# Examiner Hearing – January 4, 2007 Docket No. 01-07 Page 7 of 10

developed on 320 acre spacing within that vertical extent; the NE/4 to form a standard 160 acre gas spacing and proration unit for all formations developed on 160 acre spacing within that vertical extent; the W/2 NE/4 to form a standard 80-acre oil spacing and proration unit for all formations or pools developed on 80 acre spacing within that vertical extent including the Inbe Permo-Pennsylvanian Pool; and the NW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for all formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Inbe "24" Well No. 1, to be located 660 feet from the North line and 2310 feet from the East line of Section 24, which is unorthodox except as to oil well units developed on 40 acre spacing. 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 200% charge for the risk involved in drilling and completing the well. The units are located approximately 9 miles east-southeast of Caprock, New Mexico.

# CASE NO. 13831: Continued from the December 13, 2006 Examiner Hearing.

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 following described acreage in Section 25. Township 11 South, Range 33 East, N.M.P.M., and in the following manner: The E/2 to form a standard 320 acre gas spacing and proration unit for all formations developed on 320 acre spacing within that vertical extent: the NE/4 to form a standard 160 acre gas spacing and proration unit for all formations developed on 160 acre spacing within that vertical extent; the W/2 NE/4 to form a standard 80-acre oil spacing and proration unit for all formations or pools developed on 80 acre spacing within that vertical extent, including the Inbe Permo-Pennsylvanian Pool; and the NW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for all formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Inbe "25" Well No. 1, to be located at an orthodox location in the NW/4 NE/4 of Section 25. 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 200% charge for the risk involved in drilling and completing the well. The units are located approximately 10 miles east-southeast of Caprock, New Mexico.

### CASE NO. 13709: Continued from the December 13, 2006 Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring K.P. Kauffman Company, Inc. to Plug I Well and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance, Lea County, New Mexico. The Applicant seeks an order requiring K.P. Kauffman Company, Inc. to plug the following well and to forfeit applicable security:

Well Name API No.

Location

Mesa Queen 7 State #1

30-025-29200

660 FSL/1040FEL P-7-16S-32E

### CASE NO. 13710: Continued from the December 13, 2006 Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Roberts SWD, LLC to Plug 1 Well and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance, Lea County, New Mexico. The Applicant seeks an order requiring Roberts SWD, LLC to plug the following well and to forfeit applicable security:

Well Name

API No.

Location

Keach #1

30-025-34565

467 FSL. 2310 FEL, O-4-20S-38E

#### CASE NO. 13715: Continued from the December 13, 2006 Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Willow Creek Resources, Inc. to Plug 1 Well and Ordering Forfeiture of Applicable Financial Assurance in Event of Operator's Non-Compliance, Eddy County, New Mexico. The Applicant seeks an order requiring Willow Creek Resources, Inc. to plug the following well and to forfeit applicable security:

Well Name

API No.

Location

Maudie Rickman #1

30-015-21064

2204 FSL 840 FWL L-3-23S-27E

<u>CASE NO. 13857</u>: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending vertical and horizontal limits of certain pools in Eddy County, New Mexico.