

DOCKET: EXAMINER HEARING - THURSDAY - MAY 5, 2005

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

Santa Fe, New Mexico

Docket Nos. 16-05 and 17-05 are tentatively set for May 19, 2005 and June 16, 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 13469: *Continued from April 21, 2005, Examiner Hearing*

Application of Myco Industries, Inc. for an Exception to Division Rules 104.C(2)(b) and (c), Eddy County, New Mexico. Applicant seeks an order granting an exception to Division Rules 104.C(2)(b) and (c) to allow two operators in all formations developed on 320-acres underlying the N/2 of Section 35, Township 21 South, Range 27 East, which presently includes but is not limited to the East Carlsbad-Wolfcamp and the East Carlsbad-Morrow Gas Pools, and to allow the simultaneous production from the East Carlsbad-Wolfcamp Gas Pool from the following wells located in the NE/4 of said Section 35: Delta's Reeves Federal Well No. 1 (API No. 30-015-21257) located in Unit B at a standard gas well location 660 feet from the North line and 1980 feet from the East line, and applicant's Boise Federal Well No. 1 (API No. 30-015-31648) located in Unit H at a standard gas well location 1877 feet from the North line and 1312 feet from the East line. This spacing unit is located approximately 3 miles east of Carlsbad, New Mexico.

CASE 13418: *Continued and Readvertised*

Amended Application of Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico.

Applicant seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West: the W/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 Basin-Dakota Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SW/4 NW/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 Canyon Largo Unit Well No. 473 to be drilled at a standard gas well location 1625 feet from the North line and 1285 feet from the West line of said Section 2 to test all formations from the base of the Mesaverde formation to the base of the Dakota formation. 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 Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico.

CASE 13483: *Application of BP America, Inc. for an exception to the well density requirements for the Blanco-Mesaverde Gas Pool, San Juan County, New Mexico.* Applicant seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit it to produce the following two Mesaverde wells located in the same quarter-quarter section (SE/4 NE/4) on a standard spacing and proration unit comprised of the East half of Section 28, Township 32 North, Range 10 West:

the Holmberg Gas Com Well No. 1R (API No. 30-045-29299) which was directionally drilled from a surface location 990 feet from the North line and 1710 feet from the East line (Unit B) to a bottomhole location 1847 feet from the North line and 823 feet from the East line (Unit H) of said section, and

the Holmberg Gas Com Well No. 1B (API No. 30-045-30270) located 2200 feet from the North line and 1220 feet from the East line (Unit H) of the section.

Said wells are located approximately 12 miles northeast of Aztec, New Mexico.