeast by south of Gladiola, New Mexico.

CASE 11240: **Application of Conoco Inc. to reopen Case Nos. 10471 and 10560 to vacate the compulsory pooling provisions of Order No. R-9673-A and for the creation of two non-standard 80-acre spacing and proration units including the assignment of appropriate allowables, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks to reopen Case Nos. 10471 and 1560, pursuant to the provisions of Order No. R-9673-A, to vacate the compulsory pooling provision thereof and to create two non-standard 80-acre spacing and proration units consisting of the N/2 NE/4 and the S/2 NE/4 of Section 17, Township 19 South, Range 25 East, for production from the North Dagger Draw-Upper Pennsylvanian Pool, including the assignment of appropriate allowables, designation of operators and other matters. These units are located 8 miles west by north of Lakewood, New Mexico.

CASE 11241: **Application of Conoco, Inc. for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval for its Julie Com Well No. 3 to be drilled 660 feet from the North and East lines (Unit A) of Section 17, Township 19 South, Range 25 East, and completed in both the North Dagger Draw-Upper Pennsylvanian Pool and the Undesignated Boyd-Morrow Gas Pool. Said well location is standard for the Upper Pennsylvanian interval and unorthodox for the Morrow formation. Further, the N/2 of said Section 17 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit in the Boyd-Morrow Gas Pool. Said unit is located approximately 8 miles west by north of Lakewood, New Mexico.

CASE 11242: **Application of Conoco, Inc. for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval for its Savannah Well No. 1 to be drilled 660 feet from the North and East lines (Unit A) of Section 32, Township 19 South, Range 25 East, and completed in both the Undesignated North Dagger Draw-Upper Pennsylvanian Pool and the Undesignated Cemetery-Morrow Gas Pool. Said well location is standard for the Upper Pennsylvanian interval and unorthodox for the Morrow formation. Further, the N/2 of said Section 32 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit in the Cemetery-Morrow Gas Pool. Said unit is located approximately 8 miles west of Lakewood, New Mexico.

CASE 11219: **Continued from March 16, 1995, Examiner Hearing.**

Application of Conoco, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for its Preston "35-N" Federal Com Well No. 15 to be drilled 860 feet from the North line and 710 feet from the West line (Unit D) in Section 35, Township 20 South, Range 24 East, and completed in both the South Dagger Draw-Upper Pennsylvanian Associated Pool and Cemetery-Morrow Gas Pool. Said well location is standard for the Upper Pennsylvanian interval and unorthodox for the Morrow formation. Further, said well is to be a replacement gas well in the existing standard 320-acre gas spacing and proration unit in the Cemetery-Morrow Gas Pool currently dedicated to its Preston "35-N" Federal Well No. 6, located in Unit "A" of said Section 35. Said unit is located approximately 9 miles west-southwest of Seven Rivers, New Mexico.

CASE 11218: Continued from March 16, 1995, Examiner Hearing.

Application of Naumann Oil & Gas, Inc. for compulsory pooling and an unorthodox gas well location, 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 following described acreage in Section 34, Township 17 South, Range 29 East, and in the following manner: the S/2 thereby forming a standard 320-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Grayburg-Strawn Gas Pool, Undesignated-Atoka Gas Pool, Undesignated South Empire-Morrow Gas Pool and the Undesignated Grayburg-Morrow Gas Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said units are to be dedicated to a single well to be drilled at an unorthodox gas well location 1980 feet from the South line and 1330 feet from the West line (Unit K) of said Section 34. 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 approximately 5 miles west-southwest of Loco Hills, New Mexico.

CASE 11209: (Reopened)

Application of Amoco Production Company for surface commingling, San Juan County, New Mexico. In the matter of Case 11209 being reopened by Amoco Production Company for authorization to surface commingle Blanco-Mesaverde Pool gas production with South Blanco-Pictured Cliffs Pool gas production from its Jones "A-LS" Well No. 1A (API No. 30-045-22747), located 1460 feet from the South line and 1750 feet from the East line (Lot 2/Unit J) of irregular Section 10, Township 28 North, Range 8 West. Said well is located approximately 10 miles east-southeast of Blanco, New Mexico. IN THE ABSENCE OF OBJECTION THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.

CASE 11243: **Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 12, Township 29 North, Range 13 West, and in the following manner: the W/2 thereby forming a standard 320-acre gas spacing and proration unit for any and all pools developed on 320-acre spacing within said vertical extent which presently includes only the Basin-Fruitland Coal (Gas) Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said units are to be dedicated to a single well (the proposed Burnham Gas Com "B" Well No. 1) to be drilled at a standard gas well location in the SW/4 of said Section 12. 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 area is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11244: **Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated West Kutz-Fruitland Sand Pool and Undesignated West Kutz-Pictured Cliffs Pool. Said unit is to be dedicated to a single well (the proposed Burnham Gas Com "A" Well No. 1) 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 the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11245: **Application of Amoco Production Company for compulsory pooling, San Juan County, New Mexico.** Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NE/4 of Section 14, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit. Said unit is to be dedicated to the Roberts Well No. 1 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 the operator of the well and a charge for risk involved in drilling and completing said well. Said area is located approximately 1.5 miles east of Farmington, New Mexico.

CASE 11246: Application of Richardson Operating Company for compulsory pooling and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the NW/4 of Section 12, Township 29 North, Range 13 West, thereby forming a standard 160-acre gas spacing and proration unit for said pool. Said unit is to be dedicated to a single well (the proposed ROPCO Fee "12" Well No. 4) to be drilled at a non-standard gas well location within 200 feet of a point 147 feet from the North line and 1500 feet from the West line of said Section 12. 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 approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11247: Application of Richardson Operating Co. for compulsory pooling, downhole commingling and an unorthodox gas well location, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Undesignated West Kutz-Pictured Cliffs Pool underlying the SW/4 of Section 12, Township 29 North, Range 13 West, and all mineral interests in the Basin-Fruitland Coal (Gas) Pool, underlying the W/2 of said Section 12, thereby forming a standard 160-acre and 320-acre gas spacing and proration unit for both pools, respectively. Said units are to be dedicated to a single well, the proposed ROPCO Federal "12" Well No. 3, which is to be drilled at a potential unorthodox gas well location within 200 feet of a point 870 feet from the South line and 1180 feet from the West line of said Section 12. Applicant further seeks authorization to commingle Undesignated West Kutz-Pictured Cliffs Pool production with gas production from the Basin-Fruitland Coal (Gas) Pool within the wellbore of said well. Also to be considered will be the cost of participation in said well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefor as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well. Said well is located approximately 2.5 miles east-northeast of Farmington, New Mexico.

CASE 11148: (Reopened and Readvertised)

Application of Meridian Oil Inc. for downhole commingling and a non-standard gas proration unit, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to downhole commingle conventional Aztec-Pictured Cliffs Pool gas production, which is currently dedicated to a non-standard 202.82-acre gas spacing and proration unit comprising Lots 2, 3 and 4, the S/2 SW/4 and the SW/4 SE/4, with gas production from the Basin-Fruitland Coal (Gas) Pool within the wellbore of its existing Zachry Well No. 1 located at a standard gas well location for both intervals 990 feet from the South line and 1650 feet from the West line (Unit N) of Irregular Section 12, Township 28 North, Range 10 West. All of said Section 12 is to be dedicated to the subject well in the Basin-Fruitland Coal Gas Pool forming a non-standard 270.11-acre gas spacing and proration unit. Said well is located approximately 8.5 miles southeast of Bloomfield, New Mexico. In The Absence of Objection, This Application Will Be Taken Under Advisement.

CASE 11248: Application of Bahlburg Exploration, Inc. for directional drilling and unorthodox oil well locations, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to re-enter the plugged and abandoned Manzano Oil Corporation Kim Harris Well No. 2, located 600 feet from the North line and 797 feet from the East line (Unit A) of Section 12, Township 16 South, Range 36 East, wherein the applicant proposes to kick-off from the vertical portion of the wellbore in a northerly direction to within 50 feet of the following targeted locations (both of which are unorthodox):

- in the Northeast Lovington-Wolfcamp Pool, 300 feet from the North line and 797 feet from the East line of said Section 12, the NE/4 NE/4 to be dedicated to this interval to form a standard 40-acre oil proration unit; and,
- in the Undesignated Northeast Lovington-Pennsylvanian Pool, 50 feet from the North line and 797 feet from the East line of said Section 12, the N/2 NE/4 to be dedicated to form a standard 80-acre oil proration unit.

Said well is located approximately 3 miles east of Lovington, New Mexico.

CASE 11099: (Continued from March 2, 1995, Examiner Hearing.)

Application of TARA-JON 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 Drinkard formation underlying the NE/4 NW/4 (Unit C) of Section 27, Township 16 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Garrett-San Andres Pool, Undesignated Garrett-Drinkard Pool, and Undesignated East Garrett-Drinkard Pool. Said pooled unit is to be dedicated to either the plugged and abandoned The Texas Company Gotlieb Ertal Well No. 1 (T.D. - 13,310 feet), located at a standard oil well location 660 feet from the North line and 1982 feet from the West line, more or less, of said Section 27 or, if said Gotlieb Ertal Well No. 1 is found not to be mechanically sound, to a new well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of re-entering and recompleting the old plugged and abandoned well and/or the costs of drilling and completing a new 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 unit and a charge for risk involved in re-entering the old plugged and abandoned well and/or the drilling of a new well. Said unit is located approximately 12 miles north of Hobbs, New Mexico.

CASE 11194: (Continued from March 2, 1995, Examiner Hearing.)

Application of Charles B. Gillespie, Jr. for a pressure maintenance project and qualification for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to institute a pressure maintenance project in the designated and Undesignated West Lovington-Strawn Pool within its proposed West Lovington Strawn Unit Area (being the subject of Case No. 11195) located in portions of Townships 15 and 16 South, Ranges 35 and 36 East, by the injection of natural gas through the perforated interval from approximately 11,424 feet to 11,434 feet into its existing Speight Fee Well No. 1 located 660 feet from the North line and 2310 feet from the West line (Lot 3/Unit C) of Section 1, Township 16 South, Range 35 East. Applicant further seeks to qualify this project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Law 1992, Chapter 38, Sections 1 through 5). Said project is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

CASE 11195: (Continued from March 2, 1995, Examiner Hearing.)

Application of Charles B. Gillespie, Jr. for statutory unitization, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a pressure maintenance project, all mineral interests in the designated and Undesignated West Lovington-Strawn Pool underlying its proposed West Lovington Strawn Unit Area encompassing some 1457.05-acres, more or less, of Federal, State, and Fee lands comprising all of Section 33 and the W/2 of Section 34 of Township 15 South, Range 35 East, a portion of Section 1, Township 16 South, Range 35 East, and a portion of Section 6, Township 16 South, Range 36 East. Among the matters to be considered at the hearing, pursuant to the "New Mexico Statutory Unitization Act", Sections 70-7-1 et. seq., NMSA, will be the necessity of unit operations; the designation of a unit operator; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable and equitable allocation of production and costs of production, including capital investments, to each of the various tracts in the unit area; the determination of credits and changes to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations, including, but not necessarily limited to unit voting procedures, selection, removal or substitution of the unit operator, and time of commencement and termination of unit operations. Said unit area is centered approximately 4.5 miles West-Northwest of Lovington, New Mexico.

CASE 11249: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating, contracting vertical limits, and extending horizontal limits of certain pools in Lea County, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Cinta Roja-Delaware Pool. The discovery well is the Pogo Producing Company Antelope 5 Federal Well No. 1 located in Unit F of Section 5, Township 24 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 35 EAST, NMPM

Section 5: NW/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Fairview Mills-Bone Spring Pool. The discovery well is the Enron Oil and Gas Company Fairview 14 Fee Well No. 1 located in Unit G of Section 14, Township 25 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 14: NE/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Salt Lake-Atoka Gas Pool. The discovery well is the TOCO LLC Hanson State Well No. 1 located in Unit N of Section 13, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM

Section 13: S/2

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the South Salt Lake-Delaware Pool. The discovery well is the Strata Production Company Sam H. Snoddy Federal Well No. 1 located in Unit A of Section 26, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM

Section 26: NE/4

- (e) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Salt Lake-Morrow Gas Pool. The discovery well is the TOCO LLC Hanson State Well No. 1 located in Unit N of Section 13, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM

Section 13: S/2

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the San Simon-Strawn Pool. The discovery well is the Mitchell Energy Corporation San Simon 5 State Well No. 2 located in Unit G of Section 5, Township 22 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM

Section 5: NE/4

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Warren-San Andres Pool. The discovery well is the Conoco Inc. Warren Unit Well No. 108 located in Unit J of Section 28, Township 20 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 28: SE/4

- (h) CONTRACT the vertical limits of the Querecho Plains-Pennsylvanian Pool in Lea County, New Mexico, to include only the Strawn formation and redesignate said pool as the Querecho Plains-Strawn Pool.

- (i) EXTEND the Antelope Ridge-Cherry Canyon Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 10: NE/4

- (j) EXTEND the East Bell Lake-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 33: NE/4

Section 34: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM

Section 29: W/2

- (l) EXTEND the East EK-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM

Section 15: SW/4

Section 22: N/2 NW/4

- (m) EXTEND the Southwest Jabalina-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 35 EAST, NMPM

Section 19: SW/4

Section 30: W/2

- (n) EXTEND the East Livingston Ridge-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 3: SW/4

Section 4: SE/4

- (o) EXTEND the North Lusk-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 22: W/2

- (p) EXTEND the Mesa Verde-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM

Section 6: W/2

- (q) EXTEND the Monument-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 3: NE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 7: SW/4

- (r) EXTEND the Pearsall-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 28: SW/4

- (s) EXTEND the Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 3: SE/4

- (t) EXTEND the Red Hills-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM

Section 1: E/2

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 8: SW/4

Section 17: N/2

- (u) EXTEND the Red Tank-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 24: SW/4

- (v) EXTEND the West Red Tank-Delaware Pool in Lea County, New Mexico, to include *therein*:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 14: NE/4

- (w) EXTEND the South Sand Dunes-Bone Spring Pool in Lea County, New Mexico, to include *therein*:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 31: NW/4

- (x) EXTEND the North Teague Drinkard-Abo Pool in Lea County, New Mexico, to include *therein*:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 4: SW/4
Section 5: SE/4
Section 9: S/2 NW/4

- (y) EXTEND the North Teague Lower Paddock-Blinebry Associated Pool in Lea County, New Mexico, to include *therein*:

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

- (z) EXTEND the North Teague-Tubb Associated Pool in Lea County, New Mexico, to include *therein*:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 5: SE/4
Section 8: NE/4
Section 9: NE/4 and SW/4

- (aa) EXTEND the Northwest Townsend-Abo Pool in Lea County, New Mexico, to include *therein*:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 4: S/2 and Lots 11, 12, 13, and 14

CASE 11250: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Devonian production and designated as the Northwest Chisum Siluro-Devonian Pool. The discovery well is the Hanagan Petroleum Corporation Gray Wolf Well No. 1 located in Unit J of Section 33, Township 10 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM
Section 33: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Abo production and designated as the North Empire-Abo Pool. The discovery well is the Mack Energy Corporation Big George State Well No. 2 located in Unit J of Section 12, Township 17 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 12: SE/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the West McKittrick Hills-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation Anemone "ANE" Federal Well No. 1 located in Unit K of Section 9, Township 22 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM
Section 9: S/2

- (d) EXTEND the Brushy Draw-Delaware Pool in Eddy County, New Mexico, to include ~~therein~~:
- TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 10: SW/4
- (e) EXTEND the South Burton-Yates Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 20: SE/4
- (f) EXTEND the East Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 7: W/2
- (g) EXTEND the Cedar Canyon-Bone Spring Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 3: NE/4
- (h) EXTEND the North Cedar Lake-Strawn Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 25: S/2
- (i) EXTEND the North Dagger Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 19 SOUTH, RANGE 25 EAST, NMPM
Section 32: NW/4
- (j) EXTEND the Foster Draw-Delaware Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 5: SW/4
Section 6: SE/4
- (k) EXTEND the Happy Valley-Delaware Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 33: SW/4
- (l) EXTEND the East Herradura Bend-Delaware Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 1: SE/4
- (m) EXTEND the Ingle Wells-Delaware Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 34: SW/4
- (n) EXTEND the Northeast Livingston Ridge-Atoka Gas Pool in Eddy County, New Mexico, to include therein:
- TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 12: SE/4
- TOWNSHIP 22 SOUTH, RANGE 31 EAST, NMPM
Section 7: S/2

- (o) EXTEND the Los Medanos-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM

Section 24: S/2

- (p) EXTEND the Lost Tank-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 31 EAST, NMPM

Section 2: SW/4

- (q) EXTEND the Nash Draw-Brushy Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM

Section 24: NE/4

- (r) EXTEND the Northwest Poker Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM

Section 12: SE/4

- (s) EXTEND the Southwest Poker Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM

Section 25: SW/4

Section 36: NW/4

- (t) EXTEND the West Sand Dunes-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM

Section 3: SW/4

Section 4: SE/4

- (u) EXTEND the Santo Nino-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 29: NW/4

- (v) EXTEND the Siegreest Draw-Abo Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 31: SE/4

Section 32: SW/4

CASE 11251: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating and extending certain pools in Rio Arriba and San Juan Counties, New Mexico.

- (a) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Grassy-Gallup Oil Pool. The discovery well is the Redwolf Production Inc. Kelly Well No. 1 located in Unit P of Section 25, Township 30 North, Range 15 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM

Section 25: SE/4 SE/4

- (b) CREATE a new pool in San Juan County, New Mexico, classified as an oil pool for Gallup production and designated as the Greek-Gallup Oil Pool. The discovery well is the Dugan Production Corporation Monte Carlo Well No. 1 located in Unit M of Section 16, Township 30 North, Range 15 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 15 WEST, NMPM

Section 16: SW/4 SW/4

- (c) CREATE a new pool in Rio Arriba County, New Mexico, classified as a gas pool for ~~Pictured Cliffs~~ production and designated as the La Jara-Pictured Cliffs Pool. The discovery well is the Meridian Oil Inc. San Juan 30-6 Well No. 92A located in Unit I of Section 33, Township 30 North, Range 7 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM

Section 33: SE/4

- (d) CREATE a new pool in Rio Arriba County, New Mexico, classified as a gas pool for Pictured Cliffs production and designated as the Navajo City-Pictured Cliffs Pool. The discovery well is the Meridian Oil Inc. San Juan 30-6 Well No. 66 located in Unit K of Section 14, Township 30 North, Range 7 West, NMPM. Said pool would comprise:

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM

Section 14: SW/4

- (e) EXTEND the Angels Peak-Gallup Associated Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 10 WEST, NMPM

Section 29: NE/4

- (f) EXTEND the Bisti-Chacra Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 22 NORTH, RANGE 8 WEST, NMPM

Section 18: W/2

Section 19: N/2

Section 20: NW/4

- (g) EXTEND the Bisti-Lower Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 9 WEST, NMPM

Section 33: NW/4

- (h) EXTEND the Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 7 WEST, NMPM

Section 5: W/2

Section 6: E/2

TOWNSHIP 30 NORTH, RANGE 7 WEST, NMPM

Section 31: E/2

Section 32: W/2

- (i) EXTEND the Choza Mesa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 4 WEST, NMPM

Section 20: NE/4

Section 21: NW/4

- (j) EXTEND the Crouch Mesa-Mesaverde Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 12 WEST, NMPM

Section 1: NE/4

- (k) EXTEND the Gavilan-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM

Section 36: E/2

- (l) EXTEND the Gobernador-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 13: W/2

- (m) EXTEND the Rosa-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM

Section 8: S/2

Section 16: All

Section 17: NW/4 and E/2

Section 21: SE/4

Section 22: NE/4

- (n) EXTEND the Tapacito-Pictured Cliffs Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 27 NORTH, RANGE 3 WEST, NMPM

Section 19: W/2

TOWNSHIP 27 NORTH, RANGE 4 WEST, NMPM

Section 5: NW/4

Section 6: N/2 and SW/4

Section 7: S/2 and NW/4

Section 18: W/2

TOWNSHIP 27 NORTH, RANGE 5 WEST, NMPM

Sections 1 and 2: All

Section 10: SE/4

Section 11: All

Section 12: N/2 and SE/4

Section 13: E/2

Section 14: All

Section 15: NE/4

TOWNSHIP 28 NORTH, RANGE 5 WEST, NMPM

Section 24: SW/4

Section 25: All

Section 26: S/2

Section 27: S/2

Section 28: S/2

Section 31: NE/4

Section 32: N/2

Sections 33 through 36: All