

DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 16, 2006**8:15 A.M. - 1220 South St. Francis****Santa Fe, New Mexico**

Docket Nos. 07-06 and 08-06 are tentatively set for March 2, 2006 and March 16, 2006. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday 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 Thursday 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 13644: *Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in the following described spacing and proration units located in the S/2 of Section 6, Township 13 South, Range 35 East, N.M.P.M., Lea County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing; the SE/4 for all formations and/or pools developed on 160-acre spacing which includes but is not necessarily limited to the East Ranger Lake Devonian Gas Pool and the East Ranger Lake-Atoka Gas Pool; and the NE/4 SE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Undesignated East Ranger Lake-Cisco Pool. Said units are to be dedicated to its Messina "BHN" State Com Well No. 1 to be drilled at a standard gas well location 1980 feet from the South line and 990 feet from the East line (Unit I) of said Section 6. 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 charge for risk involved in drilling said well. Said area is located approximately 3 miles east of Lovington, New Mexico.

CASE 13645: *Application of Rubicon Oil & Gas, L.L.C. for approval of a Unit Agreement, Lea County, New Mexico.* Applicant seeks approval of the Hightower State Exploratory Unit from the surface to the base of the Devonian formation in an area comprising 2,080 acres of State of New Mexico lands in Sections 15, 22, 23, and 27 in Township 12 South, Range 33 East, NMPM, which is located approximately 8 miles south of Caprock, New Mexico.

CASE 13646: *Application of Chesapeake Operating Inc. for a non-standard deep gas spacing unit, Lea County, New Mexico.* Applicant seeks an order approving a 160-acre non-standard deep gas spacing and proration unit comprised of the SE/4 of Section 25, Township 20 South, Range 32 East, NMPM, for all gas formation and pools spaced on 320-acres, which presently includes but is not necessarily limited to the South Salt Lake Atoka Gas Pool. This spacing and proration unit is to be dedicated to applicants existing Little Eddy Unit Well No. 1 (formerly the Audie Richards Well No. 1) which is a participating well in the Little Eddy Unit and presently producing from the South Salt Lake Morrow Gas Pool at a standard location 660 feet from the south line and 660 feet from the east line (Unit P) of Section 25. Applicant proposes to re-complete this well in the Atoka gas formation. Said area is located approximately 1 mile southeast of Halfway, New Mexico.

CASE 13630: *Continued from February 2, 2006, Examiner Hearing*
Application of Devon Energy Production Company, L.P. for lease commingling, Eddy County, New Mexico. Devon Energy Production Company, L.P. seeks an exception to Rule 19.15.5.303A NMAC to authorize the surface commingling of production from the Northeast Red Lake Glorieta-Yeso Pool and the Red Lake Queen-Grayburg-San Andres Pool originating from its wells located on Federal Oil and Gas Leases NM 033865, NM 29270, NM 056122, LC 026874(b), NM 025528, NM 0557370, LC 064050(a), and LC 067849, which comprise all or parts of Sections 33, 34, and 35, Township 17 South, Range 27 East. Applicant also seeks an exception to the metering requirements of Rule 19.15.5.303B(4)(a) NMAC to authorize the allocation of production from these diversely-owned wells on the basis of periodic well tests. All production from these wells is to be stored at the Eagle "34" Tank Battery, located in the NE/4 SW/4 of Section 34. The leases and wells are located approximately 8 miles East-Northeast of Atoka, New Mexico. IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.