

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 29, 2004

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 13-04 and 14-04 are tentatively set for May 13, 2004 and May 27, 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 13251: Application of McElvain Oil & Gas Properties, Inc. for Compulsory Pooling, San Juan County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in all formations from the surface to the base of the Pictured Cliffs formation in the NW/4 of Section 32, Township 30 North, Range 13 West, to form a standard 160-acre gas spacing and proration unit for all formations and/or pools developed on 160 acres within that vertical extent, which includes but is not necessarily limited to the Fulcher Kutz-Pictured Cliffs Gas Pool. Said unit is to be dedicated to applicant's proposed Picway Well No. 1 to be drilled at a standard gas well location in Unit D of the NW/4 of said Section 32, at a point 660 feet from the North line and 1160 feet from the West line to a depth sufficient to test any and all formations to the base of the Pictured Cliffs 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately two miles north of Farmington, just west of Highway 170 and the La Plata River in San Juan County, New Mexico.

CASE 13252: Application of Mission Resources Corporation for Three Infill Gas Wells and Simultaneous Dedication, Lea County, New Mexico. Applicant seeks an exception to the well location requirements provided within the Special Pool Rules for the Jalmat Gas Pool, as promulgated by Division Order No. R-8170-P, for three infill gas well locations within an existing standard 640-acre spacing and proration unit in the Jalmat Gas Pool comprised of Section 11, Township 22 South, Range 36 East. This unit is currently dedicated to Mission Resources Corporation's:

(A) State "A" A/C-2 Well No. 14 (API No. 30-025-08873), located at an unorthodox location 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 11;

(B) State "A" A/C-2 Well No. 15 (API No. 30-025-08874), located at an unorthodox gas well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 11;

(C) State "A" A/C-2 Well No. 36 (API No. 30-025-08878), located at an unorthodox location 660 feet from the South and West lines (Unit M) of Section 11;

(D) State "A" A/C-2 Well No. 42 (API No. 30-025-08879), located at an unorthodox location 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 11;

(E) State "A" A/C-2 Well No. 62 (API No. 30-025-25542), located at a standard gas well location 1980 feet from the South line and 2310 feet from the West line (Unit K) of Section 11;

(F) State "A" A/C-2 Well No. 73 (API No. 30-025-30035), located at an unorthodox gas well location 990 feet from the South line and 660 feet from the East line (Unit P) of Section 11;

(G) State "A" A/C-2 Well No. 75 (API No. 30-025-34791), located at an unorthodox gas well location 2040 feet from the South line and 660 feet from the West line (Unit L) of Section 11;

(H) State "A" A/C-2 Well No. 79 (API No. 30-025-35651), located at an unorthodox infill gas well location 660 feet from the North and West lines (Unit D) of Section 11; and

(I) State "A" A/C-2 Well No. 80 (API No. 30-025-35567), located at a standard infill gas well location 1980 feet from the North and West lines (Unit F) of said Section 11.

Mission seeks an exception to the well location and well density provisions of Rule 3.A (2) of the Special Pool Rules governing the Jalmat Gas Pool for the following three proposed Jalmat wells located in Section 11:

(1) State "A" A/C-2 Well No. 82, to be drilled at a standard infill gas location 1980 feet from the South and East lines (Unit J) of said Section 11;