

which includes but is not necessarily limited to the Eumont Gas Pool, the Featherstone-Bone Spring Gas Pool, or the East Featherstone-Bone Spring Gas Pool. The units are to be dedicated to its Byers "23" Well No. 1 to be drilled at a standard location in Unit G of Section 23 to a depth sufficient to test all formations from the surface to the base of the Morrow formation. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant, or its designate, as the operator of the well and a charge for risk involved in this well. This unit is located approximately 20 miles southwest of Hobbs, New Mexico.

CASE 12592: Application of Texaco Exploration & Production Inc. for amendment of Division Order No. R-4442, as amended, to authorize a tertiary recovery project by the injection of carbon dioxide in its Vacuum Grayburg-San Andres Pressure Maintenance Project Area, approval of amendment of the cooperative water injection agreement between the Central Vacuum Unit and the Vacuum Grayburg-San Andres Unit, and qualification of the project for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval to institute a tertiary recovery project in its Vacuum Grayburg-San Andres Unit Pressure Maintenance Project Area by the injection of carbon dioxide into the Grayburg and San Andres formations in the Vacuum-Grayburg-San Andres Pool. The Vacuum Grayburg-San Andres Pressure Maintenance Project encompasses portions of Section 35 of Township 17 South, Range 34 East and portions of Sections 1, 2, 11 and 12 of Township 18 South, Range 35 East. Applicant also seeks to increase the approved surface injection pressure for carbon dioxide injection in this project area to 1850 pounds. Applicant further seeks to qualify the project area for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said unit is located approximately 22 miles northwest of Hobbs, New Mexico.

CASE 12561: Continued from January 25, 2001, Examiner Hearing.

Application of Raptor Resources, Inc. to amend Division Order No. R-9073 and for approval of a non-standard 480-acre gas proration unit and an unorthodox infill gas well location, Lea County, New Mexico. By Division Order No. R-9073, issued in Case No. 9775 and dated December 14, 1989 [Paragraph No. (13) of Exhibit "A"], a non-standard 440-acre gas spacing and proration unit ("GPU") comprising the SE/4 of Section 17, the NE/4 of Section 20, and the N/2 NW/4 and SW/4 NW/4 of Section 21, all in Township 23 South, Range 36 East, was established for the Jalmat Gas Pool. This order further provided for the following four described wells to be dedicated to this 440-acre GPU, which is located approximately 12.5 miles southwest of Eunice, New Mexico:

(i) State "A" A/C-1 Well No. 3 (API No. 30-025-09367), located at an unorthodox gas well location 1650 feet from the North line and 330 feet from the West line (Unit E) of Section 21, which is currently plugged and abandoned;

(ii) State "A" A/C-1 Well No. 4 (API No. 30-025-09366), located at an unorthodox gas well location 330 feet from the North line and 1660 feet from the West line (Unit C) of Section 21, which is currently plugged and abandoned;

(iii) State "A" A/C-1 Well No. 5, located at an unorthodox gas well location 1320 feet from the North line and 660 feet from the East line (Units A/H) of Section 20, which is also plugged and abandoned; and

(iv) State "A" A/C-1 Well No. 39 (API No. 30-025-09358), located at an unorthodox gas well location 1980 feet from the South and East lines (Unit J) of Section 17.

The applicant in this matter, Raptor Resources, Inc. seeks to expand this unit to include the 40 acres comprising the SE/4 NW/4 of Section 21 thereby forming a non-standard 480-acre GPU. Further, the applicant seeks an exception to the well location requirements provided within the "*Special Rules and Regulations for the Jalmat Gas Pool*", as promulgated by Division Order No. R-8170, as amended, for an unorthodox Jalmat infill gas well location within this 480-acre GPU for its existing State "A" A/C-1 Well No. 6 (API No. 30-025-09369), located 2310 feet from the North line (which is 66.7 % closer to the outer boundary of the proposed GPU than allowed) and 1650 feet from the West line (Unit F) of Section 21. Both the State "A" A/C-1 Wells No. 6 and 39 are to be dedicated to this GPU.

FURTHER, the applicant, in conjunction with this matter, shall appear before the Division and present evidence as to the existence of two producing Jalmat oil well applications within this existing 440-acre GPU [(i) the Primal Energy Corporation operated State "20" Well No. 1 (API No. 30-025-28421), located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 20; and (ii) Mirage Energy, Inc.'s State "SN" Well No. 1 (API No. 30-025-28784), located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 17), which appear to be in violation of Rule 2 (a) 3 of the special Jalmat Pool rules, and to seek the necessary relief under the applicable rules.

CASE 12579: Continued from January 25, 2001, Examiner Hearing.

Application of Devon Energy Production Company, L.P. 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 the following described acreage in Section 22, Township 21 South, Range 26 East, in the following manner: the E/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 Avalon-Wolfcamp Gas Pool, Undesignated Avalon-Upper Pennsylvanian Gas Pool, Undesignated Avalon-Strawn Gas Pool, Undesignated Crozier Bluff-Atoka Gas Pool, and Undesignated Avalon-Morrow Gas Pool; and the NE/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. The units are to be dedicated to applicant's Carlsbad 22 "H" Fee Com. Well No. 2, located 1350 feet from the North line and 660 feet from the East line (Unit H) of Section 22. Also to be considered will be the cost of re-entering 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 charge for the risk involved in re-entering and completing the well. The units are located approximately 4 miles northwest of Carlsbad, New Mexico.

CASE 12580: Continued from January 25, 2001, Examiner Hearing.

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 Section 24, Township 20 South, Range 26 East, in the following manner: All of the section for all pools or formations developed on 640-acre spacing within that vertical extent, including the McMillan-Morrow Gas Pool; the S/2 of the section for all pools or formations developed on 320-acre spacing within that vertical extent, including the Undesignated McMillan-Cisco Gas Pool and the Undesignated Northeast Springs-Strawn Gas Pool; the SE/4 of the section for all pools or formations developed on 160-acre spacing within that vertical extent; and the SE/4 SE/4 of the section for all pools or formations developed on 40-acre spacing within that vertical extent. The units are to be