

CASE 13384: *Continued from December 16, 2004, Examiner Hearing.*

Application of BP America Production Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Bone Spring formation at an approximate depth of 3000 feet to the base of the Morrow formation in the following described spacing and proration units located in the W/2 of Section 28, Township 18 South, Range 28 East: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the North Turkey Track-Morrow Gas Pool; the SW/4 for all formations and/or pools developed on 160-acre spacing; the W/2 SW/4 for all formations and/or pools developed on 80-acre spacing which includes but is not limited to the Undesignated Travis-Upper Pennsylvanian Pool; and the NW/4 SW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated Travis-Bone Spring Pool and the Undesignated Travis-Wolfcamp Pool. Said units are to be dedicated to its Saguaro State Well No. 1 to be drilled at a standard gas well location 1680 feet from the South line and 990 feet from the West line (Unit L) of said Section 28. 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 BP America Production Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 13.5 miles southwest of Loco Hills, New Mexico.

CASE 13399: *Application of Dugan Production Corporation for an unorthodox coal gas well location, San Juan County, New Mexico.* Applicant seeks approval to drill its proposed Federal "T" Com. Well No. 103 (API No. 30-045-32587) at an unorthodox coal gas well location within the W/2 equivalent of Section 12, Township 29 North, Range 14 West, being a standard 320-acre, more or less, stand-up gas spacing unit for the Basin-Fruitland Coal (Gas) Pool (71629), 1775 feet from the North line and 10 feet from the West line (Unit E) of Section 12. This unit is located approximately one mile west of the Four Corners Regional Airport in Farmington, New Mexico.

CASE 13394: *Continued from December 16, 2004, Examiner Hearing.*

Application of Mewbourne Oil Company 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 Morrow in the E/2 of Section 7, Township 21 South, Range 35 East, for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Osudo-Morrow Gas Pool. Said units are to be dedicated to applicant's proposed Osudo "7" State Com Well No. 1 to be drilled and completed at a standard gas well location 1980 feet from the South and East lines (Unit J) of said Section 7. Also to be considered will be the cost of drilling and completing said well, the allocation of the cost thereof, actual operating costs and charges for supervision, the designation of Mewbourne Oil Company as operator of the well, and a charge for risk involved in drilling said well. Said area is located approximately 10 miles southwest of Monument, New Mexico.

CASE 13392: *Continued from December 16, 2004, Examiner Hearing.*

Application of Platinum Exploration Inc. for an unorthodox subsurface horizontal oil well location, Lea County, New Mexico. Applicant seeks an exception to Division Rules 111.A (13) and 111.C (2) and the well location provisions of the special rules governing the South Knowles-Devonian Pool (36480), as promulgated by Division Order No. R-638-B, as amended by Orders No. R-638-C, R-638-D, and R-638-E, for the applicant's existing Lawrence "19" Well No. 1 (API No. 30-025-32737), located at a standard surface oil well location 660 feet from the North line and 1980 feet from the West line (Unit C) of Section 19, Township 17 South, Range 39 East, which well is to be re-completed utilizing horizontal drilling techniques such that the planned end-point, or bottomhole location, for the wellbore will be approximately 150 feet from the North line and 330 feet from the West line (Unit D) of Section 13. The resulting producing area, as defined by Rule 111.A (7), will extend beyond the standard setback requirements from the outer boundary of the proposed project area, being a standard 80-acre lay-down oil spacing and proration unit, comprising the N/2 NW/4 of Section 19, which is located 2.5 miles east-southeast of Knowles, New Mexico.

CASE 13400: *Application of Platinum Exploration, Inc. to abolish the special rules and regulations for the South Knowles-Devonian Pool, Lea County, New Mexico.* Applicant seeks an order abolishing the special rules and regulations for the South Knowles-Devonian Pool, and instituting statewide well spacing and location regulations for the pool. The pool rules currently provide for 80-acre spacing, and wells to be within 150 feet of the center of a quarter-quarter section. The pool covers all or parts of Sections 12, 13, and 24, Township 17 South, Range 38 East, and Sections 7, 18, and 19, Township 17 South, Range 39 East. The pool is centered approximately 2 miles east-northeast of Knowles, New Mexico.