

CASE 13132: Readvertised

Application of Devon Energy Production Company, L.P. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Morrow formation underlying Lots 1, 2, S/2 NE/4, and SE/4 (the E/2 equivalent) of Section 6, Township 23 South, Range 27 East, to form a standard 319.49-acre gas spacing and proration unit in the East Carlsbad-Morrow Gas Pool. The unit is to be dedicated to the Joell Well No. 2, to be located at an orthodox gas well location in the SW/4 NE/4 of Section 6. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof and production therefrom in the three separate Morrow zones underlying the well unit, actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 6 miles south of Carlsbad, New Mexico.

CASE 13139: Continued from October 23, 2003 Examiner Hearing.

Application of Gruy Petroleum Management Co. to Expand the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant seeks an order expanding the horizontal boundaries of the White City-Pennsylvanian Gas Pool to include all of Section 14, Township 24 South, Range 26 East. The pool currently covers all of Sections 8, 9, 15-17, 19-22, and 26-35, Township 24 South, Range 26 East, Sections 1-4 and 10-14, Township 25 South, Range 26 East, and Section 7, Township 25 South, Range 27 East. The pool is centered approximately 5 miles east of Whites City, New Mexico.

CASE 13177: Continued from November 7, 2003, Examiner Hearing.

Application of Crossland Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Morrow formation to one hundred feet below the Morrow formation in the SE/4 NE/4 of Section 27, Township 18 South, Range 29 East. Applicant proposes to dedicate these pooled units to its proposed Empire A Federal Re-entry Well No. 2, to be drilled at a standard gas well location in the SE/4 NE/4 of said Section 27. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles south of Loco Hills, New Mexico.

CASE 12681: Reopened

In the matter of Case 12681 being reopened pursuant to the provisions of Division Order No. R-11680, which order promulgated temporary special pool rules for the Big Dog-Atoka Pool in Lea County, New Mexico, including provisions for 80-acre spacing units and designated well locations. Operators in the Big Dog-Atoka Pool should appear and show cause why the temporary special pool rules established for this pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.

CASE 13146: Continued from October 23, 2003, Examiner Hearing.

Application of EOG Resources, Inc. for Compulsory Pooling and a Non-Standard Gas Spacing Unit, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests below the base of the Strawn formation underlying Lots 3, 4, 5, 6, 11, 12, 13 and 14 of Section 1, Township 16 South, Range 35 East, to form a 342.06-acre non-standard gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Shoe Bar Atoka-Gas Pool. Applicant proposes to dedicate these pooled units to its Giant Stone Fly "1" Well No. 1 that was drilled at a surface location 2264 feet from the North line and 1018 feet from the West line to test the Morrow formation. The well has been recompleted in the Atoka formation 2304 feet from the North line and 947 feet from the West line (Unit E) of said Section 1. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 4 miles northwest of Lovington, New Mexico.

CASE 13142: Continued from October 23, 2003, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site, Lea County, New Mexico. Applicant seeks an order requiring Maralo, LLC to remediate contamination at the Humble State Well No. 3 site, located in Unit A, Section 36, Township 25 South, Range 36 East.

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 23, 2003

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

Docket Nos. 36-03 and 37-03 are tentatively set for November 6, 2003 and November 20, 2003. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 12776: Reopened - Continued from September 18, 2003, Examiner Hearing

In the matter of Case 12776 being reopened pursuant to the provisions of Division Order No. R-11723, which order promulgated temporary special pool rules for the East Penasco Draw-Upper Pennsylvanian Pool in Eddy County, New Mexico, including provisions for 160-acre spacing units and designated well locations. Operators in the East Penasco Draw-Upper Pennsylvanian Pool should appear and show cause why the temporary special pool rules established for this pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.

CASE 13170: Application of Energen Resources Corporation to Expand the Langlie-Lynn Queen Unit Waterflood Project, Langlie Mattix Seven Rivers Queen Grayburg Pool, Lea County, New Mexico. Applicant seeks an order authorizing the expansion of its Langlie-Lynn Queen Unit Waterflood Project in the Langlie Mattix Seven Rivers Queen Grayburg Pool under Injection Permit No. WFX-581-A to inject water into the Seven Rivers and Queen formations through the following wells: (a) Langlie Lynn Queen Unit Well No. 9 located 660 feet from the South line and 330 feet from the East line (Unit P) of Section 22, Township 23 South, Range 36 East, and (b) the Langlie Lynn Queen Unit Well No. 3 located 1980 feet from the South line & 660 feet from the West line (Unit L) in Section 23, Township 23 South, Range 36 East. The subject Unit and wells are located approximately four miles west of Teaque, New Mexico.

CASE 13144: Continued from October 9, 2003, Examiner Hearing.

Application of Permian Resources, Inc. for Special Pool Rules or, alternatively, for an Unorthodox Well Location, Lea County, New Mexico. Applicant seeks an order amending the special pool rules and regulations for the North Shoe Bar-Strawn pool to provide for (a) the creation of 80-acre units, (b) authorizing well locations no closer than 330 feet to any quarter-quarter section or subdivision inner-boundary or closer than 1020 feet to the nearest well drilling or capable of drilling or producing from the same pool, and (c) administrative approvals of exceptions to the well location requirements under the amended rule. The North Shoe Bar-Strawn pool is comprised of the following acreage located in Township 16 South, Range 35 East: Section 13: N/2, SW/4; Section 14: E/2. Alternatively, Applicant seeks authorization for an unorthodox location for its Hillburn Well No. 3 to be drilled to the Strawn formation at a bottom hole location 990 feet from the North line and 330 feet from the West line of Section 13, Township 16 South, Range 35 East, which is located approximately two miles south of Lovington, New Mexico.

CASE 13171: Application of Leede Operating Company, L.L.C. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NW/4 SE/4 of Section 7, Township 19 South, Range 39 East, to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Foster-San Andres Pool and Undesignated Nadine Drinkard-Abo Pool. The unit is to be dedicated to the Schubert "7" Well No. 1, to be drilled at an orthodox oil well location in the NW/4 SE/4 of Section 7. 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 Sahara Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 3 miles southeast of Hobbs, New Mexico.

CASE 13139: Continued from October 9, 2003 Examiner Hearing.

Application of Gruy Petroleum Management Co. to Expand the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant seeks an order expanding the horizontal boundaries of the White City-Pennsylvanian Gas Pool to include all of Section 14, Township 24 South, Range 26 East. The pool currently covers all of Sections 8, 9, 15-17, 19-22, and 26-35, Township 24 South, Range 26 East, Sections 1-4 and 10-14, Township 25 South, Range 26 East, and Section 7, Township 25 South, Range 27 East. The pool is centered approximately 5 miles east of Whites City, New Mexico.

CASE 12940: Reopened

Application of Mewbourne Oil Company to Reopen Case No. 12940 to Amend and Make Permanent the Special Rules and Regulations for the Shugart-Strawn Pool, and for a Discovery Allowable, Eddy County, New Mexico. The special rules and regulations for the Shugart-Strawn Pool currently provide for 160 acre spacing, a depth bracket allowable of 1120 barrels of oil per day, and a gas:oil ratio of 4,000 cubic feet of gas per barrel of oil. Applicant seeks to amend the rules to increase the depth bracket allowable to 1350 barrels of oil per day and to increase the gas:oil ratio to 10,000 cubic feet of gas per barrel of oil, and to make the rules permanent. The pool currently covers the SE/4 of Section 5 and the N/2 of Section 8, Township 18 South, Range 31 East. The pool is centered approximately 6½ miles southeast of Loco Hills, New Mexico.

CASE 13157: Application of Mewbourne Oil Company 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 14, Township 21 South, Range 27 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 and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated East Carlsbad-Wolfcamp Gas Pool, Undesignated Cedar Hills-Upper Pennsylvanian Gas Pool, Undesignated Burton Flat-Strawn Gas Pool, and Undesignated Burton Flat-Morrow Gas Pool; the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent, including the Undesignated East Avalon-Bone Spring Gas Pool; and the SW/4 SE/4 to form a standard oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated La Huerta-Delaware Pool, Undesignated East Avalon-Bone Spring Pool, and Undesignated East Carlsbad-Bone Spring Pool. The units are to be dedicated to applicant's Lonetree "14" State Com. Well No. 1, to be drilled at an orthodox well location in the SW/4 SE/4 of Section 14. 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 charge for the risk involved in drilling and completing the well. The units are located approximately 6 miles northeast of Carlsbad, New Mexico.

CASE 13158: Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Cisco formation to the base of the Morrow formation underlying the S/2 of Section 30, Township 21 South, Range 27 East, to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the Burton Flat-Morrow Gas Pool and the Undesignated Crozier Bluff-Atoka Gas Pool. The unit is to be dedicated to applicant's La Huerta "30" Well No. 1, to be drilled from a surface location 2114 feet from the South line and 2464 feet from the East line of Section 29, Township 21 South, Range 27 East, to an orthodox bottomhole location in the SE/4 SE/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 charge for the risk involved in drilling and completing the well. The unit is located approximately 2 miles north of Carlsbad, New Mexico.

CASE 13139: Continued from September 18, 2003 Examiner Hearing.

Application of Gruy Petroleum Management Co. to Expand the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant seeks an order expanding the horizontal boundaries of the White City-Pennsylvanian Gas Pool to include all of Section 14, Township 24 South, Range 26 East. The pool currently covers all of Sections 8, 9, 15-17, 19-22, and 26-35, Township 24 South, Range 26 East, Sections 1-4 and 10-14, Township 25 South, Range 26 East, and Section 7, Township 25 South, Range 27 East. The pool is centered approximately 5 miles east of Whites City, New Mexico.