

this well to be dedicated to the S/2 of Section 13 being a standard 320-acre lay-down deep gas spacing unit for both zones. This well is located approximately eight miles southwest of Elkins, New Mexico. APPLICANT FURTHER SEEKS an exception to Division Rule 104.C (2) (b) in order to recomplete the Hanlad "AKZ" State Well No. 2 as an infill Pennsylvanian gas well within the same quarter section (SW/4 of Section 13) as an existing well producing from the Palma Mesa-Pennsylvanian Gas Pool. The S/2 of Section 13, being a standard 320-acre lay-down deep gas spacing unit in the Palma Mesa-Pennsylvanian Gas Pool is currently dedicated to the applicant's Hanlad "AKZ" State Well No. 1 (API No. 30-005-61493), located at a standard deep gas well location 660 feet from the South and West lines (Unit M) of Section 13. FURTHERMORE, applicant seeks an effective date for any order issued in this case is made retroactive to October 15, 2003.

**CASE 13271:** *Continued from July 8, 2004, Examiner Hearing*

***Application of Tom Brown, Inc. 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 15, Township 22 South, Range 27 East, and in the following manner: The N/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 East Carlsbad-Wolfcamp Gas Pool, Undesignated Carlsbad-Strawn Gas Pool, and Undesignated South Carlsbad-Morrow Gas Pool; the NW/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; and the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including the Esperanza-Delaware Pool. The units are to be dedicated to applicant's Forni Well No. 3, to be drilled at an orthodox well location in the SW/4 NW/4 of Section 15. 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 200% charge for the risk involved in drilling and completing the well. The units are located approximately 3 miles north-northwest of Otis, New Mexico.

**CASE 13310:** *Continued from July 22, 2004, Examiner Hearing*

***Application of Chesapeake Permian, L.P. for Compulsory Pooling, Lea County, New Mexico.*** Applicant seeks an order pooling all mineral interests from the surface to the base of the Seven Rivers formation underlying the NW/4 SE/4 of Section 13, Township 19 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Tonto (Seven Rivers) Pool. This unit is to be dedicated to its La Rica "13" Federal Well No. 4 that is to be drilled at a standard well location in Unit J of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. 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 26 miles west of Hobbs, New Mexico.

**CASE 13311:** *Continued from July 22, 2004, Examiner Hearing*

***Application of Chesapeake Permian, L.P. for Compulsory Pooling, Lea County, New Mexico.*** Applicant seeks an order pooling all mineral interests from the surface to the base of the Seven Rivers formation underlying the NE/4 SW/4 of Section 13, Township 19 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Tonto (Seven Rivers) Pool. This unit is to be dedicated to its La Rica "13" Federal Well No. 3 that is to be drilled at a standard well location in Unit K of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. 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 26 miles west of Hobbs, New Mexico.