

DOCKET: EXAMINER HEARING - THURSDAY – MAY 1, 2008

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 15-08 and 16-08 are tentatively set for May 15, 2008 and May 29, 2008. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following Cases will be heard by an Examiner.

<i>Locator Key for Cases</i>	
<i>Case 13940</i>	<i>- No. 6</i>
<i>Case 14062</i>	<i>- No. 4</i>
<i>Case 14099</i>	<i>- No. 2</i>
<i>Case 14102</i>	<i>- No. 5</i>
<i>Case 14115</i>	<i>- No. 1</i>
<i>Case 14116</i>	<i>- No. 3</i>

1. **CASE 14115:** *Application of T.H. McElvain Oil & Gas Limited Partnership for compulsory pooling, San Juan County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying Lots 1-4 and the S/2 N/2 (the N/2) of Section 1, Township 29 North, Range 13 West, NMPM, to form a 318.40-acre gas spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the Hutchinson Well No. 2, to be located at an orthodox location in the SE/4 NW/4 of Section 1. 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 McElvain Oil & Gas Properties, Inc. as operator of the well; and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 5 miles northeast of Farmington, New Mexico.
2. **CASE 14099:** *(Continued and Readvertised) (Continued from the April 17, 2008 Examiner Hearing.) Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.* Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 2, S/2 NE/4, and SE/4 NW/4 (the S/2 N/2) of Section 19, Township 16 South, Range 29 East, NMPM, to form a non-standard 145.53-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Lucky Wolf "19" State Com. Well No. 1H, a horizontal well to be drilled at a surface location 1980 feet from the North line and 10 feet from the West line, with a terminus 1980 feet from the North line and 330 feet from the East line, of Section 19. 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 12 miles northwest of Loco Hills, New Mexico.
3. **CASE 14116:** *Application of Fasken Oil & Ranch Ltd for an order authorizing the drilling of an additional well at an unorthodox location in the "Potash Area," Lea County, New Mexico.* Applicant seeks an order authorizing the drilling of it proposed Laguna "16" State Well No. 2 at an unorthodox gas well location in the SE/4 NW/4 (Unit F) of Section 16, Township 20 South, Range 32 East. The W/2 of said Section 16 is to be dedicated to this proposed well. Said location is located within the "Potash Area" as defined by Division Order R-111-P and is approximately 2 miles northwest of Halfway, New Mexico.
4. **CASE 14062:** *(Continued from the April 17, 2008 Examiner Hearing.) Application of Chesapeake Operating, Inc. for rescission of the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, Eddy County, New Mexico.* Applicant seeks rescission of the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool to permit the pool to be developed under the current General Rule 104 for oil that provides for 40-acre spacing units with wells located no closer than 330