

Applicant also seeks an order simultaneously extending the horizontal boundaries and the vertical limits of the Grayburg Jackson (Seven River-Queen-Grayburg-San Andres) Pool within the Grayburg-Jackson West Cooperative Unit which is comprised of approximately 2,400 acres of State of New Mexico and fee lands in the following acreage:

Township 17 South, Range 29 East, NMPM

Section 15: W1/2 SW1/4

Section 21: All

Section 22: W1/2W1/2, E1/2NW1/4,  
NE1/4SW1/4, NW1/4NE1/4

Section 27: W1/2SW1/4

Section 28: All

The subject lands are located in the immediate vicinity of Loco Hills, New Mexico.

**Case No. 13609: Continued from March 16, 2006, Examiner Hearing**

***Application of Mack Energy Corporation for an Amendment to Order No. R-3127-A Extending the Vertical Limits of the Grayburg-Jackson West Cooperative Unit and for the Expansion of Injection Operations, Eddy County, New Mexico.*** Applicant seeks an order amending the previous orders of the Division approving the Grayburg-Jackson West Cooperative Unit Agreement to extend the vertical limits of the unitized formation to include all formations from the top of the Seven Rivers formation to the base of the Glorieta-Yeso (Paddock) formation. Applicant also seeks authorization to expand waterflood injection operations to include all intervals within the extended vertical limits of the unitized formation in the Grayburg-Jackson West Cooperative Unit comprised of approximately 2,400 acres of State of New Mexico and fee lands in the following acreage:

Township 17 South, Range 29 East, NMPM

Section 15: W1/2SW1/4

Section 16: All

Section 21: All

Section 22: W1/2W1/2, E1/2NW1/4,  
NE1/4SW1/4, NW1/4NE1/4

Section 27: W1/2SW1/4

Section 28: All

The subject lands are located in the immediate vicinity of Loco Hills, New Mexico.

**Case No. 13563: Continued from March 16, 2006, Examiner Hearing**

***Application of the New Mexico Oil Conservation Division for an Order Requiring CKG Energy, Inc. and/or Cedar Gas Company to Properly Plug 8 Well(s) and to Close Pits, Quay County, New Mexico.*** The applicant seeks an order requiring CKG Energy, Inc., the operator of eight inactive well(s) in Quay County, New Mexico, to properly plug and abandon the same, and to properly close abandoned pits located at the sites of said wells, and providing for such other relief as the Director deems appropriate.

**Case No. 13680: Continued from March 30, 2006, Examiner Hearing**

***Application of EOG Resources, Inc. for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation in the spacing and proration unit/horizontal well Project Area comprised of the S/2 of Section 15, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Northeast Collins Ranch-Wolfcamp Pool. This spacing unit/horizontal well Project Area is to be dedicated to the Hudson "15" Federal Com No. 1H to be drilled from a standard gas well surface location 760 feet from the South line and 660 feet from the East line and then horizontally drilled in the Wolfcamp formation in a westerly direction to a projected bottomhole location 760 feet from the South line and 660 feet from the West line of said Section 15 at a total vertical depth of approximately 5,400 feet. The well will test all formations from the surface through the Wolfcamp formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles west of Artesia, New Mexico.

**Case No. 13659: Continued from March 30, 2006, Examiner Hearing**

**Application of David H. Arrington Oil and Gas, Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the E/2 of Section 17, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation, undesignated Cottonwood Creek Wolfcamp Pool. Said units are to be dedicated to Applicant's proposed Wonder Bunny 1-H Well to be drilled from a surface location 1880' from the East line and 660' from the South line to a bottom hole location 1880' from the East line and 660' from the North line of said Section 17. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of David H. Arrington Oil and Gas, Inc. or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 10 miles west of Artesia, New Mexico.

**Case No. 13681: Continued from March 30, 2006, Examiner Hearing**

**Application of EOG Resources, Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation in the spacing and proration unit/horizontal well Project Area comprised of the E/2 of Section 17, Township 17 South, Range 24 East, N.M.P.M., Eddy County, New Mexico for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Collins Ranch-Wolfcamp Gas Pool. This spacing unit/horizontal well Project Area is to be dedicated to the Joliba "17" Fee Well No. 1H to be drilled from a standard gas well surface location 660 feet from the South line and 1815 feet from the East line and then horizontally drilled in the Wolfcamp formation in a northerly direction to a projected bottomhole location 660 feet from the North line and 1880 feet from the West line of said Section 15. The well will test all formations from the surface through the Wolfcamp formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 6 miles west of Artesia, New Mexico.

**Case No. 13598: Continued from March 30, 2006, Examiner Hearing**

**Application of Hudson Oil Company of Texas, William A. Hudson and Edward R. Hudson for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the San Andres formation through the base of the Morrow formation in the following described acreage in Section 12, Township 17 South, Range 31 East: the N/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated Fren-Morrow Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent and the NW/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated East Fren-Paddock Pool. Said units are to be dedicated to its Francotte Federal Well No. 1 to be drilled 660 feet from the North and West lines of said Section 12 to an approximate depth of 12,500 feet. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Hudson Oil Company of Texas as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 3 miles east northeast of Maljamar, New Mexico.

**Case No. 13696: In the matter of the hearing called by the Oil Conservation Division for an order contracting and extending certain pools in Lea County, New Mexico.**

(a) CONTRACT the Blinebry Oil and Gas Pool (Pool Code Oil – 6660, Gas - 72480) in Lea County, New Mexico by the deletion of the following described area:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM

Section 1: Lots 11, 12, 13, 14, 15, SW/4 and W/2 SE/4

Section 4: Lot 15, SE/4 and S/2 SW/4

Section 8: NE/4 NW/4, E/2 SW/4 and E/2

Section 9: All

Section 11: N/2 and SE/4

Section 12: W/2 and W/2 E/2

Section 13: W/2, W/2 NE/4 and NW/4 SE/4