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\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

March 6, 2001

**VIA FACSIMILE**

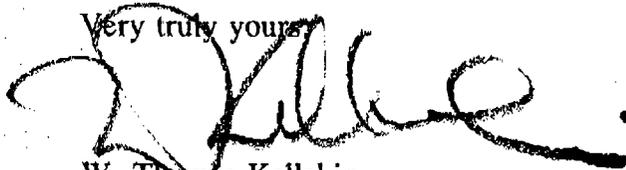
Ms. Lori Wrotenbery, Director  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87504

Re: *NMOCD Case 12611*  
*Application of EOG Resources, Inc.*  
*for compulsory pooling,*  
*Lea County, New Mexico.*

Dear Ms. Wrotenbery:

On behalf of Kaiser-Francis Oil Company, an adversely affected interest owner, please find enclosed our Entry of Appearance in the referenced case which is scheduled for hearing on March 8, 2001.

Very truly yours,



W. Thomas Kellahin

- cfx: *William F. Carr, Esq.*  
*Attorney for applicant*
- cfx: *Kaiser Francis Oil Company*  
*Attn: Wayne Fields*

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
EOG RESOURCES, INC. FOR COMPULSORY  
POOLING, LEA COUNTY, NEW MEXICO

CASE 12611

ENTRY OF APPEARANCE

Comes now KAISER FRANCIS OIL COMPANY, by its attorneys, Kellahin and Kellahin, and enters its appearance in this case as an interested party in opposition to the applicant.



W. Thomas Kellahin  
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(505) 982-4285

CERTIFICATE OF MAILING

I certify that a copy of this pleading was transmitted by facsimile to counsel for applicant this 6th day of March 2001.



W. Thomas Kellahin

**Examiner Hearing – March 8, 2001**  
**Docket No. 8-01**  
**Page 7 of 11**

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location 1980 feet from the South and East lines (Unit J) of Section 28; and

- proposed S. E. Felton Well No. 6 (API No. 30-025-35395) to be drilled at a standard infill gas well location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 28.

This unit is located approximately eight miles southwest of Monument, New Mexico.

**CASE 12552: Continued from January 11, 2001, Examiner Hearing.**

**Application of EOG Resources, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface through the top 100 feet of the Mississippian Chester formation underlying the S/2 of Section 23, Township 22 South, Range 32 East, for all formations and/or pools developed on 320-acre spacing which includes but it not necessarily limited to the Undesignated Bootleg-Ridge Morrow Gas Pool and the Undesignated East Red Tank-Atoka Gas Pool. Applicant proposes to dedicate the pooled units to its Red Tank "23" Federal Com Well No. 1 to be drilled at a standard gas well location in the NW/4 SE/4 of Section 23. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 30 miles west of Eunice, New Mexico.

**CASE 12611: Application of EOG Resources, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface through the top 100 feet of the Mississippian Chester formation underlying the W/2 of Section 7, Township 24 South, Range 34 East, for any formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the South Bell Lake-Morrow Gas Pool. Applicant proposes to dedicate these pooled units to its Bell Lake Unit Well No. 8 to be drilled at a standard location 1980 feet from the North line and 660 feet from the West line (Unit E) of said Section 7. Also to be considered will 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 22 miles northwest of Jal, New Mexico.

**CASE 12612: Application of EOG Resources, Inc. for compulsory pooling and a non-standard spacing and proration unit, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface through the top 100 feet of the Mississippian Chester formation underlying the W/2 equivalent of irregular Section 6, Township 18 South, Range 31 East, to form a 295.19-acre non-standard spacing and proration unit for any formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Shugart-Morrow Gas Pool. Applicant proposes to dedicate these pooled units to its Canadian A6" Federal Com Well No. 1 to be drilled at a standard location 1650 feet from the South line and 1780 feet from the West line (Unit K) of said Section 6. Also to be considered will 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 4 miles southeast of Loco Hills, New Mexico.

**CASE 12583: Continued from January 25, 2001, Examiner Hearing.**

**Application of Threshold Development Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing from the surface to the base of the Wolfcamp formation in the W/2 of Section 16,

Township 24 South, Range 33 East, in the following manner: the W/2 for all formations/pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Johnson Ranch-Wolfcamp Gas Pool, the NW/4 for all formations/pools developed on 160-acre spacing, and the NE/4 NW/4 for all formations/pools developed on 40-acre spacing. Said units are to be dedicated to the Johnson Ranch State 16 Well No. 1 to be drilled at a standard location in the NE/4 NW/4 of Section 16. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 20 miles West of Jal, New Mexico.

**CASE 12585: Continued from January 25, 2001, Examiner Hearing.**

**Application of Threshold Development Company for compulsory pooling, Lea, New Mexico.**

Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing from the surface to the base of the Wolfcamp formation in the N/2 of Section 28, Township 24 South, Range 33 East, in the following manner: the N/2 for all formations/pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Johnson Ranch-Wolfcamp Gas Pool and the Undesignated East Triste Draw-Wolfcamp Pool, the NW/4 for all formations/pools developed on 160-acre spacing, and the NE/4 NW/4 for all formations/pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated East Triste Draw-Bone Spring Pool and the Undesignated Triste Draw-Delaware Pool. Said units are to be dedicated to the State Com Well No. 1 to be drilled at a standard location in the NE/4 NW/4 of Section 28. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 8 miles east-southeast of the intersection of Highway 128 with the Eddy-Lea County line.

**CASE 12613: Application of Energen Resources Corporation for Salt Water Disposal, Rio Arriba County, New Mexico.**

Applicant seeks authority to utilize its McCroden Well No. 7, located 1650 feet from the North line and 790 feet from the West line (Unit E) of Section 12, Township 25 North, Range 3 West, to dispose of produced water into the Mesaverde formation through the perforated interval from approximately 5,520 feet to 6,076 feet. This well is located approximately 8.5 miles northwest of Lindrith, New Mexico.

**CASE 12614: Application of Energen Resources Corporation for Authorization to Expand Waterflood Injection Operations in the Langlie Lynn Queen Unit, Lea County, New Mexico.**

Applicant seeks approval to expand waterflood injection operations in its Langlie Lynn Waterflood Project, originally approved for secondary recovery operations by Division Order No. R-4417, by converting the six wells, described below, to water injection. Applicant proposes to inject into the Seven Rivers-Queen-Grayburg formation, Langlie Mattix Seven Rivers-Queen-Grayburg Pool, through the gross perforated interval from approximately 3,408 feet to 3,682 feet.

<i>Well</i>	<i>Ltr.</i>	<i>Sec.</i>	<i>Twp</i>	<i>Range</i>	<i>Footage</i>
Langlie Lynn Queen Unit #5	J	23	T23S	R36E	1980' FSL, 1980' FEL
Langlie Lynn Queen Unit #7	N	23	T23S	R36E	660' FSL, 1980' FWL
Langlie Lynn Queen Unit #14	B	26	T23S	R36E	660' FNL, 1980' FEL
Langlie Lynn Queen Unit #12	D	26	T23S	R36E	660' FNL, 660' FWL
Langlie Lynn Queen Unit #16	F	26	T23S	R36E	1980' FNL, 1980' FWL