

Application of El Paso E&P Company, L.P. for an exception to NMAC 19.15.3.104.C(3) to allow infill drilling and simultaneous dedication, Colfax County, New Mexico. Applicant seeks approval to drill its VPR A Well No. 504 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the NE/4 of Section 10, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the NE/4 of Section 10 to the VPR A Well No. 504, to be located in Unit H of Section 10, and to the existing VPR A Well No. 77, located in Unit G of Section 10. The unit is located approximately 24-1/2 miles west-northwest of Raton, New Mexico.

CASE 13905: *(Continued from the May 24, 2007, Examiner Hearing.)*

Application of El Paso E&P Company, L.P. for an exception to NMAC 19.15.3.104.C(3) to allow infill drilling and simultaneous dedication, Colfax County, New Mexico. Applicant seeks approval to drill its VPR A Well No. 501 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the SE/4 of Section 10, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the SE/4 of Section 10 to the VPR A Well No. 501, to be located in Unit J of Section 10, and to the existing VPR A Well No. 71, located in Unit P of Section 10. The unit is located approximately 24-1/2 miles west-northwest of Raton, New Mexico.

CASE. 13906: *(Continued from the May 24, 2007, Examiner Hearing.)*

Application of El Paso E&P Company, L.P. for an exception to NMAC 19.15.3.104.C(3) to allow infill drilling and simultaneous dedication, Colfax County, New Mexico. Applicant seeks approval to drill its VPR A Well No. 503 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the NW/4 of Section 11, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the NW/4 of Section 11 to the VPR A Well No. 503, to be located in Unit C of Section 11, and to the existing VPR A Well No. 78, located in Unit F of Section 11. The unit is located approximately 24 miles west-northwest of Raton, New Mexico.

CASE. 13899: *(Continued from the June 7, 2007, Examiner Hearing.)*

Application of Devon Energy Production Company, L.P. for approval of five non-standard gas spacing and proration units, San Juan and Rio Arriba Counties, New Mexico. Applicant seeks approval of the following non-standard gas spacing and proration units for production from the Basin-Dakota Gas Pool:

(a) Township 31 North, Range 7 West, N.M.P.M.

Section 19: Lots 5-8 and E/2 W/2

Section 30: Lot 5 and NE/4 NW/4

Containing 259.82 acres.

(b) Township 31 North, Range 7 West, N.M.P.M.

Section 30: Lots 6, 9, 10, SE/4 NW/4, and E/2 SW/4

Section 31: Lots 7, 8, and E/2 NW/4

Containing 250.65 acres.

(c) Township 31 North, Range 7 West, N.M.P.M.

Section 31: Lots 11, 12, and E/2 SW/4

Township 30 North, Range 7 West, N.M.P.M.

Section 6: Lots 10, 11, 12, 17, 18, 19, SE/4 NW/4, NE/4 SW/4, and
6.58 acres out of Tract 40

Containing 296.02 acres.

(d) Township 30 North, Range 7 West, N.M.P.M.

Section 7: Lots 6-9, 12-15, and 38.52 acres out of Tract 40

Section 18: Lots 7, 8, and E/2 NW/4

Containing 298.90 acres.

- (e) Township 30 North, Range 7 West, N.M.P.M.
Section 18: Lots 12, 13, and E/2 SW/4
Section 19: Lots 6, 7, 12, 13, and E/2 W/2

Containing 307.44 acres.

The units are located approximately 21 miles east of Aztec, New Mexico.

CASE 13929: (Continued from June 7, 2007 Examiner Hearing.)

Application of Encore Operating, L.P. 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 12, Township 21 South, Range 23 East, NMPM, to form a 320-acre gas spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent, including the Southwest Indian Basin-Morrow Gas Pool.

The unit is to be dedicated to the Encore Indian Com. Well No. 1, to be drilled at an orthodox location in the SE/4 NE/4 of Section 12. 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, a 200% charge for the risk involved in drilling and completing the well, and a provision for additional operations on the well unit pursuant to NMAC 19.15.1.36. The unit is located approximately 10-1/2 miles southwest of Seven Rivers, New Mexico.

CASE 13938: (This case will be dismissed.)

Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from a depth of 500 feet below the top of the San Andres formation to the base of the Morrow formation in the following described spacing and proration units located in the S/2 of Section 32, Township 18 South, Range 28 East, N.M.P.M., Eddy County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the North Turkey Track-Morrow Gas Pool, the SE/4 for all formations and/or pools developed on 160-acre spacing; the NE/4 SE/4 for all formations and/or pools developed on 40-acre spacing. Said units are to be dedicated to its Man State Well No. 1 (API No. 30-015-35282) to be drilled as a gas well at a standard location 1780 feet from the South line and 660 feet from the East line (Unit I) of said Section 32, to test any and all formations from 500 feet below the top of the San Andres to the base of the Morrow 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 Marbob Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10 miles southeast of Artesia, New Mexico.

CASE 13908: (Continued from the June 7, 2007, Examiner Hearing.)

Application of OXY USA WTP, Limited Partnership, for authorization to simultaneously dedicate a standard spacing and proration unit in the Wolfcamp formation to a horizontal well and two vertical wells, Eddy County, New Mexico. Applicant seeks authorization to dedicate a standard 320-acre spacing and proration unit comprised of the S/2 of Section 15, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico in the Wolfcamp formation, North Burton Flat-Wolfcamp Gas Pool, to the following three wells:

1. The Government AC Com Well No. 1 (API No. 30-015-21432) drilled as a vertical well located 660 feet from the South Line and 1980 feet from the West Line of said Section 15;
2. The Government AA Com Well No. 2 (API No. 30-015-33283) that has been drilled as a dual lateral horizontal wellbore (directional well) from a surface location 190 feet from the North line and 350 feet from the West line of Section 23 to a bottom hole location 675 feet from the North Line and 261 feet from the East Line of Section 15 and a second lateral with a bottom hole location 678 feet from the South Line and 237 feet from the West line of Section 23; and
3. The Government AC Com Well No. 4 (API No. 30-015-32655) drilled as a vertical well located 660 feet from the South and East Lines of Section 15.

This acreage is located approximately 10 miles northeast of Carlsbad, New Mexico.