

DOCKET: EXAMINER HEARING - THURSDAY - March 21, 2002

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

Santa Fe, New Mexico

Docket Nos. 10-02 and 11-02 are tentatively set for April 4, 2002 and April 18, 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 12816: Readvertised

Application of TMBR/Sharp Drilling Inc. 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 N/2 of Section 25, Township 16 South, Range 35 East, 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 that vertical extent, including the Townsend-Morrow Gas Pool and the Townsend-Mississippian Gas Pool. This unit is to be dedicated to its Blue Fin "25" Well No. 1 which will be located at a standard location within Unit E of this section. 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 TMBR/Sharp Drilling Inc. as the operator of the well and a charge for risk involved in this well. This unit is located approximately 5-1/2 miles southwest of the center of the City of Lovington, New Mexico.

CASE 12834: Application of Trilogy Operating, Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in accordance with Division Rule 1207.A(1)(b), seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NE/4 SW/4 of Section 24, Township 19 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools spaced on 40-acre spacing, including but not limited to the South Nadine-Seven Rivers-Yates Pool, Nadine-Blinbry Pool, Nadine-Tubb Pool, and Nadine Drinkard-Abo Pool. This unit is to be dedicated to its Ruby Well No. 2 be drilled at a standard well location in Unit K of this section. Also to be considered will be the costs of drilling and completing said 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 6-1/2 miles southwest of Hobbs, New Mexico. **IN THE ABSENCE OF OBJECTION THIS CASE WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12813: Continued from March 7, 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 NE/4 and all mineral interests in the Basin Fruitland Coal Gas Pool underlying the E/2 of Section 7, Township 29 North, Range 14 West, forming standard 160-acre and 320-acre spacing and proration units, respectively. These units are to be dedicated to its ROPCO "7" Well No. 1 which is to be located in Unit B of Section 7 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 mile Northeast of Kirtland, New Mexico.

CASE 12835: 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 NE/4 and all mineral interests in the Basin Fruitland Coal Gas Pool underlying the N/2 of Section 20, Township 29 North, Range 13 West, forming standard 160-acre and 320-acre spacing and proration units,

respectively. These units are to be dedicated to its Eaton White Well No. 2 which is to be located in Unit B of Section 20 for downhole commingled production from the Pictured Cliffs formation (West Kutz-Pictured Cliffs Gas Pool) 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 2 mile southwest from center of Farmington, New Mexico.

CASE 12836: **Application of Burlington Resources Oil & Gas Company, L. P. for an unorthodox gas well location, San Juan County, New Mexico.** Applicant seeks approval to drill its proposed Quinn Well No. 339-R at an unorthodox gas well (off-pattern) location 770 feet from the North line and 725 feet from the West line (Unit D) of Section 20, Township 31 North, Range 8 West, said location being unorthodox for any and all gas production from the Basin Fruitland Coal Gas Pool and, if productive, to be dedicated to a standard 320-acre gas spacing and proration unit consisting of the W/2 of said Section 20. Said location is located approximately 9 miles north-northwest of the Navajo Dam spillway.

CASE 12837: **Application of Burlington Resources Oil & Gas Company L. P. to amend the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool, Rio Arriba and San Juan Counties, New Mexico.** Applicant seeks to amend the Acreage and Well Location Requirements and Administrative Exceptions of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool as currently set forth in Division Order No. R-10987-A, to conform with the Acreage and Well Location Requirements and Administrative Exceptions of the Special Rules and Regulations for the Basin Dakota Gas Pool as promulgated by Division Order R-10987-B(2) issued January 29, 2002. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12838: **Application of Energen Resources Corporation for pool extension, special pool rules and amendment of the depth bracket allowable for the Saunders-San Andres Pool, Lea County, New Mexico.** Applicant seeks an order increasing the depth bracket allowable from its current level of 80 barrels of oil per day and 2,000 cubic feet of gas per barrel of oil to 160 barrels of oil per day and 2,000 cubic feet of gas per barrel of oil for production from the Saunders-San Andres Pool. Applicant further seeks to have the amended depth bracket allowable made effective retroactively to December 1, 2000. The horizontal limits of said pool currently consists of the SW/4 of Section 4, Township 15 South, Range 33 East. Applicant seeks the extension of the pool to include the S/2 NE/4 and the SE/4 of Section 5, Township 15 South, Range 33 East. The pool is located approximately eighteen miles northwest of Lovington, New Mexico, near State Highway 457.

CASE 12839: **Application of Lewis Burselson, Inc. for compulsory pooling, non-standard spacing unit, and unorthodox gas well location, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests in all formations and/or pools developed on 160-acre spacing, including but not limited to the Jalmat Gas Pool, underlying the N/2 N/2 of Section 14, Township 24 South, Range 36 East. Said spacing unit is to be dedicated to the Cooper B No. 3 Well, which Burselson proposes to re-enter at its current unorthodox location 330 feet from the North line and 330 feet from the East line of said Section 14. Also to be considered will be the cost of re-entering 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 re-entering said well. Said area is located approximately 12 miles North of Jal, New Mexico.