## Examiner Hearing – September 4, 2003 Docket No. 28-03 Page 2 of 8

## CASE 13115: Readvertised.

Application of Nadel and Gussman Permian, L.L.C. for Special Pool Rules, or in the Alternative for a Non-Standard Gas Spacing and Proration Unit and an Unorthodox Gas Well Location, Eddy County, New Mexico. Applicant seeks an order approving special pool rules for the North Esperanza-Delaware Pool, including a limiting gas:oil ratio of 15,000 ft<sup>3</sup> of gas for each barrel of oil produced. The pool covers the N/2 and SE/4 of Section 28, Township 21 South, Range 27 East. In the alternative, if applicant's Tucker Fee Well No. 1Y is deemed to be a gas well, it requests a non-standard gas spacing and proration unit in the Delaware formation comprised of the W/2 SE/4 of said Section 28. The unit will be dedicated to said well, located at an unorthodox gas well location 1600 feet from the South line and 2300 feet from the East line of Section 28. The pool and unit are centered approximately 3 miles northeast of Carlsbad, New Mexico.

## CASE 13087: Continued from August 7, 2003, Examiner Hearing.

Application of Ocean Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Lower Mississippian Lime formation underlying the following described acreage in Section 27, Township 16 South, Range 35 East, in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated Shoe Bar-Atoka Gas Pool, Undesignated South Shoe Bar-Morrow Gas Pool, Undesignated Townsend-Morrow Gas Pool, and Undesignated Townsend-Mississippian Gas Pool; and the NW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to applicant's Eidson Ranch "27" State Com. Well No. 1, to be drilled at an orthodox location in the NW/4 NW/4 of Section 27. 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 applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 6½ miles southwest of Lovington, New Mexico.

CASE 13139: Application of Gruy Petroleum Management Co. to Expand the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico. Applicant seeks an order expanding the horizontal boundaries of the White City-Pennsylvanian Gas Pool to include all of Section 14, Township 24 South, Range 26 East. The pool currently covers all of Sections 8, 9, 15-17, 19-22, and 26-35, Township 24 South, Range 26 East, Sections 1-4 and 10-14, Township 25 South, Range 26 East, and Section 7, Township 25 South, Range 27 East. The pool is centered approximately 5 miles east of Whites City, New Mexico.

<u>CASE 13140</u>: Application of Gruy Petroleum Management Co. for a Hearing to Require Mewbourne Oil Company to Appear and Show Cause why its Fren "8" Federal Well Nos. 2 and 3 should not be shut in and otherwise produced in compliance with Division allowable limitations for the Shugart Strawn Pool, Eddy County, New Mexico. This pool is located approximately 6.5 miles southeast of Loco Hills, New Mexico.

## <u>CASE 13133</u>: Continued from August 21, 2003 Examiner Hearing.

Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy 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 28, Township 18 South, Range 24 East, and in the following manner: The E/2 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Penasco Draw-Permo Penn Gas Pool, Undesignated Antelope Sink-Strawn Gas Pool, Undesignated Antelope Sink-Atoka Gas Pool, and Undesignated North Antelope Sink-Morrow Gas Pool; and the SE/4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to applicant's Southern Cross "28" State Com. Well No. 1, to be located at an orthodox location in the SE/4 SE/4 of Section 28. 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 applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 11½ miles southeast of Hope, New Mexico.