

DOCKET: EXAMINER HEARING - THURSDAY - MARCH 19, 2004

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

Docket Nos. 9-04 and 10-04 are tentatively set for April 1, 2004 and April 15, 2004. 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 13231: Application of Chesapeake Operating, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the W/2 of Section 14, Township 15 South, Range 35 East, forming a standard 320-acre gas spacing and proration unit for any production for any and all formations/pools developed on 320-acre spacing within that vertical extent, including the Southwest-Austin Morrow Gas Pool and the Southwest Austin-Mississippian Gas Pool. This unit is to be dedicated to its Williams "14" Federal Well No. 1 which is to be drilled at a standard location in Unit E of this section. Also to be considered will be the costs of re-entering said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 6 miles north-northeast of Lovington, New Mexico.

CASE 13205: Continued from February 19, 2004, Examiner Hearing. Application of Saga Petroleum, L.L.C. for an unorthodox infill gas well location and an exception to Division Rule 104.D (3), Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.D (3) in order to simultaneously dedicate production attributed to the Hobbs-Tubb Gas Pool (96946) within an existing 160-acre standard shallow gas spacing unit comprising the SE/4 of Section 33, Township 18 South, Range 38 East, from the following two wells: (i) Conoco State Well No. 3 (API No. 30-025-35961), located at an unorthodox gas well location 2110 feet from the South line and 2055 feet from the East line (Unit J) of Section 33 (*approved by Division Administrative Order NSL-4866, dated April 23, 2003*); and (ii) Conoco State Well No. 4 (API No. 30-025-24005), located at an unorthodox infill gas well location 688 feet from the South line and 2111 feet from the East line (Unit O) of Section 33. This 160-acre unit is located within the city limits of Hobbs with its southeast corner corresponding to the intersection of Marland Boulevard and Grimes Street.

CASE 13232: Application of Marbob Energy Corporation for an order authorizing the drilling of a well in the Potash Area, Eddy County, New Mexico. Applicant seeks an order authorizing the drilling of its proposed Pretty View Com Well No. 1 as a wildcat well to an approximate depth of 12,500 feet to test all formations to the base of the Morrow formation, Undesignated Northeast Dos Hermanos-Morrow Gas Pool. This well will be drilled at a standard gas well location in the SE/4 SW/4 (Unit N) of Section 2, Township 20 South, Range 30 East. Said location is within the Potash Area and approximately 15 miles northeast of Crossroads, New Mexico.

CASE 13233: Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the Statler State Exploratory Unit for an area comprising 3839.60 acres of State of New Mexico lands in Sections 33, 34, and 35, Township 11 South, Range 35 East, which is located approximately 8 miles northwest of Tatum, New Mexico.

CASE 13230: Readvertised
Amended Application of Yates Petroleum Corporation for approval of a unit agreement, Chaves County, New Mexico. Applicant seeks approval of the Dice State Exploratory Unit for all formations from the top of the San Andres formation to an approximate depth of 6430 feet in the Pre-Cambrian formation in an area comprising 3840.00 acres, more or less, of State of New Mexico lands in Sections 10, 14, 15, 22, 23 and 27, Township 10 South, Range 26 East, located approximately 12 miles east of Roswell, New Mexico.

CASE 13175: Continued from February 5, 2003, Examiner Hearing.
Application of Permian Resources, Inc. for a Non-Standard Spacing and Proration Unit and an Unorthodox Well Location, Lea County, New Mexico. Applicant seeks authorization to drill its Berry Hobbs Unit 17 Well No. 1 as a wildcat well to test the Morrow formation and the Strawn formation, Undesignated Northeast Shoe Bar Strawn Gas Pool, at an unorthodox well location 2550 feet from the South line and 1950 feet from the East line (Unit J) of Section 17, Township 16 South, Range 36 East. A standard 320-acre spacing unit comprised of the E/2 of Section 17 is to be dedicated to said well in the Morrow formation and a non-standard spacing and proration unit comprised of the SW/4 NE/4 and the NW/4 SE/4 of Section 17 is to be dedicated to the well in the Strawn formation. Said unit is located approximately 1.5 miles southwest of Lovington, New Mexico.