

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 23, 2003

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

Docket Nos. 36-03 and 37-03 are tentatively set for November 6, 2003 and November 20, 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 12776: Reopened – Continued from September 18, 2003, Examiner Hearing

In the matter of Case 12776 being reopened pursuant to the provisions of Division Order No. R-11723, which order promulgated temporary special pool rules for the East Penasco Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, including provisions for 160-acre spacing units and designated well locations. Operators in the East Penasco Draw-Upper Pennsylvanian Pool should appear and show cause why the temporary special pool rules established for this pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.

CASE 13170: Application of Energen Resources Corporation to Expand the Langlie-Lynn Queen Unit Waterflood Project, Langlie Mattix Seven Rivers Queen Grayburg Pool, Lea County, New Mexico. Applicant seeks an order authorizing the expansion of its Langlie-Lynn Queen Unit Waterflood Project in the Langlie Mattix Seven Rivers Queen Grayburg Pool under Injection Permit No. WFX-581-A to inject water into the Seven Rivers and Queen formations through the following wells: (a) Langlie Lynn Queen Unit Well No. 9 located 660 feet from the South line and 330 feet from the East line (Unit P) of Section 22, Township 23 South, Range 36 East, and (b) the Langlie Lynn Queen Unit Well No. 3 located 1980 feet from the South line & 660 feet from the West line (Unit L) in Section 23, Township 23 South, Range 36 East. The subject Unit and wells are located approximately four miles west of Teaque, New Mexico.

CASE 13144: Continued from October 9, 2003, Examiner Hearing.

Application of Permian Resources, Inc. for Special Pool Rules or, alternatively, for an Unorthodox Well Location, Lea County, New Mexico. Applicant seeks an order amending the special pool rules and regulations for the North Shoe Bar-Strawn pool to provide for (a) the creation of 80-acre units, (b) authorizing well locations no closer than 330 feet to any quarter-quarter section or subdivision inner-boundary or closer than 1020 feet to the nearest well drilling or capable of drilling or producing from the same pool, and (c) administrative approvals of exceptions to the well location requirements under the amended rule. The North Shoe Bar-Strawn pool is comprised of the following acreage located in Township 16 South, Range 35 East: Section 13: N/2, SW/4; Section 14: E/2. Alternatively, Applicant seeks authorization for an unorthodox location for its Hillburn Well No. 3 to be drilled to the Strawn formation at a bottom hole location 990 feet from the North line and 330 feet from the West line of Section 13, Township 16 South, Range 35 East, which is located approximately two miles south of Lovington, New Mexico.

CASE 13171: Application of Leede Operating Company, L.L.C. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW/4 SE/4 of Section 7, Township 19 South, Range 39 East, to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Foster-San Andres Pool and Undesignated Nadine Drinkard-Abo Pool. The unit is to be dedicated to the Schubert "7" Well No. 1, to be drilled at an orthodox oil well location in the NW/4 SE/4 of Section 7. 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 Sahara Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 3 miles southeast of Hobbs, New Mexico.

CASE 13139: Continued from October 9, 2003 Examiner Hearing.

Application of Gruy Petroleum Management Co. to Expand the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant seeks an order expanding the horizontal boundaries of the White City-Pennsylvanian Gas Pool to include all of Section 14, Township 24 South, Range 26 East. The pool currently covers all of Sections 8, 9, 15-17, 19-22, and 26-35, Township 24 South, Range 26 East, Sections 1-4 and 10-14, Township 25 South, Range 26 East, and Section 7, Township 25 South, Range 27 East. The pool is centered approximately 5 miles east of Whites City, New Mexico.