

DOCKET: EXAMINER HEARING - THURSDAY - JUNE 30, 2005

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

Santa Fe, New Mexico

Docket Nos. 22-05 and 23-05 are tentatively set for July 14, 2005 and July 28, 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 13502: *Continued from June 16, 2005, Examiner Hearing*

Application of Occidental Permian Limited Partnership for compulsory pooling, Lea 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 Irregular Section 3, Township 18 South, Range 34 East: the W/2 to form a standard 321.09-acre gas spacing and proration unit for any production for any and all formations/pools developed on 320-acre spacing within that vertical extent, including but not limited to the Vacuum-Morrow Gas Pool; and the NW/4 to form a standard 161.09 acre gas spacing unit for any production for any and all formations/pools developed on 160-acre spacing within that vertical extent. These units are to be dedicated to its OLP South Sunflower "3" State Com Well No. 1 (API #30-025-37211) to be drilled at a standard well location in Unit D of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 13 miles Southeast of Maljamar, New Mexico.

CASE 13512: *Application of Occidental Permian Limited Partnership for compulsory pooling, Eddy County, New Mexico.*

Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the following described acreage in Section 15, Township 18 South, Range 27 East: the W/2 to form a standard 320-acre gas spacing and proration unit for any production for any and all formations/pools developed on 320-acre spacing within that vertical extent, including but not limited to the Red Lake Atoka-Morrow Gas Pool. This unit is to be dedicated to its OPL Horsetail "15" Federal Com Well No. 1 (API #-pending) to be drilled at a standard well location in Unit G of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 10 miles Southeast of Artesia, New Mexico.

CASE 13513: *Application of Lance Oil & Gas Company, Inc. for compulsory pooling including optional infill well provisions, San Juan County, New Mexico.*

Applicant seeks an order pooling all mineral interests to the Pictured Cliffs formation and the Basin Fruitland Coal-Gas Pool underlying both the NW/4 and the W/2 of Section 4, Township 29 North, Range 13 West, forming a standard 320.15-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool and forming a standard 160.15-acre gas spacing and proration unit for any production from the Pictured Cliffs formation, including but not limited to the Fulcher-Pictured Cliffs Gas Pool. These units are to be dedicated to its FRPC "4" Well No. 1 (API# 30-045-31995) to be drilled at a standard gas well location in Unit D of this section for downhole commingled production from the Basin Fruitland Coal Gas Pool and the West Kutz-Pictured Cliffs Gas Pool. The applicant also seeks to include provisions for subsequent operations and procedures for an optional "infill" coalbed-gas well. Also to be considered will be 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, designation of Lance Oil & Gas Company, Inc. as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 1 mile Northeast from Farmington Airport, New Mexico.