

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 1, 2010

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

Docket Nos. 12-10 and 13-10 are tentatively set for April 15, 2010 and April 29, 2010. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13 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 at the applicant's request. The following cases will be heard by an Examiner.

Locator Key for Cases

Case 14421 - No. 1
Case 14425 - No. 16
Case 14426 - No. 17
Case 14427 - No. 18
Case 14428 - No. 19
Case 14429 - No. 20
Case 14438 - No. 3
Case 14445 - No. 2
Case 14446 - No. 4
Case 14447 - No. 5
Case 14448 - No. 6
Case 14449 - No. 7
Case 14450 - No. 8
Case 14451 - No. 9
Case 14452 - No. 10
Case 14453 - No. 11
Case 14454 - No. 12
Case 14455 - No. 13
Case 14456 - No. 14
Case 14457 - No. 15

1. **CASE 14421:** *(Continued from the March 18, 2010 Examiner Hearing.)*
Application of ConocoPhillips Company for amendment of Division Order No. R-2403, as amended, to increase the authorized injection pressure in its MCA Unit Area, Lea County, New Mexico. The Maljamar Cooperative Agreement Unit encompasses portions of Sections 14 to 23 and 25 to 35 of Township 17 South, Range 32 East and portions of Section 30 of Township 17 South, Range 33 East, N.M.P.M. Applicant seeks to increase the approved surface injection pressure for water injection in this project area to 2150 psi. Said unit is located approximately 3 miles South of Maljamar, New Mexico.
2. **CASE 14445:** ***Application of San Juan Resources, Inc. for compulsory pooling and an extension of the APD, San Juan County, New Mexico.*** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying a 320-acre standard spacing unit consisting of the E/2 of Section 24, T30N, R12W, NMPM, San Juan County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any production from the base of the Pictured Cliffs formation to the base Dakota formation, including but not limited to the Basin-Dakota Gas Pool and Blanco-Mesaverde Gas Pool. This unit is to be dedicated its Blancett Ranch 24 Well No. 1 (API#30-045-33769) to be drilled at an previously approved unorthodox location in Unit H of this section for downhole commingled production from the Blanco-Mesaverde Gas Pool and the Basin-Dakota Gas Pool. 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 San Juan Resources, Inc. as the operator of the well and a 200% charge

for risk involved in this well. Also, applicant seeks an extension of the expiration date for this APD for this wellbore. This unit is located approximately 8-1/2 miles North from Questa, New Mexico. IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.

3. **CASE 14438:** (Continued from the March 18, 2010 Examiner Hearing.)
Application of Devon Energy Production Company, L.P. for pool creation, a discovery allowable, and special pool rules, Eddy County, New Mexico. Applicant seeks an order (a) creating a new pool for production of oil from the Bone Spring formation, to be named the Angell Ranch-Bone Spring Pool, comprising the NW/4 of Section 25, Township 19 South, Range 27 East, N.M.P.M., (b) granting applicant a discovery allowable, and (c) establishing special rules and regulations for the pool, including (i) spacing of 80 acres, (ii) wells to be located no closer than 330 feet to a quarter-quarter section line, and (iii) a gas:oil ratio of 10,000 cubic feet of gas for each barrel of oil produced. The discovery well for the pool is the Guardian 25 State Com. Well No. 1 (API No. 30-015-36577), which was drilled at a location 1980 feet from the north line and 1980 feet from the west line of Section 25. Applicant requests that the pool rules be made effective retroactive to the date of first Bone Spring production from the discovery well. The proposed pool is located approximately 7-1/2 miles East of Lakewood, New Mexico.
4. **CASE 14446:** ***Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests underlying the SW/4 SW/4 of Section 2, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, to form standard 40-acre spacing units for any and all formations and or pools developed on 40-acres, including but not necessarily limited to the Blinbry and Paddock members of the Glorieta-Yeso formation. Said units are to be dedicated to Applicant's proposed Yale State No. 1 Well to be drilled at a standard location 330' from the South line and 330' from the West line of Section 2. 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 COG Operating LLC as operator of the well and a charge for risk involved in drilling the well. The proposed well location is approximately 9 miles Northeast of Loco Hills, New Mexico.
5. **CASE 14447:** ***Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests underlying the SE/4 SW/4 of Section 2, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, to form standard 40-acre spacing units for any and all formations and or pools developed on 40-acres, including but not necessarily limited to the Blinbry and Paddock members of the Glorieta-Yeso formation. Said units are to be dedicated to Applicant's proposed Yale State No. 3 Well to be drilled at a standard location 330' from the South line and 1650' from the West line of Section 2. 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 COG Operating LLC as operator of the well and a charge for risk involved in drilling the well. The proposed well location is approximately 9 miles Northeast of Loco Hills, New Mexico.
6. **CASE 14448:** ***Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests underlying the SW/4 SE/4 of Section 2, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, to form standard 40-acre spacing units for any and all formations and or pools developed on 40-acres, including but not necessarily limited to the Blinbry and Paddock members of the Glorieta-Yeso formation. Said units are to be dedicated to Applicant's proposed Yale State No. 5 Well to be drilled at a standard location 330' from the South line and 2310' from the East line of Section 2. 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 COG Operating LLC as operator of the well and a charge for risk involved in drilling the well. The proposed well location is approximately 9 miles Northeast of Loco Hills, New Mexico.
7. **CASE 14449:** ***Application Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests underlying the SE/4 SE/4 of Section 2, Township 17 South, Range 30 East, NMPM, Eddy County, New Mexico, to form standard 40-acre spacing units for any and all formations and or pools developed on 40-acres, including but not necessarily limited to the Blinbry and