

CASE 13334: Continued from September 2, 2004, Examiner Hearing

Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 24, Township 22 South, Range 25 East, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent, including the Undesignated McKittrick Canyon-Upper Pennsylvanian Gas Pool, Undesignated East McKittrick Hills-Atoka Gas Pool, and Undesignated Happy Valley-Morrow Gas Pool. The unit is to be dedicated to the Filaree 24N Fed. Corn. Well No. 1, to be located at an orthodox location in the SE/4 SW/4 of Section 24. 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 8 miles west-southwest of Carlsbad, New Mexico.

CASE 13335: Continued from September 2, 2004, Examiner Hearing

Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy 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 22 South, Range 27 East, and in the following manner: The W/2 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 East Carlsbad-Wolfcamp Gas Pool, Undesignated La Huerta-Strawn Gas Pool, and Undesignated East Carlsbad-Morrow Gas Pool; the NW/4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Esperanza-Delaware Pool and Esperanza-Bone Spring Pool. The units are to be dedicated to applicant's Esperanza 3E Fee Well No. 2, to be located at an orthodox location in the SW/4 NW/4 of Section 3. The W/2 of Section 3 will be simultaneously dedicated, in the Morrow formation, to the proposed well and to the existing Esperanza 3N Fee Well No. 1, located in the SE/4 SW/4 of Section 3. 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 cost-plus 200% charge for the risk involved in drilling and completing the well. The units are located approximately 3 miles east of Carlsbad, New Mexico.

CASE 13322: Continued from September 2, 2004, Examiner Hearing

Application of Richardson Operating Company to amend Division Order R-10656-A for Compulsory Pooling and an Unorthodox Coal-Gas Well Location, San Juan County, New Mexico. Applicant seeks to amend this compulsory pooling order to add its ROPCO "15" Well No. 2 that was drilled as a Pictured Cliff formation well at an approved unorthodox well location 476 feet from the South line and 1800 feet from the East line (Unit O) as an optional infill coal-gas well and to pool all uncommitted mineral interest within the vertical limits of the Basin Fruitland Coal Gas Pool for a standard 320-acre gas spacing unit consisting of the E/2 of Section 15, Township 29 North, Range 13 West. 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, provisions governing subsequent operations on the pooled units, designation of Richardson Operating Company as operator of the well and a charge for risk involved in drilling said well. Said area is located within Farmington, New Mexico.