

CASE 13040: Continued from August 7, 2003, Examiner Hearing.

Application of David H. Arrington Oil & Gas, Inc. for Approval of a Waterflood Project for its East Hobbs-Blinebry Pool Cooperative Waterflood Area and Qualification of said Project for the Recovered Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval of its East Hobbs-Blinebry Pool Cooperative Waterflood Area for injection of water into the Blinebry formation, East Hobbs- Blinebry Pool through one injection well located in the following described area:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM
Irregular Section 29: Lots 1, 2, 3 and 4 (E/2 equivalent), SW/4

The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within the project area without the necessity of further hearings and the adoption of such other provisions as are necessary for said waterflood operations. Applicant further seeks to qualify the project area for the Recovered Oil Tax Rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said unit is located on the New Mexico-Texas State line approximately 2 miles east of Hobbs, New Mexico.

CASE 13101: Re-advertised.

Application of Chesapeake Operating, Inc. for compulsory pooling, or in the alternative a non-standard gas spacing unit, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Tubb formation underlying the NW/4 of Section 8, Township 20 South, Range 37 East, forming a standard 160-acre gas spacing unit in the Undesignated West Monument-Tubb Gas Pool (96968). IN THE ALTERNATIVE, applicant seeks to establish a non-standard 120-acre gas spacing unit in the Undesignated West Monument-Tubb Gas Pool comprising the W/2 NW/4 and SE/4 NW/4 of Section 8. Either unit is to be dedicated to the applicant's existing Barber-Adkins "8" Well No. 1 (API No. 30-025-20436), located at a standard gas well location 660 feet from the North and West lines (Unit D) of Section 8, which is located approximately 2.25 miles south-southwest of Monument, New Mexico. Also to be considered, if applicable, will be the costs of re-entering and completing this wellbore and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in this well.

CASE 13121: Continued from August 7, 2003, Examiner Hearing.

Application of Benson-Montin-Greer Drilling Corp. for Qualification of Certain Acreage within the East Puerto Chiquito Mancos Unit for the Recovered Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Rio Arriba County, New Mexico. Applicant seeks to qualify a 6300-acre project area within the East Puerto Chiquito Mancos Unit for the recovered Oil Tax Rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Tertiary recovery operations were previously approved in the unit by Division Order No. R-6448 and project area is in portions of Townships 26 and 27 North, Ranges 1 East and 1 West, which is located approximately 15 miles north of Lindrieth, New Mexico.

CASE 13112: Continued from August 7, 2003, Examiner Hearing.

Application of Pure Resources, L.P. for a blanket exception in the Rincon Unit Area to the well location requirements for the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico. Applicant seeks an exception to the well density requirements of Rule I.C of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit the downhole commingling of production from the Blanco-Mesaverde Gas Pool and the Basin- Dakota Gas Pool in wellbores in the Rincon Unit area as previously approved by Division Order No. R-9893. Said wells are located approximately 40 miles southeast of Farmington, New Mexico.