

Special Examiner Hearing – July 11, 2002
Docket No. 21-02
Page 4 of 9

mile south-southwest from center of Farmington, New Mexico.

CASE 12894: Application of Texakoma Oil & Gas Corporation for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant seeks approval to drill its proposed Texakoma – USA “23” Well No. 1 (API No. 30-045-31110) at an off-pattern non-standard coal gas well location 390 feet from the South line and 627 feet from the East line (Unit P) of Section 23, Township 32 North, Range 13 West, which is located approximately three miles north northeast of La Plata, New Mexico. The E/2 of Section 23 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

CASE 12739-A: Continued from June 13, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Ninety Nine (99) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico. The Applicant seeks an order requiring the operators of 119 inactive wells located in San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico, to bring said wells into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof. The affected wells are the following:

<u>OPERATOR</u>	<u>WELL NAME AND NUMBER</u>	<u>API #</u>	<u>UNIT/SEC/TWSP RANGE</u>	<u>COUNTY</u>
R - J ENTERPRISES	NMALCO GURLEY #001	30-031-20908	P-09-20N-12W	McKinley
R - J ENTERPRISES	STATE COOKIE #001	30-031-20919	A-16-20N-12W	McKinley
R - J ENTERPRISES	STATE COOKIE #005	30-031-20928	B-16-20N-12W	McKinley
CHAPARRAL ENERGY INC	OSO CANYON FEDERAL B #001	30-039-23521	F-11-24N-02W	Rio Arriba
N M & O OPERATING CO	FEDERAL #010	30-039-05956	D-24-25N-02W	Rio Arriba
N M & O OPERATING CO	FEDERAL INVADER #001	30-039-23976	D-01-24N-02W	Rio Arriba
N M & O OPERATING CO	GAVILAN #003	30-039-23192	E-26-25N-02W	Rio Arriba
N M & O OPERATING CO	HIGHSMITH D #004	30-039-06144	I-04-25N-02W	Rio Arriba
N M & O OPERATING CO	NORTH LINDRITH 23 #001	30-039-24368	H-23-25N-02W	Rio Arriba
SMOKEY OIL COMPANY	SCHMITZ ANTICLINE FED #001	30-039-23379	K-25-24N-01W	Rio Arriba
CLAYTON INVESTMENT CO	STOCK #001	30-045-25177	J-36-30N-16W	San Juan
HART OIL & GAS INC	NAVAJO AA #010	30-045-11440	K-17-32N-17W	San Juan
HART OIL & GAS INC	NAVAJO AA #019	30-045-20797	B-19-32N-17W	San Juan
HART OIL & GAS INC	NAVAJO TRIBAL C #001	30-045-11358	L-24-32N-18W	San Juan
HART OIL & GAS INC	NAVAJO TRIBE OF IND F #103	30-045-11053	L-04-31N-17W	San Juan
HART OIL & GAS INC	NAVAJO TRIBE OF IND G #209	30-045-11047	K-01-31N-17W	San Juan
HART OIL & GAS INC	NAVAJO TRIBE OF IND G #222	30-045-11117	C-02-31N-17W	San Juan
J C WELL SERVICE	KING KONG #020	30-045-09899	L-04-30N-17W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #004	30-045-10143	F-32-31N-15W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #010	30-045-10240	N-29-31N-15W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #020	30-045-25240	G-31-31N-15W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #021	30-045-25239	B-31-31N-15W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	A P HIXON 1A COM #001	30-045-25678	E-21-25N-11W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	A P HIXON COM #001E	30-045-26036	A-21-25N-11W	San Juan

drilling said well. Said area is located approximately 15 miles North of Carlsbad, New Mexico.

CASE 12856: Continued from May 2, 2002, Examiner Hearing.

Application of Burlington Resources Oil & Gas Company LP to amend the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool, Rio Arriba, San Juan, McKinley and Sandoval Counties, New Mexico. Applicant seeks to amend the Well Location Requirements and Administrative Exceptions of the Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool to conform with the 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(1) issued January 29, 2002. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12853: Continued from June 27, 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 8, 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 "8" Well No. 3 which is to be located in Unit M of Section 8 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 East of Kirtland, New Mexico.

CASE 12854: Continued from June 27, 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 NW/4 of Section 21, Township 29 North, Range 13 West, forming a standard 160-acre spacing and proration units. This unit is to be dedicated to its F-RPC 21 Well No. 2 which is to be located in Unit E of Section 21 for production from the Pictured Cliffs formation (West Kutz-Pictured Cliffs 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 mile south-southwest from center of Farmington, New Mexico.

CASE 12855: Continued from June 27, 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 W/2 of Section 21, 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 F-RPC 21 Well No. 3 which is to be located in Unit M of Section 21 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 1-1/2