

**CASE 13939:** *Application of Williams Production Co., LLC for amendment of Order No. R-2046, San Juan and Rio Arriba Counties, New Mexico.* Applicant, in the above-styled cause, seeks the amendment of Division Order R-2046 to delete certain non-standard spacing and proration units for the Basin-Dakota Gas Pool in Township 31 North, Ranges 5 and 6 West, NMPM, San Juan and Rio Arriba Counties, and creating new non-standard spacing units consistent with current drilling patterns. Said area is located approximately 9 miles southeast of Arboles, Colorado.

**CASE 13927:** (Continued from June 7, 2007 Examiner Hearing.)

**Application of Yates Petroleum Corporation for a non-standard gas spacing unit, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks an order approving a 160-acre non-standard gas spacing unit comprised of the SW/4 of Section 28, Township 20 South, Range 28 East, NMPM, to be dedicated to its Hedgerow BFH State Com Well No. 1 (API No. 30-015-33715) to be recompleted from the Morrow formation to the Strawn formation, Saladar-Strawn Gas Pool (84412) at a standard gas well location 660 feet from the South line and 1136 feet from the West line of said Section 28. Said unit is located approximately 9 miles north-northeast of Carlsbad, New Mexico.

**CASE 13940:** *Application of Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation and MYCO Industries, Inc. for an order directing Pride Energy Company to plug and abandon the State "X" Well No. 1, Lea County, New Mexico.* Applicants seek an order directing Pride Energy Company to plug and abandon the State "X" Well No. 1 (API No. 30-025-01838) located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 12, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico. Said well and spacing unit are located approximately 12 miles west-northwest of Tatum, New Mexico.

**CASE 13923:** (Continued from May 24, 2007 Examiner Hearing.)

*Application of SDX Resources, Inc. for Approval of a Waterflood Project, Eddy County, New Mexico.* Applicant, in the above-styled cause, seeks approval for injection of water into the Queen, Grayburg, San Andres formation, Artesia Queen-Grayburg-San Andres Pool through one injection well located in the following described area:

**TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM**

Section 32: NE/ 4, SW/4  
Section 29: SE/4 SE/4  
Section 31: E/2 E/2

**TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM**

Section 6: NE/4 NE/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. Said unit is located approximately 12 miles east of Artesia, New Mexico.

**CASE 13918:** (Continued from May 24, 2007 Examiner Hearing.)

*Application of Holcomb Oil and Gas, Inc. for an unorthodox well location, San Juan County, New Mexico.* Applicant seeks an order authorizing the drilling and production of its Mangum Well No. 1Y (API No. 30-045-34266) at an unorthodox well location 1985 feet from the North line and 2470 feet from the West line of Section 27, Township 29 North Range 11 West, NMPM to be dedicated to a standard 320-acre spacing unit consisting of the W/2 of this section for any production for any Basin-Fruitland Coal Gas Pool. This administrative case has been set for hearing upon the objection of XTO Energy Inc., an offsetting operator. This well is located approximately 3/4 of a mile southeast from Bloomfield, New Mexico.

**CASE 13865 (Reopened)** (Continued from June 7, 2007 Examiner Hearing.)

*Application of Versado Gas Producers, LLC operated by Targa Resources, LLC for approval of an acid gas injection well, Lea County, New Mexico.* Applicant seeks an order authorizing it to utilize its proposed Versado AGI Well No. 1, to be drilled 1200 feet from the West line and 2580 feet from the South line of Section 27, Township 22 South, Range 37 East, NMPM, to inject up to 2500 barrels of acid gas per day, at a maximum pressure of 2000 psi, into the San Andres Formation, at an approximate depth of 4500 feet to 5000 feet. This proposed well will replace Eunice Gas Plant SWD Well No. 1 (API No. 30-025-21497) at this location. Versado may be contacted through its representative, Mr. Alberto

Gutierrez, 500 Marquette Ave., N.W., Suite 1350, Albuquerque, New Mexico 87102 or (505) 842-8000. This well is located approximately 5 miles south of Eunice, New Mexico.

**CASE 13891 (Reopened): (Continued from the June 7, 2007 Examiner Hearing)**

***Application of Petrohawk Energy Corporation for authorization to reactivate a waterflood project, Lea County, New Mexico.*** Applicant seeks approval of a waterflood project, including the reactivation of a previously approved waterflood (OCD Orders WFX-518 and WFX-530) in Sections 8 and 9, Township 22 South, Range 36 East, NMPM, to inject up to a total of 2000 barrels per day, at a maximum injection pressure of 750 psi, into the Queen Formation, at an approximate depth of 3790 feet to 3890 feet. The proposed waterflood involves the activation of five existing, temporarily plugged injection wells (State A/AC #61, #64, #65, #68, and #71). Petrohawk may be contacted through its representative, Mr. Alberto Gutierrez, 500 Marquette Ave., N.W., Suite 1350, Albuquerque, New Mexico 87102 or (505) 842-8000. These wells are located 5 miles southwest of Eunice, New Mexico.

**CASE 13941: Application of Encore Acquisition Company for compulsory pooling, Lea County, New Mexico.**

Applicant seeks an order pooling all mineral interests in the Morrow formation underlying the W/2 of Section 12, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant proposes to drill its Encore 12 State Com Well No. 1 to be located at a standard gas well location 910 feet from the South line and 1100 feet from the West line of said Section 12. Applicant seeks to dedicate the W2 of Section 12 to the well 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 Morrow formation. 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 the applicant as operator of the well and a charge for risk involved in drilling said well. The subject lands are located approximately 6 miles northeast of Buckeye, New Mexico.

**CASE 13942: Application of Encore Acquisition Company for compulsory pooling, Lea County, New Mexico.**

Applicant seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 22, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant proposes to drill its Encore 22 State Com. Well No. 1 to be located at a standard gas well location 1730 feet from the North line and 1000 feet from the East line of said Section 22. Applicant seeks to dedicate the N/2 of Section 22 to the well 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 Morrow formation. 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 the applicant as operator of the well and a charge for risk involved in drilling said well. The subject lands are located approximately 3 miles east of Buckeye, New Mexico.

**CASE 13943: Application of Encore Operating, LP for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Atoka and Morrow formations underlying the E/2 of Section 28, Township 16 South, Range 34 East, NMPM, Lea County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Atoka and Morrow formations. Said units are to be dedicated to Applicant's proposed Encore 28 State Com No. 1 Well to be drilled from a surface location 800' from the North line and 660' from the East line of said Section 28. 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 Encore Operating, LP or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 12 miles southwest of Artesia, New Mexico.

**CASE 13944: (This case will be dismissed.)**

***Application of Energen Resources Corporation for Compulsory Pooling and Unorthodox Well Location, Rio Arriba County, New Mexico.*** Applicant seeks an order pooling all mineral interests in the Fruitland Coal formation, (Basin-Fruitland Coal Gas Pool) underlying the W/2 of Section 13, Township 32 North, Range 6 West, NMPM, Rio Arriba County, New Mexico, forming a standard 320-acre spacing and proration unit to be dedicated to the Navajo Lake Well No. 103 well. The well will be drilled from an unorthodox surface location 780 feet from the North line and 2,600 feet from the East line of Section 24, penetrating the Fruitland Coal formation at a point no closer than 660 feet from the South line and 1,980 feet from the West line of adjoining Section 13, with a standard bottom hole location in Section 13, 2,300 feet from the North line and 1,200 feet from the West line, all in Township 32 North, Range 6 West, NMPM, Rio Arriba County, New Mexico. Also to be considered will be the cost of drilling and completing said well and the