

DOCKET: EXAMINER HEARING - THURSDAY - JUNE 5, 2003

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

Santa Fe, New Mexico

Docket Nos. 19-03 and 20-03 are tentatively set for June 19, 2003 and July 10, 2003. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 13081: Application of David H. Arrington Oil and Gas, Inc. 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 underlying Lots 1, 2, 3 and 4 and the E/2 W/2 (W/2 equivalent) of irregular Section 31, Township 15 South, Range 36 East in the following manner: Lots 1, 2, 3 and 4 and the E/2 W/2 (W/2 equivalent) to form a standard 320.56-acre stand-up gas spacing and proration unit for all formations or pools spaced on 320 acres within that vertical extent; the SW/4 to form a standard 160.14-acre gas spacing and proration unit for all formations or pools spaced on 160 acres within that vertical extent; and the SW/4 NW/4 (Unit E) to form a standard 40.17-acre oil spacing and proration unit for all formations or pools spaced on 40 acres within that vertical extent, which presently includes but is not necessarily limited to the Caudill Permo - Upper Pennsylvanian Pool and the Undesignated Townsend Permo - Upper Pennsylvanian Pool. These spacing and proration units are to be dedicated to Arrington's proposed Royal Stimulator "31" Well No. 2 to be drilled at a standard location in the W/2 of Section 31. The well will commence at a surface location 2235 feet from the North line and 330 feet from the West line (Unit E) of said Section 31, will be drilled vertically to a depth sufficient to test the Wolfcamp formation, and then directionally drilled in a southeasterly direction to a standard bottomhole location 1900 feet from the South line and 1300 feet from the West Line (Unit L) of said Section 31 to a depth sufficient to test the Mississippian 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately one mile north of Lovington, New Mexico. This matter was previously the subject of an Examiner hearing in Case No. 12752 and Division Order No. R-11690, entered November 16, 2001. Said pooling Order expired by its own terms on February 28, 2002, necessitating this new application. **IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 13047: Continued from May 22, 2003, Examiner Hearing.

Application of Chesapeake Operating, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Tubb formation underlying the NE/4 of Section 7, Township 20 South, Range 37E, forming a standard 160-acre gas spacing and proration unit for the Tubb formation, including but not limited to the West Monument-Tubb Gas Pool. This unit is to be dedicated to its Bertha J. Barber Well No. 12 that has been drilled and completed at an approved unorthodox well location (Order R-11652-B) in Unit A of this section. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in this well. This unit is located approximately 3 miles south-southwest of Monument, New Mexico.

CASE 12815: Reopened - Continued from May 8, 2003, Examiner Hearing.

In the matter of Case 12815 being reopened pursuant to the provisions of Division Order No. R-11771, which order promulgated temporary special pool rules for the North Osudo-Devonian Pool in Lea County, New Mexico, including provisions for 160-acre spacing units and designated well locations. Operators in the North Osudo-Devonian Pool should appear and show cause why the temporary special pool rules established for this pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.