

DOCKET: EXAMINER HEARING - THURSDAY – FEBRUARY 7, 2002

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

Santa Fe, New Mexico

Docket Nos. 06-02 and 07-02 are tentatively set for February 21, 2002 and March 7, 2002. 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 12795: Continued from January 24, 2002, Examiner Hearing.

Application of Chaparral Energy, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.C (3) for its existing Crosby Deep Well No. 1 (API No. 30-025-23891), to be recompleted up-hole into the Devonian formation at an unorthodox gas well location 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 28, Township 25 South, Range 37 East. The SW/4 of Section 28 is to be dedicated to this well in order to form a standard 160-acre gas spacing and proration unit for the Crosby-Devonian Gas Pool. This unit is located approximately two miles east of Jal, New Mexico.

CASE 12787: Continued from January 24, 2002, Examiner Hearing.

Application of Chesapeake Operating 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 20, Township 17 South, Range 35 East: (i) the E/2 NE/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within this vertical extent; (ii) the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre gas spacing within this vertical extent; and (iii) the E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within this vertical extent, including but not limited to the North Vacuum Atoka-Morrow Gas Pool. This unit(s) is to be dedicated to its Lee "20" Well No. 1 which will be located at a standard well location within Unit A of this section. Applicant further seeks an order prescribing terms ("operating provisions") pursuant to which future operations may be conducted in accordance with the applicant's Joint Operating Agreement. 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 applicant as the operator of the well and a charge for risk involved in this well. This unit is located approximately 11 miles southeast of the center of the City of Lovington, New Mexico.

CASE 12803: **Application of Southwestern Energy Production Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the following described acreage in Section 20, Township 17 South, Range 35 East, in the following manner: the E/2 of Section 20 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the East Vacuum-Morrow Gas Pool; and the NE/4 of Section 20 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to applicant's Electrolux "20" State Com. Well No. 1, to be drilled at an orthodox gas well location in the NE/4 NE/4 (Unit A) of Section 20. 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 charge for the risk involved in drilling and completing the well. The units are located approximately 2 miles northeast of Buckeye, New Mexico.

CASE 12796: **Readvertised**

Application of San Juan Resources, Inc. for compulsory pooling and downhole commingling, San Juan County, New Mexico. Applicant, in accordance with Division Rule 1207.A(1)(b) seeks an order pooling all mineral interests from the base of the Pictured Cliffs to the top of the Dakota formations underlying the S/2 of Section 19, Township 30 North, Range 11 West, forming a standard 327.7-acre gas spacing and proration unit to be dedicated to its Kaempf Well No. 1E which is to be located at a standard gas well location within Unit I of this section for downhole commingled production from the Blanco-Mesaverde Gas Pool and the Basin-Dakota Gas Pool. Also to be considered will be the costs of participation in this well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefore as well as actual operating costs and charges for supervision, and the designation of applicant as the operator of the well. This well is located approximately 2 miles east of Flora Vista, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12797: **Continued from January 24, 2002, Examiner Hearing.**

Application of Richardson Production Company for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SW/4 and all mineral interests in the Basin Fruitland Coal Gas Pool underlying the S/2 of Section 17, Township 29 North, Range 13 West, forming standard 160-acre and 320-acre spacing and proration units, respectively. The units are to be dedicated to its RPC "17" Well No. 3 which is to be located in Unit M of Section 17 for downhole commingled production from the Pictured Cliffs formation and the Basin-Fruitland Coal Gas Pool. Also to be considered will be the costs of participation in the well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefor as well as actual operating costs and charges for supervision, and the designation of Richardson Operating Company as the operator of the well. The well is located approximately 1-1/2 miles west from the Center of the City of Farmington, New Mexico.

CASE 12798: **Continued from January 24, 2002, Examiner Hearing.**

Application of Richardson Production Company for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Pictured Cliffs formation underlying the SE/4 of Section 17, Township 29 North, Range 13 West, forming standard 160-acre spacing and proration unit to be dedicated to its RPC "17" Well No. 4 which is to be located at an unorthodox gas well location in Unit O of Section 17 for production from the Pictured Cliffs formation. Also to be considered will be the costs of participation in the well, including but not limited to the costs of drilling, completing and equipping, with the inclusion of a risk factor penalty and the allocation of those costs and income therefor as well as actual operating costs and charges for supervision, and the designation of Richardson Operating Company as the operator of the well. The well is located approximately 1-1/4 miles west from the Center of the City of Farmington, New Mexico.

CASE 12743: **Reopened**

Application of Texaco Exploration and Production Inc. for an unorthodox subsurface gas well location and an exception to Division Rule 104.D (3), Lea County, New Mexico. Applicant, in accordance with Division Rule 111.C (2), seeks an exception to Division Rule 104.C (3) for its C. H. Weir "A" Well No. 7 (API No. 30-025-06073), located at a standard surface gas well location 1985 feet from the South line and 660 feet from the West line (Unit L) of Section 12, Township 20 South, Range 37