

CASE 13284: *Continued from July 8, 2004, Examiner Hearing*

Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from 3000 feet subsurface to the base of the Morrow formation underlying the following described acreage in Section 33, Township 16 South, Range 28 East, and in the following manner: 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 that vertical extent, including the Southeast Crow Flats-Morrow Gas Pool; 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 that vertical extent; and the NE/4 NW/4 to form a standard oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to applicant's Falcon Keys "33" State Com. Well No. 1, to be drilled at an orthodox location in the NE/4 NW/4 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 operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 12½ miles east-northeast of Artesia, New Mexico.

CASE 13307: *Application of NM&O Operating Company for Compulsory Pooling, Rio Arriba County, New Mexico.* Applicant seeks an order pooling all mineral interests underlying Lots 3, 4, S/2 NW/4, and SE/4 (the W/2) of Section 1, Township 24 North, Range 2 West, to form a standard 325.06-acre gas spacing and proration unit in the Blanco-Mesaverde Gas Pool. The unit is to be dedicated to the Invader Federal Well No. 1, located in the NW/4 NW/2 (Unit D) of Section 1. Also to be considered will be the cost of drilling or recompleting 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 200% charge for the risk involved in drilling or re-completing the well. This unit is located approximately 2 miles north-northwest of Lindrih, New Mexico.

CASE 13308: *Application of Samson Resources Company to abolish the Special Rules and Regulations for the Teas-Pennsylvanian Gas Pool, Lea County, New Mexico.* Applicant seeks an order abolishing the Special Rules and Regulations for the Teas-Pennsylvanian Gas Pool, and making the division's statewide spacing and well location rules applicable to the pool. The pool covers all or portions of Sections 11, 12, and 14, Township 20 South, Range 33 East. The pool is centered approximately 6 miles east-northeast of the intersection of State Highway 176 and U.S. Highway 62/180.

CASE 13309: *Application of Nadel and Gussman Permian, L.L.C. for Compulsory Pooling, Chaves County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Montoya formation underlying the following described acreage in Section 23, Township 7 South, Range 26 East, and in the following manner: 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 that vertical extent, including but not limited to the Leslie Spring-Pennsylvanian Gas Pool and Leslie Spring-Wolfcamp Gas Pool; and 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 that vertical extent, including but not limited to the Pecos Slope-Abo Gas Pool. The units are to be dedicated to applicant's Quick Draw Fed. Well No. 1, to be drilled at an orthodox location in the NW/4 NW/4 (Unit D) of Section 23. 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 9 miles north-northeast of Acme, New Mexico.

CASE 13310: *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 Seven Rivers formation underlying the NW/4 SE/4 of Section 13, Township 19 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Tonto (Seven Rivers) Pool. This unit is to be dedicated to its La Rica "13" Federal Well No. 4 that is to be drilled at a standard well location in Unit J 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 26 miles west of Hobbs, New Mexico.