NOTICE OF PUBLICATION STATE OF NEW MEXICO ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT OIL CONSERVATION DIVISION SANTA FE, NEW MEXICO

The State of New Mexico by its Oil Conservation Division hereby gives notice pursuant to law and Rules and Regulations of said Division promulgated thereunder of the following public hearing to be held at 8:15 A.M. on **January 11**, **1996**, 2040 South Pacheco, Oil Conservation Division Hearing Room, Santa Fe, New Mexico, before an examiner duly appointed for said hearing as provided by law. If you are an individual with a disability who is in need of a reader, amplifier, qualified sign language interpreter, or any other form of auxiliary aid or service to attend or participate in the hearing, please contact Florene Davidson at 505-827-7132 or through the New Mexico Relay Network, 1-800-659-1779 by December 31, 1995. Public documents, including the agenda and minutes, can be provided in various accessible forms. Please contact Florene Davidson if a summary or other type of accessible form is needed.

STATE OF NEW MEXICO TO:

All named parties and persons having any right, title, interest or claim in the following cases and notice to the public.

(NOTE: All land descriptions herein refer to the New Mexico Principal Meridian whether or not so stated.)

CASE <u>11442</u>

Application of Arco Permian, a unit of Atlantic Richfield, for complusory

pooling and an unorthodox well

location, Eddy County, New Mexico.

Applicant seeks an order pooling all mineral interests in the E/2 of Section 32, Township 17 South, Range 28 East, for all formations developed on 320-acre spacing. Said unit is to be dedicated to its Dancer 32 State Com Well No. 1 to be drilled at an unorthodox location 1728 feet from the North line and 916 feet from the East line (Unit H) 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 11 miles east-southeast of Artesia, New Mexico.

CASE<u>11443</u>

Application of ARCO Permian, a unit of Atlantic Richfield, for compulsory pooling and an unorthodox well location, Eddy County, New Mexico.

Applicant seeks an order pooling all mineral interests in the W/2 of Section 36, Township 17 South, Range 28 East, for all formations developed on 320-acre spacing. Said unit is to be dedicated to its Dorothy 36 State Com Well No. 1 to be drilled at an unorthodox location 1163 feet from the South line and 1647 feet from the West line (Unit N) of said Section 36. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 15 miles eastsoutheast of Artesia, New Mexico

CASE<u>11444</u>

Application of Yates Petroleum Corporation

for a unit agreement, Lea County, New Mexico.

Applicant seeks approval of a unit agreement for its proposed Morton Exploratory Unit Area comprising 2,178.68 acres, more or less, of State and Fee lands comprising all or portions of Sections 32 and 33, Township 14 South, Range 35 East, and Sections 4, 5, and 6, Township 15 South, Range 35 East. Said unit area is located approximately 14 miles south-southwest of Tatum, New Mexico.

CASE<u>11445</u>

Application of Yates Petroleum Corporation

for a unit agreement, Lea County, New Mexico.

Applicant seeks approval of a unit agreement for its proposed Papalotes Exploratory Unit Agreement containing 2,583.6 acres, more or less, of State and Fee lands comprising all of Sections 26, 34 and 35, Township 14 South, Range 34 East and Section 2, Township 15 South, Range 34 East. Said unit area is located approximately 9 miles west of Hillburn City, New Mexico.

CASE 10748 (Reopened)

In the matter of Case No. 10748 being reopened pursuant to the provisions of Division

Order No. R-9922-B, which order continued Special Rules and Regulations for the Indian Basin-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, in full force and effect until January, 1996. Operators in the subject pool may appear and show cause why the Temporary Secial Rules and Regulations for the Indian Basin-Upper Pennsylvanian Associated Pool should not be rescinded and the pool developed on statewide rules and regulations. Said pool is located approximately 16 miles west of Carlsbad, New Mexico.

CASE<u>11446</u>

Application of Arch Petroleum Inc. for amendment of Division Order No. R-10453 authorizing a location change of a certain unorthodox oil well location, Lea County,

New Mexico.

Applicant seeks to amend Division Order No. R-10453, which authorized applicant to drill seven unorthodox oil well locations in Sections 21, 22, and 28, Township 23 South, Range 37 East, Teague-Blinebry Pool, by changing the location approved by said order of its C.E. Lamunyon Well No. 56 to a location 1300 feet from the North line and 1450 feet from the East line (Unit B) of said Section 28. Said well is located approximately 10 miles south of Eunice, New Mexico. <u>IN_THE</u> <u>ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER</u> <u>ADVISEMENT.</u>

CASE 11280 (Reopened)

In the matter of Case No. 11280 being reopened pursuant to the provisions of Division Order No. R-10389, which order created the South Black River-Delaware Pool in Eddy County, New Mexico, and promulgated temporary special pool rules therefor. Operators in the subject pool may appear and present geologic and engineering evidence and testimony relative to the promulgation of permanent rules and regulations. Said pool is located approximately 6 miles east of Whites City, New Mexico.

CASE 11447

Application of Enserch Exploration, Inc. to amend special pool rules for the South Black

River-Delaware Pool, Eddy County, New

Mexico.

Applicant seeks to amend Division Order No. R-10389, which promulgated temporary special pool rules for the South Black River-Delaware Pool, to amend such special pool rules to provide for a limiting gas-oil ratio of 20,000 cubic feet of gas for each barrel of oil produced, an increase from the current limiting gas-oil ratio of 10,000 to 1. Said pool is located approximately 6 miles east of Whites City, New Mexico.

CASE<u>11448</u>

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Rhonda Operating Co., owner/operator, American Employers' Insurance Company, surety, and all other interested parties to appear and show cause why the State 29 Well No. 2, located 1977 feet from the North line and 670 feet from the East line (Unit H) of Section 29, Township 8 South, Range 33 East, Chaves County, New Mexico (which is approximately 17 miles southeast of Kenna, 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 <u>11449</u>

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Abbott Ventures, operator, Ralph Abbott, owner, Allied Fidelity Insurance Company, surety, and all other interested parties to appear and show cause why the N.E. Hogback State NM Well No. 1 (**API No. 30-045-09592**), located 365 feet from the North line and 330 feet from the East line (Unit A) of Section 16, Township 30 North, Range 16 West, San Juan County, New Mexico (which is approximately 9.25 miles east by north of Shiprock, 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 11450

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Ralph Abbott, owner/operator, Aetna Casualty and Surety Company, surety, and all other interested parties to appear and show cause why the Palmer Well No. 1 (API No. 30-045-24691), located 1735 feet from the North line and 1695 feet from the East line (Unit G) of Section 17, Township 29 North, Range 13 West, San Juan County, New Mexico (which is approximately one mile south of the Four Corners Regional Airport in Farmington, New Mexico), should not be plugged and agandoned 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.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico, on this 21st day of December, 1995.

STATE OF NEW MEXICO

OIL CONSERVATION DIVISION

William J. LeMay WILLIAM J. LEMAY, Director 7FD