

VPR A Well No. 501 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the SE/4 of Section 10, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the SE/4 of Section 10 to the VPR A Well No. 501, to be located in Unit J of Section 10, and to the existing VPR A Well No. 71, located in Unit P of Section 10. The unit is located approximately 24-1/2 miles west-northwest of Raton, New Mexico.

**CASE 13906:**            *Application of El Paso E&P Company, L.P. for an exception to NMAC 19.15.3.104.C(3) to allow infill drilling and simultaneous dedication, Colfax County, New Mexico.* Applicant seeks approval to drill its VPR A Well No. 503 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the NW/4 of Section 11, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the NW/4 of Section 11 to the VPR A Well No. 503, to be located in Unit C of Section 11, and to the existing VPR A Well No. 78, located in Unit F of Section 11. The unit is located approximately 24 miles west-northwest of Raton, New Mexico.

**CASE 13853:** *Continued from the March 29, 2007 Examiner Hearing.*

*Application of Myco Industries, Inc. for compulsory pooling, Chaves County, New Mexico.*

Myco Industries, Inc. seeks an order pooling all mineral interests in the Wolfcamp formation underlying the S/2 of Section 34, Township 15 South, Range 24 East, NMPM, to form a 320-acre gas spacing unit (project area) in the Wolfcamp formation. The unit is to be dedicated to the Starr 34 Fee Well No. 1, a horizontal well which will have an orthodox location within the producing area. 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 unit is located approximately 9-1/2 miles west-southwest of Lake Arthur, New Mexico.

**CASE 13856:** *Continued from the March 29, 2007 Examiner Hearing.*

*Application of Myco Industries, Inc. for compulsory pooling, Chaves County, New Mexico.*

Myco Industries, Inc. seeks an order pooling all mineral interests in the Wolfcamp formation underlying the N/2 of Section 34, Township 15 South, Range 24 East, NMPM, to form a 320-acre gas spacing unit (project area) in the Wolfcamp formation. This unit is to be dedicated to the Starr 34 Fee Well No. 2, a horizontal well which will have an orthodox location within the producing area. 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 unit is located approximately 9-1/2 miles west-southwest of Lake Arthur, New Mexico.

**CASE 13787:** *Continued from the March 15, 2007 Examiner Hearing.*

*Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit, compulsory pooling, and an unorthodox oil well location, Lea County, New Mexico.* Applicant seeks an order approving a non-standard 80-acre oil spacing and proration unit in the Devonian formation (North Knowles-Devonian Pool) comprised of the SE/4 NE/4 and NE/4 SE/4 of Section 14, Township 16 South, Range 38 East, NMPM, and pooling all mineral interests in said unit. The unit is to be dedicated to the Lawrence Well No. 1Y, to be re-entered at an unorthodox surface location 2531 feet from the North line and 630 feet from the East line of Section 14, with an estimated unorthodox bottom hole location 2531 feet from the North line and 660 feet from the East line of Section 14, and applicant further seeks approval of said locations. Also to be considered will be the cost of re-entering, 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 re-entering, drilling, and completing the well. The unit is located approximately 6-1/2 miles north-northeast of Knowles, New Mexico.

**CASE 13663:** *Continued from the March 15, 2007 Examiner Hearing. Reopened - Application of Synergy Operating, LLC for Compulsory Pooling, San Juan County, New Mexico.* By Order No. R-12629 issued on September 12, 2006, the Division pooled all unjoined interests in the Pictured Cliffs formation in the SW/4 of Section 8, Township 29 North, Range 11 West, NMPM and in the Fruitland Coal formation, Basin-Fruitland Coal Gas Pool, in the W/2 of said Section 8 to be dedicated to the proposed Duff 29-11-8 Well No. 105 infill well and designated Applicant as the operator thereof. By its terms, Order No. R-12629 required that the subject well be drilled and completed within 120 days after commencement. Applicant failed to complete the subject well and Order No. R-12629 has expired. Applicant has sought administrative approval to reinstate Order No. R-12629 and for an extension of time to complete the subject well. Pursuant to the request of Edwin Smith, LLC, the matter is set for hearing to allow Applicant the opportunity to demonstrate good cause therefore. The well and the unit are located approximately three miles northwest of Bloomfield,

New Mexico.

**CASE 13877:** *Continued from the March 15, 2007 Examiner Hearing.*

***Application of Bold Energy, LP for approval of an application for permit to drill and to allow two operators on a well unit, Eddy County, New Mexico.*** Applicant seeks approval of an application for permit to drill its OXY Checker State Well No. 2 in the W/2 of Section 8, Township 19 South, Range 29 East, NMPM. The W/2 of Section 8 will be simultaneously dedicated to the proposed well, located in the SW/4 NW/4 of Section 8, to be operated by applicant, and to the existing OXY Checker State Well No. 1, located in the NW/4 SW/4 of Section 8, operated by OXY USA WTP Limited Partnership. The well unit is located approximately 12 miles southwest of Loco Hills, New Mexico.

**CASE 13907:** *In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Lea County, New Mexico.*

(a) CREATE a new pool in Lea County, New Mexico for the production of gas from the Morrow formation and designated as the West Anderson Ranch-Morrow Gas Pool (**Pool Code 97552**). The discovery well is the OXY USA WTP Limited Partnership OXY Night Hawk State Com. Well No. 1 (**API No. 30-025-37637**) located in Unit I of Section 20, Township 16 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM

Section 20: E/2

(b) CREATE a new pool in Lea County, New Mexico for the production of gas from the Queen formation and designated as the Northeast Brunson-Queen Gas Pool (**Pool Code 97559**). The discovery well is the Marathon Oil Company Walter Lynch Well No. 12 (**API No. 30-025-37556**) located in Unit F of Section 1, Township 22 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 1: NW/4

(c) CREATE a new pool in Lea County, New Mexico for the production of oil from the Bone Spring formation and designated as the East Corbin-Bone Spring Pool (**Pool Code 97568**). The discovery well is the Mack Energy Corporation Lea KG State Well No. 1 (**API No. 30-025-36370**) located in Unit I of Section 35, Township 17 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 35: SE/4

(d) CREATE a new pool in Lea County, New Mexico for the production of gas from the Morrow formation and designated as the Langley-Morrow Gas Pool (**Pool Code 97579**). The discovery well is the BP America Production Company Javelina Well No. 1 (**API No. 30-025-37943**) located in Unit M of Section 10, Township 22 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM

Section 10: W/2

(e) CREATE a new pool in Lea County, New Mexico for the production of oil from the Yates formation and designated as the Southeast Lusk-Yates Pool (**Pool Code 97578**). The discovery well is the Yates Petroleum Corporation Lusk AHB Federal Well No. 1 (**API No. 30-025-30808**) located in Unit B of Section 35, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 35: NE/4

(f) CREATE a new pool in Lea County, New Mexico for the production of gas from the Atoka formation and designated as the West Mescalero-Atoka Gas Pool (**Pool Code 97570**). The discovery well is the Yates Petroleum Corporation Fender State Unit Well No. 2 (**API No. 30-025-37765**) located in Unit L of Section 17, Township 10 South,