

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 9, 2003

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

Docket Nos. 34-03 and 35-03 are tentatively set for October 23, 2003 and November 6, 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 13137: Readvertised

Application of Richardson Production Company to amend Compulsory Pooling Order No. R-11812, San Juan County, New Mexico. Applicant seeks to amend Division Order No. R-11812 dated August 15, 2002, which order force pooled all uncommitted mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following acreage in Section 8, Township 29 North, Range 14 West:

- (a) the S/2 to form a standard 320-acre lay-down gas spacing and proration unit for any pool within this vertical extent with special rules providing for development on 320-acre spacing, which presently includes only the Basin-Fruitland Coal (Gas) Pool (71629); and
- (b) the SW/4 to form a standard 160-acre gas spacing and proration unit for formations and/or pools developed on 160-acre spacing within this vertical extent, including but not necessarily limited to the Twin Mounds-Fruitland Sand-Pictured Cliffs Pool (86620).

Both units are to be dedicated to the applicant's proposed ROPCO "8" Well No. 3 (API No. 30-045-30459) to be drilled at a standard gas well location 936 feet from the South line and 1276 feet from the West line (Unit M) of Section 8. Order No. R-11812 further designated Richardson Operating Company operator of the proposed well and of the units. THE APPLICANT NOW SEEKS to amend said order to reflect the proposed ROPCO "8" Well No. 3 to just be drilled at a location considered to be for both sized gas spacing units and to establish a new deadline date for this well to be drilled. The S/2 of Section 8 is located approximately one-and-a-half miles east of Kirtland, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

CASE 13147: Continued from September 18, 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 Upper Pennsylvanian formations underlying the E/2 SE/4 of Section 7, Township 16 South, Range 37 East, forming a standard 80-acre oil spacing and proration unit for any production from these formations, including but not limited to the Northeast Lovington-(Upper) Pennsylvanian Pool. This unit is to be dedicated to its Caudill "7" Well No. 1 which is to be drilled at an amended unorthodox well location in Unit P (originally approved by Administrative Order NSL-4912, dated July 9, 2003, to be amended). Also to be considered will be the costs of re-entering 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 risk charge of 200% for the risk involved in this well. This unit is located approximately 4 miles east of Lovington, New Mexico.

CASE 13138: Continued from September 18, 2003 Examiner Hearing.

Application of Apache Corporation for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Queen formation to the base of the Strawn formation underlying the NE/4 of Irregular Section 6, Township 21 South, Range 37 East, forming a standard 160-acre oil spacing and proration unit for any production from the base of the Queen formation to the base of the Strawn formation, including but not limited to the North Hardy-Strawn Pool. This unit is to be dedicated to its Thompson Well No. 2 which is to be drilled at a standard well location in Unit B of this section. Also to be considered will be the costs of drilling this 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 6 miles northwest of Eunice, New Mexico.