

DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 20, 2005

**8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico**

Docket Nos. 04-05 and 05-05 are tentatively set for February 3, 2005 and February 17, 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 13262: *Continued from May 13, 2004, Examiner Hearing. This case will be dismissed.*

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 13375: *Continued from December 16, 2004, Examiner Hearing.*

Application of Paladin Energy Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in all formations below the base of the Queen formation underlying the S/2 of Section 22, Township 18 South, Range 35 East, to form a standard 320-acre spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently includes but is not necessarily limited to the undesignated South Vacuum-McKee Gas Pool. This unit is to be dedicated to the South Vacuum 22 Well No. 1, to be drilled at a standard location in SW/4 SE/4 (Unit O) of said Section 22 to test the McKee formation at a depth of approximately 14,000 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 applicant as operator of the well and, pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 19 miles northwest of Hobbs and 4 miles southwest of Buckeye, New Mexico.

CASE 13397: *Continued from January 6, 2005, Examiner Hearing.*

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 13400: *Continued from January 6, 2005, Examiner Hearing.*

Application of Platinum Exploration, Inc. to abolish the special rules and regulations for the South Knowles-Devonian Pool, Lea County, New Mexico. Applicant seeks an order abolishing the special rules and regulations for the South Knowles-Devonian Pool, and instituting statewide well spacing and location regulations for the pool. The pool rules currently provide for 80-acre spacing, and wells to be within 150 feet of the center of a quarter-quarter section. The pool covers all or parts of Sections 12, 13, and 24, Township 17 South, Range 38 East, and Sections 7, 18, and 19, Township 17 South, Range 39 East. The pool is centered approximately 2 miles east-northeast of Knowles, New Mexico.

CASE 13401: *Continued from January 6, 2005, Examiner Hearing.*

Application of Platinum Exploration, Inc. to abolish the special rules and regulations for the Knowles (Devonian) Pool, Lea County, New Mexico. Applicant seeks an order abolishing the special rules and regulations for the Knowles (Devonian) Pool, and instituting statewide well spacing and location regulations for the pool. The pool rules currently provide for 80-acre spacing, wells to be in either the northwest or southeast quarter-quarter section within a quarter section, and wells to be within 150 feet of the center of such quarter-quarter section. The pool covers all or parts of Sections 34 and 35, Township 16 South, Range 38 East, and Sections 2 and 3, Township 17 South, Range 38 East. The pool is centered approximately 3 miles north-northeast of Knowles, New Mexico.