

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 20, 2000

8:15 A.M. - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos. 12-00 and 13-00 are tentatively set for May 4 and May 18, 2000. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

NOTICE:

In the future, all drafts of advertisements for hearing applications must be submitted electronically. You can e-mail them to Sally Martinez at:

semartinez@emnrd.state.nm.us.

If you are unable to file electronically, please submit them on disk.

CASE 12364: Continued from April 6, 2000, Examiner Hearing.

Application of Dugan Production Corporation for Salt Water Disposal, San Juan County, New Mexico. Applicant seeks authority to utilize its Stella Needs a Com. Well No. 1 (API No. 30-045-08994), located 1650 feet from the South and West lines (Unit K) of Section 36, Township 30 North, Range 14 West, to dispose of produced salt water into the Blanco-Mesaverde Pool through the perforated interval from approximately 3,690 feet to 3,820 feet. This well is located approximately 2.5 miles northwest of the Farmington Four Corners Regional airport (FMN).

CASE 12365: Continued from April 6, 2000, Examiner Hearing.

Application of Dugan Production Corporation for Salt Water Disposal, San Juan County, New Mexico. Applicant seeks authority to utilize its West Bisti Unit Well No. 153 (API No. 30-045-05619), located 1990 feet from the South line and 1960 feet from the West line (Unit K) of Section 35, Township 26 North, Range 13 West, to dispose of produced salt water into the Blanco-Mesaverde Pool through the perforated interval from approximately 2,747 feet to 3,875 feet. This well is located approximately 18 miles south of Farmington, New Mexico.

CASE 12377:

Application of Concho Resources, Inc. 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 10, Township 17 South, Range 27 East, and in the following manner: (a) the S/2 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 this vertical extent which presently includes the Undesignated Logan Draw-Atoka Gas Pool, Undesignated Logan Draw-Morrow Gas Pool, and Undesignated Crow Flats-Morrow Gas Pool; and (b) the SE/4 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 this vertical extent which presently includes the Undesignated Empire-Grayburg Gas Pool. Both units are to be dedicated to a single well, its proposed Woody "10" Federal Com. Well No. 1, to be drilled within the SE/4 SE/4 (Unit P) of Section 10 at a location considered to be standard for these two units. 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 the operator of this well and the two above-described units, and a charge for risk involved in drilling the well. The proposed well location is approximately 1.5 miles northeast of Riverside, New Mexico.

CASE 12369: Continued from April 6, 2000, Examiner Hearing.

Application Concho Resources, 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 10, township 17 South, Range 35 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within this vertical extent, including the Undesignated North Shoe Bar-Atoka Gas Pool, Undesignated South shoe Bar-Morrow Gas Pool, Undesignated Shoe Bar-Mississippian Gas Pool, and Undesignated South Shoe Bar-Mississippian Gas Pool. This unit is to be dedicated to its proposed South Shoebar 10 State Com Well No. 2 (API No. 30-025-34783) to be drilled at a standard gas well location in the SW/4 NW/4 (Unit E) of Section 10. 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 risk involved in drilling the well. The area is located approximately 8 miles southwest of Lovington, New Mexico.

CASE 12378: **Application of Tamarack Petroleum Company, Inc. for an Unorthodox Subsurface Oil and Gas Well Location, Lea County, New Mexico.** Applicant, in accordance with Division Rule 111.C (2), seek exceptions to Division Rules 104.B (1) and 104.C (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999. Tamarack Petroleum Company, Inc. proposes to re-enter the plugged and abandoned Anadarko Petroleum Corporation Hood "8" Well No. 1 (API No. 30-025-30513), located 859 feet from the North line and 1981 feet from the East line (Unit B) of Section 8, Township 17 South, Range 38 East, and directionally drill to an approximate depth of 12,200 feet (TVD) at an unorthodox subsurface gas well location to be within 110 feet of a target point that is 1179 feet from the North line and 2211 feet from the East line (Unit B) of Section 8. Further, the: (i) E/2 of Section 8 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for any and all formations from the top of the Wolfcamp formation to the base of the Atoka formation developed on 320-acre spacing; and (ii) NW/4 NE/4 of Section 8 is to be dedicated to this well in order to form a standard 40-acre oil spacing and proration unit for any and all formations from the top of the Wolfcamp formation to the base of the Atoka formation developed on 40-acre spacing. The proposed well location is approximately two miles west of Knowles, New Mexico.

CASE 12353: **Continued from April 6, 2000, Examiner Hearing.**

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 N/2 of Section 10, Township 17 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 spacing within that vertical extent, including the Undesignated South Shoe Bar-Atoka Gas Pool, the Undesignated South Shoe Bar-Morrow Gas Pool, and the Undesignated South Shoe Bar-Mississippian Gas Pool. The unit is to be dedicated to its South Shoe Bar "10" State Com. Well No. 4 to be drilled at an orthodox location in the NE/4 NW/4 of Section 10. 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 risk involved in drilling and completing the well. The unit is located approximately 8 ½ miles southwest of Lovington, New Mexico.

CASE 12379: **Application of KCS Medallion Resources, Inc. for Compulsory Pooling and an Unorthodox Gas Well Location, 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 23, Township 19 South, Range 29 East, and in the following manner: (i) the N/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 but not limited to the Undesignated West Parkway-Atoka Gas Pool and Undesignated West Parkway-Morrow Gas Pool; (ii) the NW/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, including but not limited to the Undesignated Parkway-Strawn Pool; (iii) and the NW/4 NW/4 for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated Parkway-Delaware Pool, Undesignated North Parkway-Wolfcamp Pool, and Undesignated North Parkway-Upper Pennsylvanian Pool. These units are to be dedicated to applicant's West Parkway State Well No. 1 to be drilled from a surface location 400 feet from the South line and 1050 feet from the East line (Unit P) of Section 15, Township 19 South, Range 29 East to a bottomhole location 660 feet from the North and West lines of Section 23. Applicant also requests approval of an unorthodox gas well location. 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 units, and a charge for risk involved in drilling and completing the well. The units are located approximately 12 1/2 miles south-southwest of Loco Hills, New Mexico.

CASE 12380: **Application of Nadel and Gussman Permian, L.L.C. 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 34, Township 24 South, Range 28 East, and in the following manner: (a) the N/2 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 which presently include the Undesignated Salt Draw-Atoka Gas Pool; (b) the NE/4 to form a standard 160-acre gas spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and (c) the NE/4 NE/4 to form a standard 40-acre oil spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent, including the Willow Lake-Bone Spring Pool. These three units are to be dedicated to a single well, the Kyle 34 Federal Well No. 1, to be drilled within the NE/4 NE/4 (Unit A) 4 of Section 34 at a location considered to be standard for all three units. 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 units, and a charge for risk involved in drilling and completing the well. The units are located approximately 3 miles south of Malaga, New Mexico.

CASE 12381: **Application of David H. Arrington Oil & Gas, Inc. for an Unorthodox Gas Well Location, Lea County, New Mexico.** Applicant seeks an exception to Division Rule 104.C (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, to drill its proposed Mayfly "14" State Com. Well No. 7 to the Mississippian formation at an unorthodox gas well location 330 feet from the North and East lines (Unit A) of Section 14, Township 16 South, Range 35 East. The E/2 of Section 14 is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing from the top of the Cisco formation to the base of the Mississippian formation, which includes the Undesignated North Shoe Bar-Atoka Gas Pool, Undesignated Shoe Bar-Atoka Gas Pool, Townsend-Morrow Gas Pool, and Undesignated North Townsend-Mississippian Gas Pool. This unit is located approximately one and one-half miles south-southwest of the Lovington Lea County - Zip Franklin Memorial Airport (E06).

CASE 12368: Continued from April 6, 2000, Examiner Hearing.

Application of Harvey E. Yates Company for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from 9000 feet subsurface to the base of the Morrow formation underlying Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 5, Township 18 South, Range 31 East, to form a standard 319.96-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Shugart-Morrow Gas Pool. The unit is to be dedicated to a well to be drilled at a standard gas well location in the SW/4 of Section 5. 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 risk involved in drilling and completing the well. The unit is located approximately six miles southeast of Loco Hills, New Mexico.

CASE 12367: Continued from April 6, 2000, Examiner Hearing.

Application of Santa Fe Snyder Corporation for Pool Creation, Special Pool Rules, and an Unorthodox Oil Well Location, Eddy County, New Mexico. Applicant seeks an order creating a new pool for the production of oil designated as the North Cass Draw-Wolfcamp Pool with horizontal limits comprising the NW/4 of Section 27, Township 22 South, Range 27 East, and approving special pool rules for the pool including 160-acre well spacing and special well location requirements. Applicant requests that the pool rules be made effective February 1, 2000. Applicant further requests approval of an unorthodox location for its Weems Well No. 1 located 990 feet from the North line and 1330 feet from the West line (Unit C) of Section 27. The pool is located approximately 1 1/2 miles northwest of Otis, New Mexico

CASE 12382: **Application of Nearburg Exploration Company, L.L.C. 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 21, Township 19 South, Range 28 East, and in the following manner: (a) the S/2 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 this vertical extent which presently includes the Undesignated South Millman-Atoka Gas Pool, Undesignated Winchester-Atoka Gas Pool, Undesignated South Millman-Morrow Gas Pool, Undesignated Winchester-Morrow Gas Pool, and Undesignated North Winchester-Morrow Gas Pool; (b) the SE/4 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 said vertical extent; and (c) the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within this vertical extent which presently includes but is not necessarily limited to the East Millman Yates-Seven Rivers-Queen-Grayburg-San Andres Pool and the Undesignated North Winchester-Wolfcamp Pool. These units are to be dedicated to a single well to be drilled at a location considered to be standard for all three units 660 feet from the South line and 1650 feet from the East line (Unit O) of Section 21. 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 Nearburg Producing Company as the operator of the well and the three above-described units, and a charge for risk involved in drilling the well. Further, the East Millman Yates-Seven Rivers-Queen-Grayburg-San Andres Pool underlying the SW/4 SE/4 of Section 21 is currently dedicated to C.F.M. Oil Company's Monsanto State Well No. 1 (API No. 30-015-24252), located at a standard oil well location 986 feet from the South line and 1650 feet from the East line (Unit O) of Section 21. At the time of the hearing it will be necessary for the applicant to address certain issues created by the forced pooling of producing acreage currently operated by another operator. The proposed well location is approximately eleven miles east of Lakewood, New Mexico.

CASE 12383: **Application of Nearburg Exploration Company, L.L.C. 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 24, Township 18 South, Range 26 East, and in the following manner: (a) 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 spacing within this vertical extent which presently includes the Red Lake-Pennsylvanian Gas Pool; (b) the SE/4 to form a standard 160-acre gas spacing and proration unit for all formations developed on 160-acre spacing within said vertical extent; and (c) the NE/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within this vertical extent which presently includes the Dayton (Grayburg) Pool, Undesignated Atoka-San Andres Pool, Undesignated Atoka-Gloriata-Yeso Pool, and Undesignated Dayton-Abo Pool. These three units are to be dedicated to a single well, the proposed Rio Pecos "24" Well No. 1, to be drilled within the NE/4 SE/4 (Unit I) of Section 24 at a location considered to be standard for all three units. 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 Nearburg Producing Company, L.L.C. as the operator of the well and units, and a charge for risk involved in drilling the well. The proposed well location is approximately three miles east of Dayton, New Mexico.

CASE 12384: **Application of Louis Dreyfus Natural Gas for Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from a depth of 4,000 feet to the base of the Morrow formation, underlying the following described acreage in Section 34, Township 17 South, Range 28 East, and in the following manner: (a) the W/2 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 this vertical extent which presently includes the Empire-Pennsylvanian Gas Pool; (b) the NW/4 to form a standard 160-acre gas spacing and proration unit for all formations developed on 160-acre spacing within said vertical extent; and (c) the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within this vertical extent which presently includes the Undesignated Empire-Wolfcamp Pool. These three units are to be dedicated to a single well, the proposed Geronimo "34" State Com. Well No. 1, to be drilled within the SW/4 NW/4 (Unit E) of Section 34 at a location considered to be standard for all three units. 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 the applicant as the operator of the well and units, and a charge for risk involved in drilling the well. The proposed well location is approximately one-quarter mile southwest of the junction of U. S. Highway No. 82 and New Mexico State Road No. 360.

CASE 12371: **Continued from April 6, 2000, Examiner Hearing.**

Application of Texaco Exploration and Production Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Queen formation to the base of the Morrow formation underlying the following described acreage in Section 17, Township 16 South, Range 32 East, in the following manner: (a) the N/2 to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing; (b) 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 spacing; and (c) the SW/4 NE/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing. These units are to be dedicated to a single well, the proposed Texmack "17" State Com Well No. 1 to be drilled at a location that is standard for each of these units. Also to be considered will be the cost of drilling and completing this 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 units, and a charge for risk involved in drilling the well. The proposed well location is approximately 4 miles northwest of Maljamar, New Mexico.

CASE 12385: **Application of Texaco Exploration and Production, Inc. for Compulsory Pooling, Chaves County, New Mexico.** Applicant seeks an order pooling all mineral interests from the top of the Abo formation to the base of the Morrow formation underlying the following described acreage in Section 36, Township 15 South, Range 31 East, and in the following manner: (a) the W/2 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 this vertical extent which presently includes the Undesignated West Anderson Ranch-Pennsylvanian Gas Pool; and (b) the NW/4 to form a standard 160-acre gas spacing and proration unit for all formations developed on 160-acre spacing within this vertical extent. Both units are to be dedicated to the proposed Dulce "36" State Com. Well No. 1 (API No. 30-005-21160), to be drilled at a standard gas well location for both units 1330 feet from the North line and 1980 feet from the West line (Unit F) of Section 36. 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 the operator of this well and the two above-described units, and a charge for risk involved in drilling the well. The proposed well location is approximately seven miles north of Maljamar, New Mexico.

CASE 12386: **Application of Threshold Development Company for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation, underlying the following described acreage in Section 16, Township 24 South, Range 33 East, and in the following manner: (a) the W/2 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 this vertical extent which presently includes the Undesignated Johnson Ranch-Wolfcamp Gas Pool; (b) the NW/4 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 said vertical extent; and (c) the NE/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within this vertical extent. These three units are to be dedicated to a single well, the proposed Johnson Ranch State "16" Well No. 1, to be drilled within the NE/4 NW/4 of Section 16 at a location considered to be standard for all three units. 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 the operator of the well and units, and a charge for risk involved in drilling the well. The proposed well location is approximately four miles west-northwest of the junction of New Mexico State Road 128 and the Delaware Basin Road.

CASE 12387: **Application of Penwell Energy, Inc. for Pool Creation, Special Pool Rules, Approval of a Non-Standard Oil Proration Unit and an Unorthodox Oil Well Location, Sandoval County, New Mexico.** Applicant seeks to create a new pool for the production of oil from the Entrada formation comprising the N/2 of Section 8, Township 19 North, Range 4 West (being approximately eight miles north by west of Torreon, New Mexico) and the promulgation of special pool rules therefor including provisions for 160-acre spacing and proration units and designated well location requirements. Applicant further seeks exceptions to these proposed rules in order to establish a non-standard 160-acre oil spacing and proration unit within this newly created pool to comprise the W/2 NE/4 and the E/2 NW/4 of Section 8 to be dedicated to its Eagle Spring "8" Federal Well No. 1 (API No. 30-043-20949), located at an unorthodox oil well location 263 feet from the North line and 2548 feet from the East line (Unit B) of Section 8 (this well was the subject on Division Order No. R-11331 issued in Case No. 12335 and dated February 17, 2000).

CASE 12372: Continued from April 6, 2000, Examiner Hearing.

Application of Yates Petroleum Corporation for Approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the Indigo State Unit Agreement for an area comprising 2533.67 acres, more or less, of state lands in Sections 5, 6, 7 and 8, Township 12 South, Range 35 East, which is located approximately 8 miles west/northwest of Tatum, New Mexico.

CASE 12373: Continued from April 6, 2000, Examiner Hearing.

Application of Yates Petroleum Corporation for an Unorthodox Gas Well Location, Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.C (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999. Yates Petroleum Corporation proposes to re-enter the plugged and abandoned Read & Stevens State "F" Well No. 1 (API No. 30-025-23286) to be redesignated the Caprock "AVD" State Well No. 1, which is located at an unorthodox gas well location 660 feet from the North line and 510 feet from the East line (Unit A) of Section 13, Township 11 South, Range 32 East. The E/2 of Section 13 is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit for either the Atoka and Morrow formations and the Undesignated East Caprock-Mississippian Gas Pool. Said unit is located approximately three miles southeast of Caprock, New Mexico **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12343: Continued from April 6, 2000, Examiner Hearing.

Application of John H. Hendrix Corporation for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all oil and associated casinghead gas formations developed on 40-acre spacing from the base of the Grayburg formation to the base of the Drinkard formation in the NE/4 SW/4 of Section 34, Township 23 South, Range 37 East. The unit is to be dedicated to its Eva Blinebry "B" Well No. 1, to be drilled at a standard location in the NE/4 SW/4 of Section 34 to a depth of approximately 6,400 feet to test all formations from the base of the Grayburg formation to the base of the Drinkard formation, Teague-Paddock-Blinebry Pool and the Undesignated Imperial Tubb-Drinkard Pool. Also to be considered will be the cost of drilling and completing the 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 drilling the well. The well is located approximately 12 miles south of Eunice, New Mexico.

CASE 12388: In the matter of the hearing called by the New Mexico Oil Conservation Division on its own motion to permit the operator of the Federal "D" Well No. 3 (API No. 30-025-34066), located 1120 feet from the South line and 1420 feet from the East line (Unit O) of Section 31, Township 9 South, Range 36 East, Lea County, New Mexico, Reliance Operating Company, to appear and show cause why the request for allowable and authorization to transport gas production from the Atoka formation should not be cancelled for failure to comply with: (i) Division Administrative Order NSL-3838-A, dated June 7, 1999; and (ii) Division Rules 1104.C and D, unless the mineral interests in the E/2 of Section 31 are properly consolidated.

CASE 12356: Reopened

Application of Phillips Petroleum Company for approval of six non-standard gas spacing and proration units and an unorthodox gas well location, San Juan County, New Mexico. Applicant seeks the approval of six non-standard gas spacing and proration units within the San Juan 32-7 Unit to be dedicated to any production from the Pictured Cliffs formation of the South Los Pinos Fruitland San Pictured Cliffs Gas Pool, the units to be configured from all or portions of Irregular Sections 4, 5, 6, and 7, Township 31 North, Range 7 West. These proposed units are made necessary as a result of variations in the legal subdivision of the United State Public Land Survey and are configured to be compatible with the non-standard gas spacing and proration units which have been approved for the Basin Dakota Gas Pool, the Blanco-Mesaverde Gas Pool and the Basin-Fruitland Coal Gas Pool. In addition, the applicant seeks approval for the recompletion of the San Juan 32-7 Unit Well No. 18 from the Mesaverde formation to a Pictured Cliffs formation gas well at an unorthodox location 2225 feet from the South line and 400 feet from the East line of Irregular Section 5 to be dedicated to a standard 160-acre spacing unit consisting of the SE/4 of this section. These units are located approximately 6 miles south-southeast of the intersection of New Mexico State Highway 511 and the borders of the States of New Mexico and Colorado. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12360: Continued from March 29, 2000, Examiner Hearing.

Application of Doyle Hartman, Oil Operator for rescission and reconsideration of portions of Division Order No. R-9073, as amended, affecting lands in Townships 22 and 23 South, Range 36 East, Lea County, New Mexico. Applicant seeks rescission and reconsideration of portions of Division Order No. R-9073, as amended, which affects lands and wells in the Jalmat Gas Pool. This area is centered approximately 10 miles northwest of Jal, New Mexico.

DOCKET: COMMISSION HEARING – WEDNESDAY – APRIL 26, 2000

9:00 A.M. - OCD Hearing Room
2040 S. Pacheco
Santa Fe, New Mexico

The Land Commissioner's designee for this hearing will be Jami Bailey.

The minutes of the March 24, 2000, Commission hearing will be adopted.

The Oil Conservation Commission may vote to close the open meeting to deliberate any De Novo cases heard at this hearing.

The Commission will close the meeting to discuss the following cases:

CASE 11996: Application of Pendragon Energy Partners, Inc. and J. K. Edwards Associates, Inc. to confirm production from the appropriate common source of supply, San Juan County, New Mexico.

The TPH and Chloride Work Groups will present a briefing to the Commission.

CASE 12346: Continued from March 24, 2000 Commission Hearing.

Application of the Oil Conservation Division to Amend Rule 303.C through 303.H (19 NMAC 15.E.303) The Division's downhole commingling workgroup will report to the Commission its recommendations for amendments to the Division's rules governing downhole commingling. This matter will then be continued to a subsequent Commission hearing at which time the Commission will hear public comment and testimony. The workgroup's recommended draft rule may be accessed on the internet at the Division's website at: www.emnrd.state.nm.us/ocd.

CASE 12008: De Novo Continued from January 21, 2000 Commission Hearing

Application of Robert E. Landreth for a determination of reasonable well costs, Lea County, New Mexico. Applicant, as a mineral interest owner in the standard 320-acre gas spacing and proration unit comprising the S/2 of Section 29, Township 22 South, Range 34 East, seeks an order ascertaining the reasonableness of actual well costs for: (i) the Santa Fe Energy Resources, Inc. Gaucho Unit Well No. 2-Y (API No. 30-025-34026), located 1650 feet from the South line and 1725 feet from the West line (Unit K) of Section 29; and (ii) the plugged and abandoned Gaucho Unit Well No. 2 (API No. 30-025-33682), located 1650 feet from the South and West lines (Unit K) of Section 29. This 320-acre unit was the subject of compulsory pooling Order No. R-10764, dated February 14, 1997. This area is located approximately 20 miles west by south of Eunice, New Mexico. Upon application of Robert E. Landreth, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 12299: De Novo - Continued from March 24, 2000 Commission Hearing.

Application of Redwolf Production, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 36, Township 26 North, Range 13 West, in the following manner: (a) the N/2 for all formations and/or pools developed on 320-acre spacing within that vertical extent including the Basin-Fruitland Coal Gas Pool; (b) the NE/4 for all formations and/or pools developed on 160-acre spacing within that vertical extent including the Undesignated WAW-Fruitland Sand-Pictured Cliffs Pool; and (c) the NE/4 NE/4 for all formations and/or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to its Bear Well No. 1 to be drilled at a standard location in the NE/4 NE/4 (Unit A) of Section 36. 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 Redwolf Production, Inc. Company as operator of the well and a charge for risk involved in drilling and completing the well. The area is located approximately 16 miles southwest of Farmington, New Mexico. Upon application of Maralex Resources, Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 6, 2000
8:15 A.M. - 2040 South Pacheco
Santa Fe, New Mexico

Dockets Nos. 10-00 and 11-00 are tentatively set for April 20 and May 4, 2000. 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 12348: Continued from March 16, 2000, Examiner Hearing.

Application of David H. Arrington, Oil & Gas, Inc. for an Unorthodox Injection Well Location, approval of its Mayfly "14" State Leasehold Pressure Maintenance Project, and to Qualify this Project for the Recovered Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval of its gas injection pressure maintenance project within the Strawn formation of the North Shoe Bar-Strawn Pool to be located within the NE/4 of Section 14, Township 16 South, Range 35 East, to qualify this project for the recovered oil tax rate pursuant to the Enhanced Oil Recovery Act (Sections 7-29/A-1 through 7-29A-5, NMSA 1978). Applicant also seeks approval to drill its injection well at an unorthodox well location 535 feet from the North line and 2300 feet from the East line and of this section. This project is located approximately 4 miles southeast of Lovington, New Mexico.

CASE 12355: Continued from March 16, 2000, Examiner Hearing.

Application of Matador E & P Company to establish infill well procedures and to amend well location requirements for the Red Hills-Wolfcamp Gas Pool or, in the alternative, for simultaneous dedication, Lea County, New Mexico. Applicant seeks an order amending the Special Rules and Regulations of the Red Hills-Wolfcamp Gas Pool as follows: (a) amend Rule 2 to provide that a second well be drilled within a standard 640-acre spacing unit but on a governmental quarter section not containing a first well and (b) amend Rule 4 to conform the well location rules to Division Rule 104.C(2). In the alternative, applicant seeks the simultaneous dedication of the Red Hills Unit Well No. 2 located in Unit B and the Red Hills Unit Well No. 3 in Unit K of Section 5, Township 26 South, Range 33 East, to a standard 640-acre gas spacing unit consisting of this section. This pool is located approximately 2 1/2 miles west of Jal, New Mexico.

CASE 12364: Application of Dugan Production Corporation for Salt Water Disposal, San Juan County, New Mexico. Applicant seeks authority to utilize its Stella Needs a Com. Well No. 1 (API No. 30-045-08994), located 1650 feet from the South and West lines (Unit K) of Section 36, Township 30 North, Range 14 West, to dispose of produced salt water into the Blanco-Mesaverde Pool through the perforated interval from approximately 3,690 feet to 3,820 feet. This well is located approximately 2.5 miles northwest of the Farmington Four Corners Regional airport (FMN).

CASE 12365: Application of Dugan Production Corporation for Salt Water Disposal, San Juan County, New Mexico. Applicant seeks authority to utilize its West Bisti Unit Well No. 153 (API No. 30-045-05619), located 1990 feet from the South line and 1960 feet from the West line (Unit K) of Section 35, Township 26 North, Range 13 West, to dispose of produced salt water into the Blanco-Mesaverde Pool through the perforated interval from approximately 2,747 feet to 3,875 feet. This well is located approximately 18 miles south of Farmington, New Mexico.

CASE 12353: Continued from March 16, 2000, Examiner Hearing.

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 N/2 of Section 10, Township 17 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 spacing within that vertical extent, including the Undesignated South Shoe Bar-Atoka Gas Pool, the Undesignated South Shoe Bar-Morrow Gas Pool, and the Undesignated South Shoe Bar-Mississippian Gas Pool. The unit is to be dedicated to its South Shoe Bar "10" State Com. Well No. 4 to be drilled at an orthodox location in the NE/4 NW/4 of Section 10. 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 risk involved in drilling and completing the well. The unit is located approximately 8 1/2 miles southwest of Lovington, New Mexico.

CASE 12366: Application of The Wiser Oil Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Grayburg-San Andres formation underlying the SW/4 SW/4 of Section 33, Township 16 South, Range 32 East, to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Grayburg-Jackson Pool. The unit is to be dedicated to its Caswell Well No. 1 to be located 660 feet from the South line and 560 feet from the West line (Unit M) of Section 33. 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 the operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 18 miles northwest of Maljamar, New Mexico.

CASE 12367: Application of Santa Fe Snyder Corporation for Pool Creation, Special Pool Rules, and an Unorthodox Oil Well Location, Eddy County, New Mexico. Applicant seeks an order creating a new pool for the production of oil designated as the North Cass Draw-Wolfcamp Pool with horizontal limits comprising the NW/4 of Section 27, Township 22 South, Range 27 East, and approving special pool rules for the pool including 160-acre well spacing and special well location requirements. Applicant requests that the pool rules be made effective February 1, 2000. Applicant further requests approval of an unorthodox location for its Weems Well No. 1 located 990 feet from the North line and 1330 feet from the West line (Unit C) of Section 27. The pool is located approximately 1 1/2 miles northwest of Otis, New Mexico.

CASE 12368: **Application of Harvey E. Yates Company for Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from 9000 feet subsurface to the base of the Morrow formation underlying Lots 3 and 4, the S/2 NW/4, and the SW/4 (W/2 equivalent) of Section 5, Township 18 South, Range 31 East, to form a standard 319.96-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Shugart-Morrow Gas Pool. The unit is to be dedicated to a well to be drilled at a standard gas well location in the SW/4 of Section 5. 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 risk involved in drilling and completing the well. The unit is located approximately six miles southeast of Loco Hills, New Mexico.

CASE 12329: **Continued from March 16, 2000, Examiner Hearing.**

Application of EOG Resources, Inc. for a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of a unit agreement for its proposed Red Hills North Unit Area containing 3478.30 acres, more or less, of Federal and State lands comprising all or portions of Sections 6, 7, 8, 17 and 18, Township 25 South, Range 34 East, and all or portions of Sections 1, 12 and 13, Township 25 South, Range 33 East. The unit area is located approximately 19 miles west by north of Jal, New Mexico.

CASE 12357: **Continued from March 16, 2000, Examiner Hearing.**

Application of Clayton Williams Energy, Inc. for salt water disposal, Eddy County, New Mexico. Applicant seeks approval to inject salt water produced as a result of hydrocarbon production into the plugged and abandoned New Mexico "EO" State Com Well No. 1 located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 20, Township 17 South, Range 29 East, which is located approximately 6.2 miles west of Loco Hills, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12369: **Application Concho Resources, 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 10, township 17 South, Range 35 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within this vertical extent, including the Undesignated North Shoe Bar-Atoka Gas Pool, Undesignated South shoe Bar-Morrow Gas Pool, Undesignated Shoe Bar-Mississippian Gas Pool, and Undesignated South Shoe Bar-Mississippian Gas Pool. This unit is to be dedicated to its proposed South Shoebar 10 State Com Well No. 2 (API No. 30-025-34783) to be drilled at a standard gas well location in the SW/4 NW/4 (Unit E) of Section 10. 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 risk involved in drilling the well. The area is located approximately 8 miles southwest of Lovington, New Mexico.

CASE 12370: **Application of Marbob Energy Corporation for an unorthodox gas well location, Eddy County, New Mexico.** Applicant seeks an exception to Division Rule 104.C (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999, to drill its Primero Federal Well No. 2 (API No. 30-015-30990) to the Morrow formation at an unorthodox gas well location 2116 feet from the South line and 542 feet from the West line (Unit L) of Section 23, Township 26 South, Range 24 East. The S/2 of Section 23 is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit for the Undesignated South Washington Ranch-Morrow Gas Pool. This unit is located approximately 12 miles southwest by south of White City, New Mexico.

CASE 12371: **Application of Texaco Exploration and Production Inc. for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Queen formation to the base of the Morrow formation underlying the following described acreage in Section 17, Township 16 South, Range 32 East, in the following manner: (a) the N/2 to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing; (b) 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 spacing; and (c) the SW/4 NE/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing. These units are to be dedicated to a single well, the proposed Texmack "17" State Com Well No. 1 to be drilled at a location that is standard for each of these units. Also to be considered will be the cost of drilling and completing this 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 units, and a charge for risk involved in drilling the well. The proposed well location is approximately 4 miles northwest of Maljamar, New Mexico.

CASE 12372: **Application of Yates Petroleum Corporation for Approval of a Unit Agreement, Lea County, New Mexico.** Applicant seeks approval of the Indigo State Unit Agreement for an area comprising 2533.67 acres, more or less, of state lands in Sections 5, 6, 7 and 8, Township 12 South, Range 35 East, which is located approximately 8 miles west/northwest of Tatum, New Mexico.

CASE 12373: **Application of Yates Petroleum Corporation for an Unorthodox Gas Well Location, Lea County, New Mexico.** Applicant seeks an exception to Division Rule 104.C (2), revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999. Yates Petroleum Corporation proposes to re-enter the plugged and abandoned Read & Stevens State "F" Well No. 1 (API No. 30-025-23286) to be redesignated the Caprock "AVD" State Well No. 1, which is located at an unorthodox gas well location 660 feet from the North line and 510 feet from the East line (Unit A) of Section 13, Township 11 South, Range 32 East. The E/2 of Section 13 is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit for either the Atoka and Morrow formations and the Undesignated East Caprock-Mississippian Gas Pool. Said unit is located approximately three miles southeast of Caprock, New Mexico **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12374: **Application of Yates Petroleum Corporation for Amendment of the Special Rules and Regulations for the South Big Dog-Strawn Pool, Lea County, New Mexico.** Applicant seeks the amendment of the Special Rules and Regulations for the South Big Dog-Strawn Pool located in portions of Section 32, Township 15 South, Range 35 East, and portions of Sections 1, 2, 3, 11 and 12, Township 16 South, Range 35 East, including the adoption of a special gas-oil ratio for the pool of 6000 cubic feet of gas for each barrel of oil produced. This area is centered approximately 4 miles west of Lovington, New Mexico.

CASE 12375: **Application of Yates Petroleum Corporation for Special Pool Rules, Lea County, New Mexico.** Applicant seeks an increase in the depth bracket allowable for the Northwest Shoe Bar-Strawn Pool located in portions of Section 15, Township 16 South, Range 35 East, to 365 barrels of oil per day for each 40-acre unit. This pool is located approximately 5.5 miles west of Lovington, New Mexico.

CASE 12343: **Continued from March 2, 2000, Examiner Hearing.**

Application of John H. Hendrix Corporation for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all oil and associated casinghead gas formations developed on 40-acre spacing from the base of the Grayburg formation to the base of the Drinkard formation in the NE/4 SW/4 of Section 34, Township 23 South, Range 37 East. The unit is to be dedicated to its Eva Blinebry "B" Well No. 1, to be drilled at a standard location in the NE/4 SW/4 of Section 34 to a depth of approximately 6,400 feet to test all formations from the base of the Grayburg formation to the base of the Drinkard formation, Teague-Paddock-Blinebry Pool and the Undesignated Imperial Tubb-Drinkard Pool. Also to be considered will be the cost of drilling and completing the 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 drilling the well. The well is located approximately 12 miles south of Eunice, New Mexico.

CASE 12086: **Consolidated – Continued from February 17, 1999, Examiner Hearing.**

Application of Yates Petroleum Corporation and Hanley Petroleum Inc. for allowable reduction and the escrow of production proceeds, Lea County, New Mexico. Applicants seek an order (1) reducing the depth bracket allowable for wells in the West Lovington-Strawn Pool to a level that will only permit operators to avoid lease terminations for failure of wells to produce in paying quantities; (2) providing for termination of the reduced depth bracket allowable for the pool when the West Lovington Strawn Unit is expanded to protect the correlative rights of each owner in the pool pursuant to a ratified statutory unitization order of the Oil Conservation Commission; and (3) requiring Gillespie-Crow, Inc. to escrow all payments received for production from the unit, and less payments for royalties and taxes thereon, from the date of the order until the unit has been expanded pursuant to a ratified statutory unitization order of the Commission to include all lands affected by the pressure maintenance project being conducted in the pool. The unit is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

CASE 12086: **Consolidated - Continued from February 17, 1999, Examiner Hearing.**

Application of Energen Resources Corporation for allowable reduction and the escrow of production proceeds, Lea County, New Mexico. Applicants seek an order (1) reducing the depth bracket allowable for wells in the West Lovington-Strawn Pool to a level that will only permit operators to avoid lease terminations for failure of wells to produce in paying quantities; (2) providing for termination of the reduced depth bracket allowable for the pool when the West Lovington Strawn Unit is expanded to protect the correlative rights of each owner in the pool pursuant to a ratified statutory unitization order of the Oil Conservation Commission; and (3) requiring Gillespie-Crow, Inc. to escrow all payments received for production from the unit, and Snyder "C" Well No. 4, and the Snyder "EC" Com Well No. 1, less payments for royalties and taxes thereon, from the date of the order until the unit has been expanded pursuant to a ratified statutory unitization order of the Commission to include all lands affected by the pressure maintenance project being conducted in the pool. The unit is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

CASE 12376: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the South Diamond Mound-Atoka Gas Pool. The discovery well is the Yates Petroleum Corporation Lucky Strike "AST" Federal Com Well No. 1 located in Unit N of Section 28, Township 16 South, Range 27 East, NMPM. Said pool would comprise:
- TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 28: S/2
- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Grayburg production and designated as the Dog Canyon-Grayburg Gas Pool. The discovery well is The Edmar Company LLC's OXY Polar Bear State Well No. 1 located in Unit K of Section 36, Township 16 South, Range 27 East, NMPM. Said pool would comprise:
- TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 36: SW/4
- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Fadeaway Ridge-Wolfcamp Pool. The discovery well is the Saga Petroleum Limited Liability Company of Colorado's Pacheco Federal Well No. 1 located in Unit J of Section 31, Township 19 South, Range 28 East, NMPM. Said pool would comprise:
- TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 31; SE/4
- (d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production and designated as the Grayburg-Strawn Pool. The discovery well is the Marbob Energy Corporation M. Dodd "B" Deep Federal Well No. 1 located in Unit I of Section 14, Township 17 South, Range 29 East, NMPM. Said pool would comprise:
- TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 14: SE/4
- (e) EXTEND the West Atoka-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include:
- TOWNSHIP 18 SOUTH, RANGE 25 EAST, NMPM
Section 2: W/2
- (f) EXTEND the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include:
- TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 7: W/2
Section 18: W/2
- (g) EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico, to include:
- TOWNSHIP 16 SOUTH, RANGE 27 EAST, NMPM
Section 23: E/2
Section 26: E/2
- (h) EXTEND the Southeast Crow Flats-Morrow Gas Pool in Eddy County, New Mexico, to include:
- TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 4: E/2
Section 9: E/2
- (i) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include:
- TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 4: N/2
- (j) EXTEND the Foor Ranch-Wolfcamp Gas Pool in Chaves County, New Mexico, to include:
- TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM
Section 14: W/2

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- (k) EXTEND the Indian Loafer Draw-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include:
TOWNSHIP 20 SOUTH, RANGE 21 EAST, NMPM
Section 35: W/2 and SE/4
- (l) EXTEND the South Livingston Ridge-Delaware Pool in Eddy County, New Mexico, to include:
TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 1: SE/4
- (m) EXTEND the Logan Draw-Atoka Gas Pool in Eddy County, New Mexico, to include:
TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 26: W/2
Section 27: N/2
- (n) EXTEND the Nash Draw-Brushy Canyon Pool in Eddy County, New Mexico, to include:
TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 31: SE/4
- (o) EXTEND the Northeast Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico, to include:
TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 25: SW/4
Section 36: W/2
- (p) EXTEND the Tamano-Bone Spring Pool in Eddy County, New Mexico, to include:
TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 23: SE/4
- (q) EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to include:
TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 20: W/2
- (r) EXTEND the Winchester-Atoka Gas Pool in Eddy County, New Mexico, to include:
TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 35: S/2

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.