

DOCKET: EXAMINER HEARING - THURSDAY - JUNE 10, 2004

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

Santa Fe, New Mexico

Docket Nos. 17-04 and 18-04 are tentatively set for June 24, 2004 and July 8, 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 13263: *Continued from May 13, 2004, Examiner Hearing*

Application of Paladin Energy Corporation for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in all formations below the base of the Devonian formation underlying the S/2 of Section 26, Township 18 South, Range 35 East, to form a standard 320-acre spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent for a wildcat gas well in the McKee formation. This unit is to be dedicated to the South Vacuum 26 Well No. 1, an abandoned Devonian oil well located 660 feet from the South and West lines (Unit M) of Section 26. Applicant proposes to deepen and sidetrack the well in a northeasterly direction to a bottom-hole location no further than 1380 feet from the South and West lines and at a depth sufficient to test the McKee formation. Also to be considered will be the cost of deepening and re-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, pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 18 miles west of Hobbs and 14 miles south of Buckeye, New Mexico.

CASE 13185: *Reopened.*

Application of Devon Energy Production Company, L.P. for Special Pool Rules and Regulations for the Northeast Red Lake Glorieta-Yeso Pool and Cancellation of Overproduction, Eddy County, New Mexico. Applicant seeks the promulgation of Special Rules and Regulations for the Northeast Red Lake Glorieta-Yeso Pool, including provisions for a special depth bracket allowable of 300 barrels of oil per day and a gas:oil ratio of 4000 cubic feet of gas for each barrel of oil produced. Applicant also requests cancellation of overproduction from the NE/4 SW/4 of Section 35, Township 17 South, Range 27 East, which contains applicant's Logan 35 Fed. Well No. 5 and Logan 35 Fed. Well No. 6. The pool is centered approximately 9 miles east-northeast of Atoka, New Mexico.

CASE 13261: *Continued from May 27, 2004, Examiner Hearing.*

Application of Pure Resources, L.P. for Compulsory Pooling and a Non-Standard Gas Spacing and Proration Unit, 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 3, Township 19 South, Range 34 East, and in the following manner: Lots 1, 2, S/2 NE/4, and SE/4 (the E/2) to form a non-standard 328.44-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the East La Rica-Morrow Gas Pool; the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent; and the NW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the Raptor West "3" State Well No. 1, to be located at a standard location in the NW/4 SE/4 (Unit J) of the section. 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 8½ miles south-southwest of Buckeye, New Mexico.

CASE 13279: *Application of Coleman Oil & Gas, Inc. for an exception to Rule 7(d) of the Special Pool Rules and Regulations for Basin-Fruitland Coal Gas Pool to authorize the simultaneous dedication of the W/2 of Section 18, Township 26 North, Range 11 West, NMPM, to four existing coal gas wells, San Juan County, New Mexico.* Applicant seeks an exception to Rule 7(d) of the Special Pool Rules and Regulations for the Basin-Fruitland Coal Gas Pool, to authorize the simultaneous dedication of the W/2 of Section 18, Township 26 North, Range 11 West, to the following four existing coal gas wells:

- * Ricky Well No. 1 (API No. 30-045-25976) located 790 feet from the North line and 875 feet from the West line (Unit D);
- * Ricky Well No. 1R (API No. 30-045-31165) located 765 feet from the North line and 830 feet from the West line (Unit D);
- * Ricky Well No. 2 (API No. 30-045-25977) located 1850 feet from the South line and 790 feet from the West line (Unit L); and
- * Ricky Well No. 2R (API No. 30-045-31166) located 1845 feet from the South line and 745 feet from the West line (Unit L)..