## Examiner Hearing – October 7, 2004 Docket No. 27-04 Page 2 of 14

<u>CASE 13347</u>: Application of Williams Production Company for an exception to Rule 7(d) of the Special Pool Rules and Regulations for Basin-Fruitland Coal Gas Pool to authorize the Simultaneous Dedication of the south half of Section 8, Township 31 North, Range 5 West, NMPM, to two coal gas well located in the same quarter section, Rio Arriba County, New Mexico. Applicant seeks an exception to Rule 7(d) of the Special Pool Rules and Regulations for the Basin-Fruitland Coal Gas Pool, to authorize the simultaneous dedication of the S/2 of Section 8, Township 31 North, Range 5 West, to the following two existing coal gas wells:

the existing Rosa Unit Well No. 379 that has been drilled as an intentionally deviated horizontal wellbore on a project area comprised of the S/2 of this section from a surface location 1710 feet from the South line and 1680 feet from the West line (Unit K) with the horizontal portion of the wellbore extending in an east southeast direction with a vertical section of approximately 2500 feet traversing both quarter sections in the S/2 of Section 8, and

the proposed Rosa Unit well No. 379A to be drilled as a vertical well as the optional infill well on this 320-acre spacing unit from a surface location 1130 feet from the South line and 1680 feet from the West line (Unit N) of Section 8.

The surface locations for the Rosa Unit Well Nos. 379 and 379A will both be located in the SE/4 of Section 8. Said spacing unit is located approximately 8 miles North of Espinoza, New Mexico.

CASE 13348: Application of Marbob Energy Corporation 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 S/2 of Section 12, Township 17 South, Range 31 East: the S/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Fren-Morrow Gas Pool; the SW/4 for all formations and/or pools developed on 160-acre spacing; and the NE/4 SW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Grayburg-Jackson (Seven Rivers-Queen-Grayburg-San Andres) Pool and the Undesignated East Fren-Paddock Pool. Said units are to be dedicated to its Knockabout Federal Well No. 1 to be drilled at a standard gas well location 1830 feet from the South line and 1980 feet from the West line (Unit K) of said Section 12. 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 Hudson Oil Company of Texas as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 3 miles East of Maljamar, New Mexico.

CASE 13349: Application of Marbob Energy Corporation for Authorization of Unorthodox Well Locations within its Dodd Federal Unit, Eddy County, New Mexico. Applicant seeks authority to drill producing wells at unorthodox locations within its Dodd Federal Unit located in portions of Township 17 South, Range 29 East, provided said locations shall be no closer than 330 feet to the outer boundary of the Unit Area nor closer than 25 feet to any quarter section line or quarter-quarter section line. Said unit is to be designated the Dodd Federal Unit.

<u>CASE 13350</u>: Application of Marbob Energy Corporation for Statutory Unitization of the Dodd Federal Unit Area, Eddy County, New Mexico. Applicant seeks an order unitizing, for the purpose of an enhanced recovery project, all mineral interests in the Seven Rivers, Queen, Grayburg, and San Andres formations, Grayburg-Jackson (Seven Rivers-Queen-Grayburg-San Andres) Pool and the Glorieta and Yeso/Paddock formations, East Empire-Yeso Pool, underlying 2400.00 acres, more or less, of Federal lands in the following acreage:

## TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 10: E/2, E/2 W/2

Section 11: All
Section 14: All
Section 15: E/2

Section 22: SE/4, SE/4 SW/4, E/2 NE/4, SW/4 NE/4