

DOCKET: EXAMINER HEARING - THURSDAY - MARCH 2, 2006**8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico**

Docket Nos. 09-06 and 10-06 are tentatively set for March 16, 2006 and March 23, 2006. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday 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 Thursday 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 13648: Application of Lance Oil & Gas Company, Inc. for Compulsory Pooling, San Juan County, New Mexico.

Applicant seeks an order pooling all mineral interests to the Pictured Cliffs formation and the Basin Fruitland Coal-Gas Pool underlying both the NE/4 and the E/2 of Section 18, T29N, R14W, forming a standard 320-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool and forming a standard 160-acre gas spacing and proration unit for any production from the Pictured Cliffs formation, including but not limited to the Twin Mounds-Pictured Cliffs Gas Pool. These units are to be dedicated to its Ropco "18" Well No. 1 (API# 30-045-32968) to be drilled at a standard gas well location in Unit H of this section. Also to be considered will be the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Lance Oil & Gas Company, Inc. as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 3/4 miles southeast from Kirtland, New Mexico.

CASE 13649: Application of Nadel and Gussman Permian, L.L.C. 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 following described acreage in Section 30, Township 23 South, Range 28 East, and in the following manner: The E/2 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 North Loving-Morrow Gas Pool; the NE/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 NE/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, including the Undesignated South Loving-Delaware Pool. The units are to be designated to the Hermes Fee Well No. 1, to be located at an orthodox location in the NW/4NE/4 of Section 30. 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 1-1/2 miles southwest of Loving, New Mexico.

CASE 13633: Continued from February 16, 2006, Examiner Hearing

Application of Bass Enterprises Production Co. 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 N/2 of Section 7, Township 22 South, Range 28 East, for all pools or formations developed on 320 acre spacing within that vertical extent. Also to be considered will be the designation of applicant as operator of the well, allocation of the costs of drilling and completing the well, establishment of overhead and administrative rates together with a provision adjusting said rates pursuant to the COPAS accounting procedure, and a 200% risk charge to be assessed against non-consenting interest owners. The well unit is located east of Carlsbad, New Mexico.