

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 21, 2005

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

Docket Nos. 14-05 and 15-05 are tentatively set for May 5, 2005 and May 19, 2005. Applications for hearing must be filed at least 23 days in advance of hearing date. OCD Rule 1208.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Friday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Friday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

CASE 13448: *Continued from April 7, 2005, Examiner Hearing*

Application Of Myco Industries, 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 in the N/2 of Section 32, Township 21 South, Range 28 East, in order 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 East Carlsbad-Strawn, and the Undesignated East Carlsbad-Morrow Gas Pools. This spacing and proration unit is to be dedicated to the Throckmorton 32 State Com Well No. 1 to be drilled at a standard location 1980 feet from the North line and 660 feet from the East line of Section 32 in order to test the Morrow formation. Also to be considered will be the cost of drilling and completing 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 drilling said well. Said area is located approximately 5 miles east of Carlsbad, New Mexico.

CASE 13469: *Application of Myco Industries, Inc. for an Exception to Division Rules 104.C(2)(b) and (c), Eddy County, New Mexico.* Applicant seeks an order granting an exception to Division Rules 104.C(2)(b) and (c) to allow two operators in all formations developed on 320-acres underlying the N/2 of Section 35, Township 21 South, Range 27 East, which presently includes but is not limited to the East Carlsbad-Wolfcamp and the East Carlsbad-Morrow Gas Pools, and to allow the simultaneous production from the East Carlsbad-Wolfcamp Gas Pool from the following wells located in the NE/4 of said Section 35: Delta's Reeves Federal Well No. 1 (API No. 30-015-21257) located in Unit B at a standard gas well location 660 feet from the North line and 1980 feet from the East line, and applicant's Boise Federal Well No. 1 (API No. 30-015-31648) located in Unit H at a standard gas well location 1877 feet from the North line and 1312 feet from the East line. This spacing unit is located approximately 3 miles east of Carlsbad, New Mexico.

CASE 13464: *Continued from April 7, 2005, Examiner Hearing*

Application of Latigo Petroleum, 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 Lots 1, 2, NE/4, and E/2 NW/4 of Section 19, Township 25 South, Range 27 East, to form a standard 318.89-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 Cottonwood Draw-Strawn Gas Pool and Undesignated Cottonwood Draw-Morrow Gas Pool. The unit is to be dedicated to the Marine "19" Federal Well No. 1, to be located at an orthodox gas well location in the SW/4 NW/4 of Section 19. 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 6 miles south-southeast of Black River Village, New Mexico.

CASE 13470: *Application of Devon Energy Production Company, L. P. for an unorthodox oil well location, Eddy County, New Mexico.* Applicant seeks to drill its proposed Eagle "33-P" Federal Well No. 16 at an unorthodox oil well location within both the Red Lake (Queen-Grayburg-San Andres) Pool (51300) and Undesignated Northeast Red Lake-Glorieta Yeso Pool (96836) 1090 feet from the South line and 330 feet from the East line (Unit P) of Section 33, Township 17 South, Range 27 East. This well is to be an infill well in the Red Lake (Queen-Grayburg-San Andres) Pool within an existing 40-acre oil spacing and proration unit comprising the SE/4 SE/4 of Section 33 and an initial well in the Undesignated Northeast Red Lake-Glorieta Yeso Pool for a standard unit comprising the same 40 acres. This unit is located approximately eight (8) miles east-southeast of Artesia, New Mexico.