

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 7, 2004

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

Docket Nos. 29-04 and 30-04 are tentatively set for October 21, 2004 and November 4, 2004. Applications for hearing must be filed at least 23 days in advance of hearing date. OCD Rule 1208.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Friday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Friday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

CASE 13314: Reopened

Second Amended Application of Burlington Oil & Gas Company LP for Surface Commingling, Rio Arriba County, New Mexico. At the request of the applicant, this case is being re-opened to correct the named county from San Juan County to Rio Arriba County. In this case, the applicant seeks an order granting an exception to Rule 303.A and, in accordance with Rule 303.B (4), approving surface commingling of oil production as a "pre-approved" allocation and measurement method other than individual well/lease metering for the following described wells/leases:

San Juan 29-7 Unit #191 Well, NW/4SE/4 Section 22-T29N-R7W, Basin Fruitland Coal and Blanco Pictured Cliffs Gas Pools;

San Juan 29-7 Unit #65A Well, NW/4SE/4 Section 22-T29N-R7W, Basin Dakota and Blanco Mesaverde Gas Pools;

San Juan 29-7 Unit #193 Well, SE/4SE/4 Section 36-T29N-R7W, Blanco PC South Gas Pool;

San Juan 29-7 Unit #55A Well, SE/4SE/4 Section 36-T29N-R7W, Blanco Mesaverde Gas Pool;

which shall be stored and measured at its centralized facilities located on each of the production pads located in the sections listed above. If the Division approves this application, then the applicant intends to utilize this approved method for the surface commingling of oil production from other wells and areas with notification made in accordance with Rule 303.B(4)(d)(iii). The #191 and #65A facilities are located approximately 24 miles East of Bloomfield, New Mexico. The #193 and #55A facilities are located approximately 25 miles East-Southeast of Bloomfield, New Mexico

CASE 13346: Application of Chesapeake Operating Company for an Unorthodox Oil Well Location and Simultaneous Dedication, Lea County, New Mexico. Applicant seeks an order authorizing the drilling and production of its Hillburn "13" Well No. 4 at an unorthodox oil well location 335 feet from the North line and 1738 feet from the West line of Section 13, Township 16 South, Range 35 East, to be dedicated to a standard 160-acre oil spacing unit consisting of the NW/4 of this section for any production from any formation/pools developed on 160-acre oil spacing within that Strawn formation including the North Shoe Bar-Strawn Pool. Applicant further seeks approval of simultaneous dedication of this well and the Hillburn Well No. 1 (API 30-035-24473) and the Hillburn Well No. 3 (API 30-025-35596) to this spacing unit. This well is located approximately 4.5 miles southwest from Lovington, New Mexico.

CASE 13326: Continued from September 16, 2004, Examiner Hearing

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 in the following described spacing and proration units located in the W/2 of Section 30, Township 20 South, Range 29 East: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Scanlon-Morrow Gas Pool and the Undesignated Scanlon Strawn Gas Pool; the SW/4 for all formations and/or pools developed on 160-acre spacing; the E/2 SW/4 for all formations and/or pools developed on 80-acre spacing; and the NE/4 SW/4 for any and all formations/pools developed on 40-acre spacing. Said units are to be dedicated to a well to be drilled at a standard gas well location 1650 feet from the South and West lines (Unit K) of said Section 30. 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 30 miles southwest of Lovington, New Mexico.