#### Examiner Hearing - March 17, 2005 Docket No. 09-05 Page 5 of 13

### CASE 13429: Continued from February 17, 2005, Examiner Hearing

Application of OGX Resources LLC 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 E/2 of Section 20, Township 24 South, Range 28 East, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Willow Lake-Atoka Gas Pool, Undesignated West Malaga-Atoka Gas Pool, and Undesignated West Malaga-Morrow Gas Pool. The unit is to be dedicated to the New Man Fed. Com. Well No. 1, to be located at an orthodox well location in the SE/4 SE/4 of Section 20. 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 2½ miles southwest of Malaga, New Mexico.

## CASE 13400: Continued from February 17, 2005, Examiner Hearing.

Application of Platinum Exploration, Inc. to abolish the special rules and regulations for the South Knowles-Devonian Pool, Lea County, New Mexico. Applicant seeks an order abolishing the special rules and regulations for the South Knowles-Devonian Pool, and instituting statewide well spacing and location regulations for the pool. The pool rules currently provide for 80-acre spacing, and wells to be within 150 feet of the center of a quarter-quarter section. The pool covers all or parts of Sections 12, 13, and 24, Township 17 South, Range 38 East, and Sections 7, 18, and 19, Township 17 South, Range 39 East. The pool is centered approximately 2 miles east-northeast of Knowles, New Mexico.

### CASE 13401: Continued from February 17, 2005, Examiner Hearing.

Application of Platinum Exploration, Inc. to abolish the special rules and regulations for the Knowles (Devonian) Pool, Lea County, New Mexico. Applicant seeks an order abolishing the special rules and regulations for the Knowles (Devonian) Pool, and instituting statewide well spacing and location regulations for the pool. The pool rules currently provide for 80-acre spacing, wells to be in either the northwest or southeast quarter-quarter section within a quarter section, and wells to be within 150 feet of the center of such quarter-quarter section. The pool covers all or parts of Sections 34 and 35, Township 16 South, Range 38 East, and Sections 2 and 3, Township 17 South, Range 38 East. The pool is centered approximately 3 miles north-northeast of Knowles, New Mexico.

<u>CASE 13451</u>: Application of the Division through the Director of the New Mexico Underground Injection Control Program to revoke Division Administrative Permit SWD-966, Eddy County, New Mexico. Applicant seeks approval to revoke the permit granted January 20, 2005, to Lynx Petroleum Consultants, Inc. for the Jones Federal "B" Well No. 3 (API No. 30-015-10394) located 660 feet from the South line and 660 feet from the East line, Unit P, Section 23, Township 19 South, Range 31 East, to dispose of produced water into the Yates and Seven Rivers formations through perforations from 2,370 feet to 2,720 feet. This well is located southeast of Loco Hills, New Mexico.

# CASE 13274: Continued from February 17, 2005, Examiner Hearing

Application of Arch Petroleum Inc. and Westbrook Oil Corporation for Approval of Two Non-Standard Gas Spacing and Proration Units in the Jalmat Gas Pool, Lea County, New Mexico. Applicants seek approval of (i) a non-standard gas spacing and proration unit comprised of the SW/4 of Section 20, Township 23 South, Range 37 East, to be dedicated in the Jalmat Gas Pool to the Steeler "A" Well No. 1, located in the NW/4 SW/4 of the section, and (ii) a non-standard gas spacing and proration unit comprised of the SE/4 of Section 20 in said township and range, to be dedicated in the Jalmat Gas Pool to the Resler "B" Well No. 1, located in the NW/4 SE/4 of the section. The units are located approximately 10½ miles southsouthwest of Eunice, New Mexico.

<u>CASE 13452</u>: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Lea County, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Strawn production and designated as the Northwest Big Dog-Strawn Pool (Pool Code 97392). The discovery well is the David H. Arrington Oil and Gas Inc. Steves Hopper 25 Well No. 1 (API No. 30-025-36080) located in Unit I of Section 25, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM Section 25: SE/4