

**CASE 13261:** *Application of Pure Resources, L.P. for Compulsory Pooling and a Non-Standard Gas Spacing and Proration Unit, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 3, Township 19 South, Range 34 East, and in the following manner: Lots 1, 2, S/2 NE/4, and SE/4 (the E/2) to form a non-standard 328.44-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the East La Rica-Morrow Gas Pool; the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent; and the NW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the Raptor West "3" State Well No. 1, to be located at a standard location in the NW/4 SE/4 (Unit J) of the section. Also to be considered will be the cost of drilling and completing the 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 200% charge for the risk involved in drilling and completing the well. The units are located approximately 8½ miles south-southwest of Buckeye, New Mexico.

**CASE 13218:** *Continued from April 15, 2004, Examiner Hearing*  
*Application of Concho Resources Inc. for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 17, Township 19 South, Range 33 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Buffalo-Pennsylvanian Gas Pool, Undesignated Tonto-Atoka Gas Pool, and Undesignated Gem-Morrow Gas Pool. The unit will be dedicated to applicant's Excalibur "17" Fed. Com. Well No. 1, to be located at an orthodox location in the SE/4 SE/4 of Section 17. Also to be considered will be the cost of drilling and completing the 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 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 15½ miles south-southeast of Maljamar, New Mexico.

**CASE 13262:** *Application of Energen Resources Corporation to Amend the Cost Recovery Provisions of Order No. R-1960, Rio Arriba County, New Mexico.* Applicant seeks an order amending the cost recovery provisions of Order No. R-1960 pooling all interests in the Pictured Cliffs formation, (Tapacito-Pictured Cliffs Gas Pool) underlying the SW/4 of Section 2, Township 25 North, Range 3 West, forming a standard 160-acre spacing and proration unit. Applicant proposes the retroactive amendment of the cost recovery provisions under the original version of Order No. R-1960 to reflect the current custom and practice of the industry and the Division which allows well operators to recover the reasonable costs of operations and supervision. The lands that are the subject of this Application are located approximately one mile west of Ojito, New Mexico.

**CASE 13144:** *Continued from April 29, 2004, Examiner Hearing.*  
*Application of Permian Resources, Inc. for Special Pool Rules or, alternatively, for an Unorthodox Well Location, Lea County, New Mexico.* Applicant seeks an order amending the special pool rules and regulations for the North Shoe Bar-Strawn pool to provide for (a) the creation of 80-acre units, (b) authorizing well locations no closer than 330 feet to any quarter-quarter section or subdivision inner-boundary or closer than 1020 feet to the nearest well drilling or capable of drilling or producing from the same pool, and (c) administrative approvals of exceptions to the well location requirements under the amended rule. The North Shoe Bar-Strawn pool is comprised of the following acreage located in Township 16 South, Range 35 East: Section 13: N/2, SW/4; Section 14: E/2. Alternatively, Applicant seeks authorization for an unorthodox location for its Hillburn Well No. 3 to be drilled to the Strawn formation at a bottom hole location 990 feet from the North line and 330 feet from the West line of Section 13, Township 16 South, Range 35 East, which is located approximately two miles south of Lovington, New Mexico.