

CASE 13534: Continued from August 11, 2005, Examiner Hearing.

Application of OXY USA WTP Limited Partnership for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Morrow formation in the following described acreage in Section 15, Township 19 South, Range 27 East: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Angell Ranch Atoka-Morrow Gas Pool; and the NE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent. OXY proposes to dedicate the above-referenced spacing or proration units to its Fat Cactus Federal Well No. 1 to be drilled at a standard gas well location 660 feet from the North line and 1400 feet from the East line (Unit B) of said Section 15, to an approximate depth of 10,650 feet to test any and all formations from the surface to the base of the Morrow formation. 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 OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 12 miles southwest of Artesia, New Mexico.

CASE 13531: Continued from August 11, 2005, Examiner Hearing.

Application of Yates Petroleum Corporation for an Order (1) directing Pride Energy Company to reimburse Yates for the well costs incurred by Yates in its attempt to re-enter the State "X" Well No. 1 (API No. 30-025-01838) located in Section 12, Township 12 South, Range 34 East, NMPM, prior to the time Pride Energy Company assumed operations of the well, (2) directing Pride Energy Company to account for and pay all sums it is now improperly holding pursuant to expired orders of the Division and Commission, and (3) requiring Pride Energy Company to plug and abandon the State "X" Well No. 1, Lea County, New Mexico. Applicant seeks (1) an order directing Pride Energy Company ("Pride") to reimburse Yates for the costs Yates incurred in its re-entry operations on the State "X" Well No. 1 (API No. 30-025-01838) located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 12, Township 12 South, Range 34 East, prior to the time Pride assumed operations of the well, (2) an order directing Pride to account to and refund to Yates all of the portion of the estimated share of well costs for the State "X" Well now improperly held by Pride pursuant to expired orders of the Division and Commission, and (3) an order directing Pride to plug and abandon the State "X" Well. Said well and spacing unit are located approximately 12 miles west northwest of Tatum, New Mexico.

CASE 13539: Continued from August 11, 2005, Examiner Hearing.

Application of Synergy Operating, LLC for Compulsory Pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal and Pictured Cliffs Formations underlying the W/2 of Section 22, Township 29 North, Range 13 West, to form one standard 320-acre gas spacing and proration unit for any pools or formations developed on 320-acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool, and two standard 160-acre gas spacing and proration units for any pools or formations developed on 160-acre spacing within the vertical extent, including the Fulcher Kutz Pictured Cliffs Pool. The units are to be dedicated to the Dugan 29-13-22 Well No. 108 (NW/4), and Dugan 29-13-22 Well No. 109 (SW/4), to be drilled at orthodox locations in the W/2 of Section 22. Also to be considered will be the cost of drilling and completing the well and the allocating of the cost thereof, as well as actual operating costs and charges for supervision, designation of the applicant as operator of the well, and a 200% charge for risk involved in drilling and completing the well. The NW/4 unit is located within the Farmington, New Mexico City Limits, the SW/4 unit is located approximately ½ mile south of Farmington, New Mexico.

CASE 13494: Continued from August 11, 2005, Examiner Hearing.

Application of Texland Petroleum, L.P. for a Compliance Order against Latigo Petroleum, Inc. voiding of Administrative Order DHC-3086, compulsory pooling, change of operator and other relief, Lea County, New Mexico. Applicant seeks a Compliance Order, including fines, against Latigo Petroleum, Inc. ("Latigo") including an order to void and revoke Administrative Order DHC-3086, and to require Latigo to immediately shut-in its Conoco State Well No. 3 (API No. 30-025-35961) located in Unit J of Section 33, Township 18 South, Range 38 East, until such time as: (i) a standard 160-acre gas spacing unit consisting of the SE/4 of this section, is dedicated to this well in the Tubb formation, Hobbs-Tubb Gas Pool, (ii) the production proceeds from this well in the Tubb and Drinkard formations are reallocated and paid to the owners in these spacing units from the date of first production, and (iii) paid the fines for violations of the Oil and Gas Act. Section 70-2-31 NMSA 1978. Further, applicant seeks a compulsory pooling order including provisions for designation of the applicant as the operator and the removal of Latigo as the operator. The well is located approximately 7 miles West of Hobbs, New Mexico.