

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 6, 2005

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 02-05 and 03-05 are tentatively set for January 20, 2005 and February 3, 2005. Applications for hearing must be filed at least 23 days in advance of hearing date. OCD Rule 1208.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Friday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Friday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

CASE 13391: *Continued from December 16, 2004, Examiner Hearing.*

Application of San Juan Resources of Colorado, Inc. to amend Division Order R-11926 to include subsequent operations and an optional "infill" gas well provision (compulsory pooling), San Juan County, New Mexico. Applicant, in accordance with Division Rule 1207.A(1)(b), seeks an order amending this compulsory pooling order to provide for subsequent operations and the inclusion of its Tecumseh Well No. 1-E, to be located in Unit L as a well subject to this compulsory pooling order that pooled all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the S/2 of Irregular Section 18, Township 30 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for any production such production. Also to be considered will be the subsequent operations provisions and the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, and the continuing designation of San Juan Resources of Colorado, Inc. as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 2 miles East from Flora Vista, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

CASE 13397: *Application of Yates Petroleum Corporation for approval of a Unit Agreement, Chaves County, New Mexico.* Applicant seeks approval of the Leanin L Federal Exploratory Unit from the top of the Queen formation to the base of the Chester Lime in an area comprising 2640 acres of Federal lands in Sections 3, 8, 9, 10 and 17, Township 15 South, Range 29 East, which is located approximately 20 miles east of Lake Arthur, New Mexico.

CASE 13398: *Application of Yates Petroleum Corporation for Compulsory Pooling, Eddy County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface through the base of the Morrow formation in the following described acreage in Section 17, Township 25 South, Range 26 East: N/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Chosa Draw-Morrow Gas Pool, Undesignated Sage Draw-Atoka Gas Pool and the Undesignated Sage Draw-Wolfcamp Pool; NE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and NW/4 NE/4 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 Guitar "BFL" Com Well No. 1 to be drilled 990 feet from the North line and 1980 feet from the East line of said Section 17 to an approximate depth of 12,000 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 Yates Petroleum Corporation as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 14.5 miles southwest of Carlsbad, New Mexico.

CASE 13395: *Continued from December 16, 2004, Examiner Hearing.*

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.