

DOCKET: EXAMINER HEARING - THURSDAY - JUNE 7, 2007

**8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico**

Docket Nos. 18-07 and 19-07 are tentatively set for June 21, 2007 and July 12, 2007. 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 13927: **Application of Yates Petroleum Corporation for a non-standard gas spacing unit, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order approving a 160-acre non-standard gas spacing unit comprised of the SW/4 of Section 28, Township 20 South, Range 28 East, NMPM, to be dedicated to its Hedgerow BFH State Com Well No. 1 (API No. 30-015-33715) to be recompleted from the Morrow formation to the Strawn formation, Saladar-Strawn Gas Pool (84412) at a standard gas well location 660 feet from the South line and 1136 feet from the West line of said Section 28. Said unit is located approximately 9 miles north-northeast of Carlsbad, New Mexico.

CASE 13928: **Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico.** Applicant in the above-styled cause 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 E/2 of Section 34, Township 11 South, Range 31 East, N.M.P.M., Chaves County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing within this vertical extent; the NE/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent; and the NE/4 NE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent. Said units are to be dedicated to its Tillis BJZ Well No. 1 to be drilled at a location 990 feet from the North line and 660 feet from the East line of Section 34, Township 11 South, Range 31 East, NMPM, Chaves County, New Mexico to an approximate depth of 11350 feet to test any and all formations from the surface to the base of 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 Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 5 miles southwest of Caprock, New Mexico

CASE 13908: *(Continued from the May 24, 2007, Examiner Hearing.)*
Application of OXY USA WTP, Limited Partnership, for authorization to simultaneously dedicate a standard spacing and proration unit in the Wolfcamp formation to a horizontal well and two vertical wells, Eddy County, New Mexico. Applicant seeks authorization to dedicate a standard 320-acre spacing and proration unit comprised of the S/2 of Section 15, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico in the Wolfcamp formation, North Burton Flat-Wolfcamp Gas Pool, to the following three wells:

1. The Government AC Com Well No. 1 (API No. 30-015-21432) drilled as a vertical well located 660 feet from the South Line and 1980 feet from the West Line of said Section 15;
2. The Government AA Com Well No. 2 (API No. 30-015-33283) that has been drilled as a dual lateral horizontal wellbore (directional well) from a surface location 190 feet from the North line and 350 feet from the West line of Section 23 to a bottom hole location 675 feet from the North Line and 261 feet from the East Line of Section 15 and a second lateral with a bottom hole location 678 feet from the South Line and 237 feet from the West line of Section 23; and
3. The Government AC Com Well No. 4 (API No. 30-015-32655) drilled as a vertical well located 660 feet from the South and East Lines of Section 15.

This acreage is located approximately 10 miles northeast of Carlsbad, New Mexico.

CASE 13916: *(Continued from the May 24, 2007, Examiner Hearing.)*
Application of Parallel Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant in