

**CASE 13682: Application of Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West, NMPM: the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing unit within that vertical extent which includes but is not necessarily limited to the Basin Dakota Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Canyon Largo Unit Well No. 473 to be drilled at an unorthodox well location 1350 feet from the North and West lines of said Section 2 to an approximate depth of 7500 feet. 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 Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico.

**CASE 13654: Continued from March 2, 2006, Examiner Hearing**

**Application of Western Minerals & Oil Ltd. for Simultaneous Dedication and an Unorthodox Well Location, San Juan County, New Mexico.**

Applicant seeks authorization to simultaneously dedicate the standard 160-acre gas spacing unit in Pictured Cliffs formation, South Blanco Pictured Cliffs Gas Pool, comprised of the SW/4 of Section 24, Township 27 North, Range 8 West, to its Marron Well No. 1 (API No. 30-045-06310) located in Unit K at an unorthodox well location 380 feet from the South line and 345 feet from the West line of said Section 24 and its Marron Well No. 6 (API No. 30-045-21323) located in Unit M at a standard location 1520 feet from the South line and 1670 feet from the West line of said Section 24. Applicant also seeks approval of the unorthodox well location of the Marron Well No. 1. Said unit is located approximately 12 miles south of Blanco, New Mexico.

**CASE 13683: Application of Patina San Juan, Inc. for an unorthodox gas well location, San Juan County, New Mexico.**

Applicant seeks exceptions to the well location requirements provided within both the: (i) "Special Rules and Regulations for the Basin-Fruitland Coal Gas Pool," set forth in Division Order No. R-8768, as amended; and (ii) "Special Rules for the Basin-Dakota Pool," as promulgated by Division Order No. R-10987-B, issued in Case No. 12290 and dated June 30, 2000, as amended by Division Orders No. R-10987-B (1), dated August 10, 2000, and R-10987-B (2), dated January 29, 2002. Applicant proposes to drill its Valance "33" Well No. 2 (API No. 30-045-32689) at an unorthodox gas well location in both the Basin-Fruitland Coal (Gas) Pool (71629) and Basin-Dakota (71599) Pool 320 feet from the North line and 2145 feet from the East line (Unit B) of Section 33, Township 31 North, Range 13 West, which is located approximately nine miles north of Farmington, New Mexico. Gas production from the deeper Basin-Dakota Pool is to be included within an existing standard 320-acre stand-up gas spacing and proration unit comprising the E/2 of Section 33, which is currently dedicated to Applicant's: (i) Kaufman Well No. 1 (API No. 30-045-10174), located at a standard gas well location 1450 feet from the North line and 790 feet from the East line (Unit H) of Section 33; and (ii) Kaufman Well No. 1-E (API No. 30-045-25972), located at a standard infill gas well location 857 feet from the South line and 1827 feet from the East line (Unit O) of Section 33. The proposed Valance "33" Well No. 2 will be the initial Fruitland coal gas well within this same 320-acre stand-up gas spacing unit.

**Case No. 13684: (This case will be dismissed.)**

**Application of Pride Energy Company for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the W/2 of Section 12, Township 12 South, Range 34 East, NMPM, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Four Lakes-Mississippian Gas Pool. The unit is to be designated to the existing State "X" Well No. 1, located 1980 feet from the North line and 660 feet from the West line of Section 12, which is to be re-entered. Also to be considered will be the cost of re-entering and completing the 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 the risk involved in re-entering and completing the well. The unit is located approximately 12 miles west-northwest of Tatum, New Mexico.

**CASE 13650: Continued from March 2, 2006, Examiner Hearing**

**Application of Ridgeway Arizona Oil Corporation for Approval of a Unit Agreement, Catron County, New Mexico.**

Applicant seeks approval of the Cottonwood Canyon Carbon Dioxide Gas Unit Area, comprising 89,574.12 acres of federal, state, and fee lands described as follows:

Township 2 North, Range 20 West, N.M.P.M.  
Sections 30-32: All

Township 2 North, Range 21 West, N.M.P.M.  
Section 9: All  
Sections 14-16: All  
Sections 21-28: All  
Sections 33-36: All

Township 1 North, Range 20 West, N.M.P.M.

Sections 4-9: All  
Sections 16-21: All  
Section 26: S/2  
Section 27: S/2  
Sections 28-35: All

Township 1 North, Range 21 West, N.M.P.M.

Sections 1-4: All  
Sections 9-16: All  
Sections 21-28: All  
Sections 33-36: All

Township 1 South, Range 20 West, N.M.P.M.

Sections 2-10: All  
Sections 16-21: All  
Sections 28-33: All

Township 1 South, Range 21 West, N.M.P.M.

Sections 1-4: All  
Sections 9-16: All  
Sections 21-28: All  
Sections 33-36: All

Township 2 South, Range 20 West, N.M.P.M.

Sections 5-8: All  
Sections 18-19: All

Township 2 South, Range 21 West, N.M.P.M.

Sections 1-4: All  
Sections 9-16: All  
Sections 21-28: All  
Sections 33-36: All

Township 3 South, Range 21 West, N.M.P.M.

Sections 3-4: All

The proposed unit area is centered approximately 33 miles west-southwest of Quemado, New Mexico.

**Case No. 13685: Application of Magnum Hunter Production, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 2, Township 24 South, Range 34 East, NMPM, and in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Antelope Ridge-Atoka Gas Pool and Antelope Ridge-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent; and the NW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Antelope Ridge-Wolfcamp Pool. The units are to be dedicated to the Antelope State 2 Well No. 3, to be drilled at an orthodox location in the NW/4 NE/4 of Section 2. 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 units are located approximately 17-1/2 miles northwest of Jal, New Mexico.

**CASE 13686: Application of DKD, LLC for an Order Directing Gandy Corporation to Show Cause, Lea County, New Mexico.** Applicant seeks an order directing Gandy Corporation to show cause why its authority to utilize its State "T" Well No. 2 for the injection of produced water for disposal purposes should not be immediately and permanently revoked. The State "T" Well No. 2 (API No. 30-025-03735) is located 4,290 feet from the South line and 500 feet from the West line, Lot 12, Section 6, T16S, R36E, NMPM in Lea County, New Mexico. Gandy utilizes the State "T" Well No. 2 to dispose of produced water into the San Andres and Glorieta formations pursuant to SWD-836 and Order No. R-12171. Applicant is the owner and operator of the Watson "6" No. 1 Well (API No. 30-025-34197) located 2857 feet from the South line and 1417 feet from the West line in Unit N, of said Section 6 utilized for the disposal of produced water by injection into the Cisco and Canyon formations (SWD-834). Applicant also owns and operates the Snyder "A" No. 1 Well (API No. 30-025-03727) located 2319' FSL and 330' FWL in Unit L of said Section 6. The Snyder No. 1 Well was originally drilled to and produced from the Strawn formation. The subject lands and wells are located approximately three miles west of Lovington, New Mexico.