

DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 2, 2004

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 26-04 and 27-04 are tentatively set for September 16, 2004 and October 7, 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 13325: *Continued from August 19, 2004 Examiner Hearing*

In The Matter Of The Application Of Myco Industries, Inc. For Compulsory Pooling And Non-Standard Atoka Spacing Unit, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation under the following acreage in Section 14, Township 21 South, Range 27 East: the E/2 to form a standard 320-acre gas spacing and proration unit for all formations or pools spaced on 320 acres within this vertical extent, which presently include but are not necessarily limited to the Undesignated East Carlsbad-Wolfcamp, Undesignated Cedar Hills-Upper Pennsylvanian, Undesignated Burton Flat-Strawn, and the Burton Flat-Morrow Gas Pools; the SE/4 to form a standard 160-acre spacing and proration unit for all formations or pools spaced on 160 acres within this vertical extent, which presently includes but is not necessarily limited to the East Avalon-Bone Spring Gas Pool; and the SW/4 SE/4 to form a standard 40-acre spacing and proration unit for all formations or pools spaced on 40 acres within this vertical extent. Myco also seeks the formation of a 160-acre non-standard gas spacing and proration unit for the Atoka formation comprised of the SE/4 of Section 14, which presently includes but is not necessarily limited to the South Burton Flat - Atoka Pool. These spacing and proration units are to be dedicated to the existing Lonetree "14" State Com Well No. 1 located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 14, which Myco proposes to re-enter and initially re-complete at a standard location in the Morrow formation. Also to be considered will be the cost of re-entry and re-completion of said well and the allocation of the cost thereof, the actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in re-completing said well. Said area is located approximately 12 miles northeast of Carlsbad, New Mexico.

CASE 13331: *Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico.* Applicant seeks approval of the Elvis State Exploratory Unit for all formations from the surface to the base of the Mississippian formation in an area comprising 1280.00 acres, more or less, of State of New Mexico lands in Sections 22 and 27 of Township 10 South, Range 34 East, which is located approximately 8 miles south of Crossroads, New Mexico.

CASE 13332: *Application of Yates Petroleum Corporation for approval of a Unit Agreement, Chaves County, New Mexico.* Applicant seeks approval of the Boffin State Exploratory Unit for all formations from the surface to the base of the Siluro-Devonian formation in an area comprising 2920.00 acres, more or less, of State of New Mexico lands in Sections 9, 10, 15, 16, 21 and 22 of Township 9 South, Range 27 East, which is located approximately 20 miles northwest of Roswell, New Mexico.

CASE 13333: *Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico.* Applicant seeks approval of the Orbison State Exploratory Unit for all formations from the surface to the base of the Mississippian formation in an area comprising 1280.00 acres, more or less, of State of New Mexico lands in Sections 11 and 14 of Township 12 South, Range 34 East, which is located approximately 5 miles northwest of Tatum, New Mexico.

CASE 13323: *Continued from August 19, 2004 Examiner Hearing*

Application of OXY USA WTP LP for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the W/2 of Irregular Section 19, Township 18 South, Range 28 East, forming a standard 333.8-acre gas spacing and proration unit for any production for any and all formations/pools developed on 320-acre spacing within that vertical extent, including but not limited to the North Illinois Camp-Morrow Gas Pool. This unit is to be dedicated to its Dymes State Com Well No. 1 to be drilled at a standard well location in Unit K 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 OXY USA WTP LP 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 12 miles southeast from Artesia, New Mexico.