

**CASE 13441:** *Application of Lance Oil & Gas Company, Inc. to amend Division Order R-11788 to include subsequent operations and optional infill gas well provisions for compulsory pooling, San Juan County, New Mexico.* Applicant seeks to amend this compulsory pooling order to provide for subsequent operations and the inclusion of its Ropco "7" Well No. 4, (API#30-045-32788) to be located in Unit O, as a well subject to this compulsory pooling order that pooled all mineral interest in the Basin Fruitland Coal Gas Pool underlying the E/2 of Section 7, Township 29 North, Range 14 West, that formed a standard 320-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool and formed a standard 160-acre gas spacing and proration unit for any production from the Pictured Cliffs formation, including but not limited to the Twin Mounds Fruitland Sand Pictured Cliffs Gas Pool. These units are to be currently dedicated its Ropco "7" Well No. 1 that was drilled at a standard location in Unit G of this section for downhole commingled production from the Basin Fruitland Coal Gas Pool and the Twin Mounds Fruitland Sand Pictured Cliffs Gas Pool. The applicant also seeks to include provisions for subsequent operations and procedures for an optional "infill" coalbed-gas well. Also to be considered will be the costs of drilling and completion this well 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 a 200% charge for risk involved in this well. This unit is located approximately 1/2 miles Southeast from Kirtland, New Mexico.

**CASE 13442:** *Application of Lance Oil & Gas Company, Inc. for compulsory pooling, San Juan County, New Mexico.* Applicant seeks an order pooling all mineral interests to the Pictured Cliffs formation underlying the SE/4 of Section 7, Township 29 North, Range 14 West, forming a standard 160-acre gas spacing and proration unit for any production from the Pictured Cliffs formation, including but not limited to the Twin Mounds Fruitland Sand Pictured Cliffs Gas Pool. This unit is to be dedicated to its ROPCO "7" Well No. 4 (API# 30-045-32788) to be drilled at a standard location in Unit O of this section for production from the Twin Mounds Fruitland Sand Pictured Cliffs Gas Pool. 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 applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 1/2 miles Southeast from Kirtland, New Mexico.

**CASE 13413:** *Continued from February 17, 2005, Examiner Hearing*  
*Application of the New Mexico Oil Conservation Division for a Compliance Order Against Advanced Exploration Inc.* The Applicant seeks an order requiring Advanced Exploration Inc. to bring one well into compliance with 19.15.4.201 NMAC by a date certain and, in the event of non-compliance, assessing a civil penalty, authorizing the Division to plug said well and forfeit the applicable plugging security, and for such other relief as the Director deems appropriate. The affected well is the War Deck #001, API 30-025-30626, Unit Letter B, Section 33, Township 21S, Range 35E located approximately 10 miles west of Eunice in Lea County, New Mexico.

**CASE 13443:** *In the matter of the hearing called by the Oil Conservation Division for an order creating, extending and contracting certain pools in Chaves and Eddy Counties, New Mexico.*

(a) CREATE a new pool in Chaves County, New Mexico classified as an oil pool for Siluro-Devonian production and designated as the Lloyd's Canyon-Siluro-Devonian Pool (Pool Code 97420). The discovery well is the Yates Petroleum Corporation Boffin State Unit Well No. 1 (API No. 30-005-63684) located in Unit J of Section 16, Township 9 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 27 EAST, NMPM  
 Section 16: SE/4

(b) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Pennsylvanian production and designated as the Lost Lake-Pennsylvanian Gas Pool (Pool Code 97419). The discovery well is the Yates Petroleum Corporation Selden "BDN" Com. Well No. 1 (API No. 30-005-63600) located in Unit H of Section 35, Township 9 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 24 EAST, NMPM  
 Section 35: N/2

- (c) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Abo production and designated as the Sand Draw-Abo Gas Pool (Pool Code 97418): The discovery well is the Yates Petroleum Corporation Football "BCF" Federal Well No. 1 (API No. 30-005-63603) located in Unit N of Section 1, Township 12 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 26 EAST, NMPM

Section 1: SW/4

- (d) EXTEND the Alacran Hills-Wolfcamp Gas Pool (Pool Code 70070) in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 11: SE/4

Section 14: E/2

- (e) EXTEND the Angell Ranch-Atoka-Morrow Gas Pool (Pool Code 70310) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 32: N/2

- (f) EXTEND the Avalon-Morrow Gas Pool (Pool Code 70920) in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 30: All

- (g) EXTEND the Burton Flat-Morrow Gas Pool (Pool Code 73280) in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 1: Lots 1 through 16

- (h) EXTEND the South Carlsbad-Morrow Gas Pool (Pool Code 73960) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM

Section 6: SE/4

Section 7: E/2

- (i) EXTEND the Cottonwood Draw-Morrow Gas Pool (Pool Code 97377) in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM

Section 25: NW/4

Section 26: N/2 and SW/4

Section 27: S/2

- (j) EXTEND the Crow Flats-Atoka Gas Pool (Pool Code 97312) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 1: All

- (k) EXTEND the Dog Canyon-Strawn Gas Pool (Pool Code 76075) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 7: N/2

- (l) EXTEND the South Empire-Morrow Gas Pool (Pool Code 76400) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 2: All

- (m) EXTEND the East Empire-Yates-Seven Rivers Pool (Pool Code 22260) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 21: SW/4

- (n) EXTEND the Foor Ranch-Wolfcamp Gas Pool (Pool Code 76750) in Chaves County, New Mexico to include:

TOWNSHIP 9 SOUTH, RANGE 25 EAST, NMPM  
Section 25: SE/4

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM  
Section 30: W/2  
Section 31: W/2

- (o) EXTEND the Four Mile Draw-Morrow Gas Pool (Pool Code 76960) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM  
Section 10: SE/4  
Section 15: E/2

- (p) EXTEND the Ingle Wells-Delaware Pool (Pool Code 33745) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 22: SW/4  
Section 27: N/2

- (q) EXTEND the Otis-Morrow Gas Pool (Pool Code 82360) in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM  
Section 14: W/2

- (r) EXTEND the Pecos River-Morrow Gas Pool (Pool Code 97375) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 26 EAST, NMPM  
Section 14: E/2

- (s) EXTEND the Pecos Slope-Abo Gas Pool (Pool Code 82730) in Chaves County, New Mexico to include:

TOWNSHIP 9 SOUTH, RANGE 24 EAST, NMPM  
Section 35: NE/4

- (t) EXTEND the Penasco Draw-Permo Pennsylvanian Gas Pool (Pool Code 82775) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM  
Section 9: W/2

- (u) EXTEND the Poker Lake-Delaware Pool (Pool Code 50382) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM

Section 18: E/2

- (v) EXTEND the North Shugart-Bone Spring Pool (Pool Code 56405) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 13: SE/4

- (w) EXTEND the Southwest Willow Lake-Delaware Pool (Pool Code 96855) in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM

Section 15: NE/4

- (x) CONTRACT the Winchester-Morrow Gas Pool (Pool Code 87600) in Eddy County, New Mexico by the deletion of the following described area:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 32: N/2

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.