

**DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 8, 2004**

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

Docket Nos. 1-04 and 2-04 are tentatively set for January 8, 2003 and January 22, 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 13177: Readvertised**

**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 E/2 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 13144: Continued from December 4, 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 13198: Application of Lynx Petroleum Consultants, Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests in the following described spacing and proration units in Section 1, Township 19 South, Range 31 East as follows: the E/2 for all formations and pools developed on 320-acre spacing and the SE/4 for all formations and/or pools developed on 160-acre spacing which includes but is not limited to the Lusk-Strawn Gas Pool. Said units are to be dedicated to its Kitty Hawk Federal Well No. 1 which is to be drilled at a standard location in Unit J from the surface to the base of the Morrow formation (Shugart-Morrow Gas Pool) and if productive in the Morrow to be dedicated to a standard 320-acre gas spacing unit consisting of the E/2 of this section and/or if productive in the Strawn formation to be dedicated to a standard 160-acre gas spacing unit consisting of the SE/4 of this section. Also to be considered will be the costs of the drilling 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 12 miles Southwest from Maljamar, New Mexico

**CASE 13199: Application of Melrose Operating Company to re-instate and amend Division Order R-11720 for its Artesia Unit Waterflood Project, Eddy County, New Mexico.** Applicant seeks to re-instate Division Order R-11720, issued in case 12709, and to amend this order including altering the injection pattern, approving an additional injection well, Artesia Unit Well No. 21 located to Unit J of Section 35 and a replacement injection well, Artesia Unit Well No. 53 located in Unit J of Section 3, altering the injection interval for the Unit to temporarily delete the Penrose interval, increase the surface injection pressure to not less than 1263 psi, and for the application of a "radius of endangerment calculation" for this Unit as utilized in Division Order R-11328-A, dated May 21, 2001. This Unit is located in all or part of Sections 2 and 3, Township 18 South, Range 28 East, and Sections 25, 26, 34, 35, and 36, Township 17 South, Range 28 East. The injection will be into the Artesia Queen-Grayburg-San Andres Pool through the gross interval approximately 1,897 feet to 2,750 feet within the subject injection wells. This unit is located approximately 13 miles southeast of Artesia, New Mexico.

**CASE 13200: Application of Yates Petroleum Corporation for a Unit Agreement, Lea County, New Mexico.** Applicant seeks approval of its proposed Reba State Exploratory Unit for an area comprising 3,520 acres, more or less, of State of New Mexico lands situated in Sections 20, 21, 28, 29, 32 and 33 of Township 11 South, Range 35 East. Said area is located approximately 10 miles northwest of Tatum, New Mexico.