

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 20, 2005

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

Santa Fe, New Mexico

Docket Nos. 35-05 and 36-05 are tentatively set for November 3, 2005 and November 17, 2005. Applications for hearing must be filed at least 30 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 13578: *Application of Lynx Petroleum Consultants, Inc. for compulsory pooling, Lea County, New Mexico.* Lynx Petroleum Consultants, Inc. seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NE/4 NE/4 of Section 8, Township 18 South, Range 32 East, to form a standard 40 acre oil spacing proration unit for formations and/or pools developed on 40 acre spacing within the vertical extent. Applicant Lynx Petroleum Consultants, Inc. proposes to re-enter the plugged and abandoned Amoco Production Company Federal 'DM' No. 1 located on the identified property. Applicant proposes to re-enter the referenced well located 760 feet from the North line and 960 feet from the East line to a depth sufficient to test the Wolfcamp and Bone Springs formations. Also to be considered will be cost of re-entering and completing the well and the allocation of the cost among the well's working interest owners, as well as actual operating costs and charges for supervision, together with a provision adjusting the rates pursuant to COPAS accounting procedure, designation of Lynx Petroleum Consultants, Inc. as operator of the well and a 200% charge for the risk involved in re-entering and completing the well.

CASE 13579: *Application of Burlington Resources Oil & Gas Company, L.P. for an unorthodox gas well location and for four non-standard gas proration units in the Basin-Dakota Pool, San Juan County, New Mexico.* Applicant seeks an exception to the spacing-provisions of the Basin-Dakota Pool (71599) by amending Division Order No R-392 allowing development of Dakota gas production on the same four spacing and proration units ("GPU") previously approved for the Blanco-Mesaverde Pool (72319) in the narrow sections along the west side of Township 31 North, Range 8 West, which are located approximately 6.5 miles west of the Los Pinos arm of the Navajo Reservoir. These four GPU's to comprise the following lands: (i) Lots 3, 4, 5, 6, and 7, the SE/4 NW/4, and E/2 SW/4 of Irregular Section 6 and Lots 1 and 2 and the E/2 NW/4 of Irregular Section 7 containing 332.94 acres; (ii) Lots 3 and 4 and the E/2 SW/4 of Irregular Section 7 and Lots 1, 2, 3, and 4 and the E/2 W/2 of Irregular Section 18 containing 330.16 acres; (iii) Lots 1, 2, 3, and 4 and the E/2 W/2 of Irregular Section 19 and Lots 1 and 2 and the E/2 NW/4 of Irregular Section 30 containing 326.56 acres; and (iv) Lots 3 and 4 and the E/2 SW/4 of Irregular Section 30 and Lots 1, 2, 3, and 4 and the E/2 W/2 of Irregular Section 31 containing 326.00 acres. Applicant further seeks to deepen and re-complete its existing Quinn Well No. 2-B (API No. 30-045-30151) at an unorthodox Dakota gas well location 310 feet from the South line and 1055 feet from the West line (Unit N) of Irregular Section 19 within the above-described 326.56-acre GPU.

CASE 13557: *Continued from October 6, 2005 Examiner Hearing.*

Application of Magnum Hunter Production, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from approximately 10,682 feet subsurface to the base of the Morrow formation underlying the S/2 of Section 17, Township 17 South, Range 29 East, to form a standard 320-acre gas spacing and proration unit in the Morrow formation (South Empire-Morrow Gas Pool), which is developed on 320-acre spacing within that vertical extent. The unit is to be simultaneously dedicated to the proposed Muskegon 17 Fed. Com. Well No. 2, to be drilled at an orthodox gas well location in the SE/4 SE/4 (Unit P) of Section 17, and to the existing Muskegon 17 State Com. Well No. 1, located in the SE/4 SW/4 of Section 17 (Unit N). Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Gruy Petroleum Management Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 7 miles west-northwest of Loco Hills, New Mexico.

CASE 13580: *Application of Devon Energy Production Company, L.P. for an exception to Division Order No. R-111-P, Eddy County, New Mexico.* Applicant seeks an order granting an exception to Division Order No. R-111-P so that it is not required to cement production strings to the surface on wells drilled to the Delaware and Bone Spring formations on a federal oil and gas lease covering the N/2 NW/4 of Section 26 and all of Section 27, Township 23 South, Range 31 East. The affected area is located approximately 15 miles east-northeast of Harroun, New Mexico.