## Examiner Hearing – August 19, 2004 Docket No. 23-04 Page 4 of 5

CASE 13328: Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Wolfcamp formation to the base of the Morrow formation underlying the W/2 of Section 14, Township 22 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 Undesignated South Carlsbad-Morrow Gas Pool. The unit is to be dedicated to applicant's Pecos River "14" Well No. 1, to be drilled at an orthodox location in the NE/4 NW/4 (Unit C) of the section. 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 unit is located approximately 3 miles north of Otis, New Mexico.

CASE 13329: 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 E/2 of Section 28, Township 20 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 Undesignated Avalon-Strawn Gas Pool, Undesignated Northeast Avalon-Atoka Gas Pool, and Avalon-Morrow Gas Pool. The unit is to be dedicated to applicant's Penlon "28" Fed. Com. Well No. 1, to be drilled at an orthodox location in the NE/4 NE/4 (Unit A) of the section. 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 unit is located approximately 8½ miles east-southeast of Seven Rivers, New Mexico.

CASE 13330: Application of Mewbourne Oil Company for an exception to Division Rule 104.C.(2)(c), Eddy County, New Mexico. Applicant seeks an order granting an exception to Division Rule 104.C.(2)(c) to allow two operators in all formations developed on 320-acre spacing in the N/2 of Section 20, Township 22 South, Range 28 East, to form a standard 320-acre gas spacing and proration unit in the Undesignated West Indian Flats-Strawn Gas Pool, Undesignated Dublin Ranch-Atoka Gas Pool, and Dublin Ranch-Morrow Gas Pool. The unit will be simultaneously dedicated to the existing Foal "20" Federal Well No. 1, operated by Jetta Operating Company, Inc., located in the NE/4 NW/4 of Section 20, and the proposed Dinero "20" Federal Well No. 2, to be operated by applicant, to be located in the SE/4 NE/4 of Section 20. The unit is located approximately 4 miles northeast of Otis, New Mexico.

CASE 13313: Continued from July 22, 2004, Examiner Hearing

Application of RB Operating Company for Approval of a Salt Water Disposal Well, Eddy County, New Mexico. Applicant seeks approval to utilize its Candelario "24" Well No. 1 SWD (API No. 30-015-26536) located 660 feet from the North line and 660 feet from the West line, Unit D, Section 24, Township 23 South, Range 28 East, to dispose of produced water into the Cherry Canyon formation of the Delaware Mountain Group through perforations from 4,304 feet to 4,656 feet. This well is located near the town of Loving, New Mexico.

<u>CASE 13320</u>: Continued from August 5, 2004, Examiner Hearing

Application of Platinum Exploration, Inc. for Approval of a Salt Water Disposal Well, Lea County, New Mexico. Applicant seeks approval to utilize its Whitten Well No. 1 SWD (API No. 30-025-27856) located 990 feet from the North line and 1,680 feet from the West line, Unit C, Section 35, Township 16 South, Range 38 East, to dispose of produced water into the Devonian formation through an open hole interval from 12,550 feet to 13,000 feet. This well is located 14 miles east of the town of Lovington, New Mexico.

<u>CASE 13304</u>: Continued from August 5, 2004, Examiner Hearing.

Application of JTD Resources, LLC for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Abo formation in the NE/4 NW/4 of Section 13, Township 20 South, Range 38 East, for all formations and/or pools developed on 40-acre spacing, which includes but is not necessarily limited to the Undesignated D-K-Abo Pool and the House-Tubb Pool. Said unit is to be dedicated to its Big Kick Well No. 1 to be drilled at a standard location 330 feet from the North line and 1650 feet from the West line of said Section 13 and drilled to a depth sufficient to test all formations from the surface to the base of the Abo 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, provisions governing subsequent operations on the pooled units, designation of Capataz Operating, Inc., contract operator for applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 3 miles south of Nadine, New Mexico.