

DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 22, 2005

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 31-05 and 32-05 are tentatively set for October 6, 2005 and October 20, 2005. 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 13556: *Application of Trek Resources, Inc. for Compulsory Pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Drinkard formation underlying the NE/4 SW/4 of Section 30, Township 16 South, Range 39 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Lower Clearfork-Drinkard Pool. This unit is to be dedicated to its Stephenson Well No. 1 that is to be drilled at a standard well location in Unit K of this section. 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 Trek Resources, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. Applicant proposes to submit its evidence by affidavit in accordance with Division Rule 1207.A This unit is located approximately 16 miles East Southeast from Lovington, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 13544: *Continued and Readvertised*

Application of XTO Energy Inc. to amend the special rules and regulations for the Ute Dome-Paradox Gas Pool, and to expand the horizontal limits of the pool, San Juan County, New Mexico. Applicant seeks an order amending the special rules and regulations for the Ute Dome-Paradox Gas Pool, which currently provide for 640 acre spacing and one well per well unit, with special well location requirements, to provide for 640 acre spacing, one well per quarter section, and relaxed special well location requirements. In addition, applicant requests that the pool be expanded to include all of Sections 4 and 12, Township 31 North, Range 14 West. The pool currently encompasses all of Sections 1-3 and 8-11, Township 31 North, Range 14 West, Section 19, Township 32 North, Range 13 West, and Sections 24-26 and 33-36, Township 32 North, Range 14 West. The pool is centered approximately 4-1/2 miles west-northwest of Laplata, New Mexico.

CASE 13557: *Application of Magnum Hunter Production, Inc. for Compulsory Pooling, Eddy County, New Mexico.* Applicant seeks an order pooling all mineral interests from approximately 10,682 feet subsurface to the base of the Morrow formation underlying the S/2 of Section 17, Township 17 South, Range 29 East, to form a standard 320-acre gas spacing and proration unit in the Morrow formation (South Empire-Morrow Gas Pool), which is developed on 320-acre spacing within that vertical extent. The unit is to be simultaneously dedicated to the proposed Muskegon 17 Fed. Com. Well No. 2, to be drilled at an orthodox gas well location in the SE/4 SE/4 (Unit P) of Section 17, and to the existing Muskegon 17 State Com. Well No. 1, located in the SE/4 SW/4 of Section 17 (Unit N). 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 Gruy Petroleum Management Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 7 miles west-northwest of Loco Hills, New Mexico.

CASE 13558: *Application of Coleman Oil & Gas, Inc. to amend Order No. R-12201 to extend for one year the production test authorized therein to determine the economic viability of simultaneously producing four existing gas wells on a standard 320-acre spacing unit in the Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico.* Applicant seeks the amendment of Order No. R-12201 entered on August 26, 2004, that granted an exception to Rule 7(d) of the Special Pool Rules and Regulations for the Basin-Fruitland Coal Gas Pool and authorized the simultaneous dedication of the S/2 of Section 8, Township 31 North, Range 5 West, to the following four existing coal gas wells for the purpose of conducting a production test for one year to determine the economic viability of simultaneously producing these wells:

1. Ricky Well No. 1 (API No. 30-045-25976) located 790 feet from the North line and 875 feet from the West line (Unit D);
 2. Ricky Well No. 1R (API No. 30-045-31165) located 765 feet from the North line and 830 feet from the West line (Unit D);
 3. Ricky Well No. 2 (API No. 30-045-25977) located 1850 feet from the South line and 790 feet from the West line (Unit L); and
 4. Ricky Well No. 2R (API No. 30-045-31166) located 1845 feet from the South line and 745 feet from the West line (Unit L).
- Said spacing unit is located approximately 30 miles southeast of Farmington, New Mexico.