

CASE 13609: Continued from February 16, 2006, Examiner Hearing

Application of Mack Energy Corporation for an Amendment to Order No. R-3127-A Extending the Vertical Limits of the Grayburg-Jackson West Cooperative Unit and for the Expansion of Injection Operations, Eddy County, New Mexico. Applicant seeks an order amending the previous orders of the Division approving the Grayburg-Jackson West Cooperative Unit Agreement to extend the vertical limits of the unitized formation to include all formations from the top of the Seven Rivers formation to the base of the Glorieta-Yeso (Paddock) formation. Applicant also seeks authorization to expand waterflood injection operations to include all intervals within the extended vertical limits of the unitized formation in the Grayburg-Jackson West Cooperative Unit comprised of approximately 2,400 acres of State of New Mexico and fee lands in the following acreage:

Township 17 South, Range 29 East, NMPM

Section 15: W1/2SW1/4

Section 16: All

Section 21: All

Section 22: W1/2W1/2, E1/2NW1/4,

NE1/4SW1/4, NW1/4NE1/4

Section 27: W1/2SW1/4

Section 28: All

The subject lands are located in the immediate vicinity of Loco Hills, New Mexico.

Case No. 13660: Application of EOG Resources, Inc. for compulsory pooling and horizontal drilling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the Wolfcamp formation, in the S/2 of Section 11, Township 16 South, Range 24 East, N.M.P.M., Eddy County, New Mexico to form a 320-acre project area for a horizontal well. Said unit is to be dedicated to its Brazos "B" 11 Fee Well No. 1H to be horizontally drilled from a surface location 1730 feet from the South line and 660 feet from the East line to a depth of 5100 feet and then in a westerly direction for approximately 3986 feet in the Wolfcamp formation to a bottomhole location 1880 feet from the South line and 660 feet from the West line of said Section 11. 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 EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 9 miles northwest of Artesia, New Mexico.

Case No. 13661: Application of Occidental Permian Limited Partnership for amendment of Division Order No. R-6199-B to expand the Phase I Area in the North Hobbs Grayburg San Andres Unit Pressure Maintenance Project, Lea County, New Mexico. Applicant seeks an order amending Division Order No. R-6199-B to expand the Phase I CO2 Project Area within its North Hobbs Grayburg San Andres Unit to include the N/2 S/2 of Section 31, Township 18 South, Range 38 East, NMPM. The project is located on the west side of the City of Hobbs, New Mexico.

CASE 13653: Continued from March 2, 2006, Examiner Hearing

Application of BP America Production Company for Compulsory Pooling and Downhole Commingling, San Juan County, New Mexico.

Applicant seeks an order pooling all mineral interests from the surface to the base of the Dakota formation to an approximate depth of 7432 feet in the following described spacing and proration units located in the W/2 of Section 32, Township 31 North, Range 10 East, the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Blanco-Mesaverde Gas Pool and the Basin Dakota-Gas Pool; and the SW/4 for all formations and/or pools developed on 160-acre spacing. Said units are to be dedicated to its EPNG Com B LS Well No. 3M to be drilled at a standard gas well location 2150 feet from the South line and 725 feet from the West line (Unit L) of said Section 32. Applicant also seeks to commingle production from the Mesaverde formation, Blanco-Mesaverde Gas Pool and the Dakota formation, Basin-Dakota Gas Pool in said well. 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 15 miles northeast of Farmington, New Mexico.