

DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 19, 2004

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

Santa Fe, New Mexico

Docket Nos. 7-04 and 8-04 are tentatively set for March 4, 2004 and March 18, 2004. 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 13216: Application of Pogo Producing Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 1-4 and the S/2 N/2 (the N/2 equivalent) of Section 4, Township 20 South, Range 27 East, to form a standard 324.40-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North McMillan-Morrow Gas Pool. The unit is to be dedicated to the McMillan "4" Fed. Com. Well No. 1, to be drilled at a previously approved unorthodox location in Lot 3 of Section 4. 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 applicant as operator, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 5½ miles southeast of Lakewood, New Mexico.

CASE 13217: Application of Concho Resources Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 21, Township 21 South, Range 35 East, and in the following manner: The W/2 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Grama Ridge-Wolfcamp Gas Pool and Undesignated South Osudo-Morrow Gas Pool; the NW/4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent, including the Undesignated North San Simon-Yates Associated Pool and Undesignated South Osudo-Wolfcamp Pool; and the SW/4 NW/4 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 North San Simon-Yates Associated Pool. The units are to be dedicated to applicant's San Simon State Com. Well No. 2, to be located at an orthodox location in the SW/4 NW/4 of Section 21. 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 7 miles southwest of Oil Center, New Mexico.

CASE 13218: Application of Concho Resources Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 17, Township 19 South, Range 33 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Buffalo-Pennsylvanian Gas Pool, Undesignated Tonto-Atoka Gas Pool, and Undesignated Gem-Morrow Gas Pool. The unit will be dedicated to applicant's Excalibur "17" Fed. Com. Well No. 1, to be located at an orthodox location in the SE/4 SE/4 of Section 17. 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 15½ miles south-southeast of Maljamar, New Mexico.

CASE 12916: Reopened

In the matter of Case 12916 being reopened pursuant to the provisions of Division Order No. R-11885, which order promulgated temporary special pool rules for the Alacran Hills-Lower Bone Spring Pool in Eddy County, New Mexico, including provisions for 160-acre spacing units and designated well locations. Operators in the Alacran Hills-Lower Bone Spring Pool should appear and show cause why the temporary special pool rules for this pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.

CASE 13219: Application of Elk Oil Company for approval of a unit agreement, Chaves County, New Mexico.

Applicant seeks approval of the Z-28 State Exploratory Unit for an area comprising 2240.00 acres of State of New Mexico lands in Sections 11, 12, 13 and 24, Township 10 South, Range 26 East, which is located approximately 25 miles northeast of Roswell, New Mexico.