

CASE 13389: Continued from December 2, 2004, Examiner Hearing.

Application of Nadel and Gussman Permian, L.L.C. for compulsory pooling, Chaves County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 8, Township 13 South, Range 27 East, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent. The unit is to be dedicated to the Cazador Fed. Well No. 1, located at an orthodox location in the SE/4 NE/4 of the section. Also to be considered will be the cost of re-entering 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 re-entering and completing the well. The unit is located approximately 6 miles east of Roswell, New Mexico.

CASE 13393: **Application of EOG Resources, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface through the top 100 feet of the Mississippian Chester formation in the following described acreage in irregular Section 5, Township 21 South, Range 33 East: Lots 9 through 16 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated Hat Mesa-Morrow Gas Pool; Lots 11 through 14 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; Lots 12 and 13 to form a standard spacing and proration unit for all formations and pools developed on 80-acre spacing within that vertical extent; and Lot 12 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Sombrero 5 State Well No. 1 to be drilled 3535 feet from the North line and 896 feet from the West line of said Section 5 to an approximate depth of 14,600 feet. 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 EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 25 miles southwest of Hobbs, New Mexico.

CASE 13394: **Application of Mewbourne Oil Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Morrow in the E/2 of Section 7, Township 21 South, Range 35 East, for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Osudo-Morrow Gas Pool. Said units are to be dedicated to applicant's proposed Osudo "7" State Com Well No. 1 to be drilled and completed at a standard gas well location 1980 feet from the South and East lines (Unit J) of said Section 7. Also to be considered will be the cost of drilling and completing said well, the allocation of the cost thereof, actual operating costs and charges for supervision, the designation of Mewbourne Oil Company as operator of the well, and a charge for risk involved in drilling said well. Said area is located approximately 10 miles southwest of Monument, New Mexico.

CASE 13395: **Application of Chiso, Ltd. for pool creation and classification of this pool as a retrograde condensate gas pool, Eddy County, New Mexico.** Applicant seeks an order (i) creating a new pool for the production of natural gas from the Strawn formation to be comprised of the W/2 of Section 12, Township 19 South, Range 30 East, (ii) classifying this new Strawn Pool as a retrograde condensate reservoir, and (iii) dedicating the W/2 of said Section 6 to the Chiso, Ltd. Wishbone Federal Com Well No. 1 (API NO. 30-015-30640) at an unorthodox deep gas well location 2000 feet from the South line and 680 feet from the West line of said Section 6. This location was approved by Division Administrative Order NSL-4521-A. Said well is located approximately 20 miles southeast of Artesia, New Mexico.

CASE 13383: Continued from November 18, 2004, Examiner Hearing.

Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the Boots State Exploratory Unit from the surface to the base of the Mississippian formation in an area comprising 4619.46 acres of State of New Mexico lands in Sections 3, 4, 8, 9, 10, 15, 16, and 17, Township 11 South, Range 35 East, which is located approximately 10 miles northwest of Tatum, New Mexico.