

**DOCKET: EXAMINER HEARING - THURSDAY - APRIL 15, 2004****8:15 A.M. - 1220 South St. Francis****Santa Fe, New Mexico**

Docket Nos. 12-04 and 13-04 are tentatively set for April 29, 2004 and May 13, 2004. 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 13247:** Application of Chesapeake Permian, L.P. 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 SE/4 NW/4 of Section 3, Township 13 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit from any production for any and all formations/pools developed on 40-acre spacing within that vertical extent, including the Bronco-Wolfcamp Pool. This unit is to be dedicated to its Harris 3-C Well No. 1 that is to be drilled at a standard location in Unit F 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 Chesapeake Operating, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 14 miles northeast of Tatum, New Mexico.

**CASE 13248:** Application of Chi Energy, 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 3, Township 22 South, Range 26 East, NMPM, and in the following manner: The S $\frac{1}{2}$  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, including the Undesignated Happy Valley-Strawn Gas Pool, Undesignated Happy Valley-Atoka Gas Pool, and Undesignated Happy Valley-Morrow Gas Pool; and the SE $\frac{1}{4}$  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 that vertical extent. The units are to be dedicated to applicant's WC 3 Well No. 3, to be located at an orthodox location in the SE $\frac{1}{4}$ SE $\frac{1}{4}$  of Section 3. 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 Chi Operating, Inc. as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 3 miles west of Carlsbad, New Mexico.

**CASE 13218:** Continued from March 18, 2004, Examiner Hearing  
Application of 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 Morrow formation underlying the S/2 of Section 17, Township 19 South, Range 33 East, 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 the Undesignated Buffalo-Pennsylvanian Gas Pool, Undesignated Tonto-Atoka Gas Pool, and Undesignated Gem-Morrow Gas Pool. The unit will be dedicated to applicant's Excalibur "17" Fed. Com. Well No. 1, to be located at an orthodox location in the SE/4 SE/4 of Section 17. 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 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 15 $\frac{1}{2}$  miles south-southeast of Maljamar, New Mexico.

**CASE 13217:** Continued from April 1, 2004, Examiner Hearing.  
Application of 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 Morrow formation underlying the following described acreage in Section 21, Township 21 South, Range 35 East, and in the following manner: The W/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 the Undesignated North Grama Ridge-Wolfcamp Gas Pool and Undesignated South Osudo-Morrow Gas Pool; 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 the Undesignated North San Simon-Yates Associated Pool and Undesignated South Osudo-Wolfcamp Pool; and the SW/4 NW/4 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 North San Simon-Yates Associated Pool. The units are to be dedicated to applicant's San Simon State Com. Well No. 2, to be located at an orthodox location in the SW/4 NW/4 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 applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 7 miles southwest of Oil Center, New Mexico.