

DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 2, 2006

**8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico**

Docket Nos. 05-06 and 06-06 are tentatively set for February 16, 2006 and March 2, 2006. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday 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 Thursday 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 13638: *Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico.* Applicant seeks approval of the Hoyt State Exploratory Unit from the surface to the base of the Mississippian formation in an area comprising 7520 acres of State of New Mexico and Federal lands in Sections 8, 9, 10, 11, 12, 13, 14, 15, 16, 17, 20, 21, 22, 23, and 24 in Township 10 South, Range 35 East, which is located approximately 7 miles southeast of Crossroads, New Mexico.

CASE 13639: *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, Undesignated West Cottonwood Creek-Wolfcamp Gas Pool, in the S/2 of Section 7, Township 16 South, Range 25 East, to form a 320-acre project area for a horizontal well. Said unit is to be dedicated to its Yellow B7 Fee Well No. 1H to be horizontally drilled from a surface location 1880 feet from the South line and 660 feet from the East line to a depth of 5,100 feet and then in a westerly direction for approximately 3965.23 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 7. 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 applicant as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 7 miles northwest of Artesia, New Mexico.

CASE 13640: *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, Undesignated West Cottonwood Creek-Wolfcamp Gas Pool, in the N/2 of Section 7, Township 16 South, Range 25 East, to form a 320-acre project area for a horizontal well. Said unit is to be dedicated to its Yellow A7 Fee Well No. 1H to be horizontally drilled from a surface location 672 feet from the North line and 852 feet from the East line to a depth of 5,100 feet and then in a westerly direction for approximately 3793.27 feet in the Wolfcamp formation to a bottomhole location 760 feet from the North line and 660 feet from the West line of said Section 7. 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 applicant as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 7 miles northwest of Artesia, New Mexico.

CASE 13612: *Continued from January 19, 2006, Examiner Hearing*
Application of BP America, Inc. for an exception to the well density requirements for the Blanco-Mesaverde Gas Pool, San Juan County, New Mexico. Applicant seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit it to produce the following three Mesaverde wells located in the same quarter section (NE/4) on a standard spacing and proration unit comprised of the East half of Section 28, Township 30 North, Range 8 West:

the Gartner A Well No. 2 (API No. 30-045-09191) located 1650 feet from the North line and 1500 feet from the East line (Unit G) of said section;

the Gartner A Well No. 2B (API No. 30-045-31006) located 2340 feet from the North line and 750 feet from the East line (Unit H) of said section; and

the Gartner A Well No. 2R (API No. 30-045-29137) which was directionally drilled from a surface location 790 feet from the North line and 1840 feet from the East line (Unit B) to a bottomhole location 2580 feet from the North line and 790 feet from the East line (Unit H) of said section.

Said wells are located approximately 4 miles southeast of Archuleta, New Mexico.