

Examiner Hearing – July 9, 2009

Docket No. 24-09

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30-031-05498	south hospah unit #022	L-12-17N-09W 990-W 2210-S
30-031-20091	south hospah unit #024	B-12-17N-09W 2650-E 330-N
30-031-20092	south hospah unit #025	2-12-17N-09W 1505-E 330-N
30-031-20093	south hospah unit #026	1-12-17N-09W 380-E 330-N
30-031-20094	south hospah unit #027	4-12-17N-09W 330-E 1570-N
30-031-20095	south hospah unit #028	2-12-17N-09W 1485-E 933-N
30-031-20120	south hospah unit #029	B-12-17N-09W 1870-E 410-N
30-031-20121	south hospah unit #030	B-12-17N-09W 1980-E 950-N
30-031-20122	south hospah unit #031	B-12-17N-09W 2800-E 330-N
30-031-20125	south hospah unit #032	C-12-17N-09W 2370-W 550-N
30-031-20124	south hospah unit #033	F-12-17N-09W 1710-W 1340-N
30-031-20119	south hospah unit #035	2-12-17N-09W 850-E 330-N
30-031-20118	south hospah unit #036	B-12-17N-09W 2630-E 900-N
30-031-20135	south hospah unit #037x	D-12-17N-09W 1280-W 1280-N
30-031-20151	south hospah unit #038	2-12-17N-09W 660-E 660-N
30-031-20152	south hospah unit #039	3-12-17N-09W 660-E 2180-N
30-031-20360	south hospah unit #046	E-12-17N-09W 700-W 1700-N
30-031-20361	south hospah unit #047	3-12-17N-09W 1775-W 785-N
30-031-20362	south hospah unit #048	G-12-17N-09W 2817-E 1485-N
30-031-20363	south hospah unit #049	B-12-17N-09W 2117-E 885-N
30-031-20364	south hospah unit #050	2-12-17N-09W 900-E 950-N
30-031-20242	south hospah unit #051	E-12-17N-09W 620-W 1775-N
30-031-20243	south hospah unit #052	C-12-17N-09W 1850-W 720-N
30-031-20278	south hospah unit #053	1-12-17N-09W 330-E 950-N
30-031-20407	south hospah unit #054	1-12-17N-09W 5-E 1319-N
30-031-20408	south hospah unit #057	E-12-17N-09W 110-W 2290-N
30-031-20409	south hospah unit #058	F-12-17N-09W 1640-W 2580-N
30-031-20410	south hospah unit #059	G-12-17N-09W 2500-E 2340-N
30-031-20411	south hospah unit #060	8-12-17N-09W 1300-E 2210-N
30-031-20546	south hospah unit #061	B-12-17N-09W 2510-E 1120-N
30-031-20545	south hospah unit #062	B-12-17N-09W 1770-E 650-N
30-031-20544	south hospah unit #063	1-12-17N-09W 1325-E 710-N
30-031-20547	south hospah unit #064	3-12-17N-09W 900-E 1360-N

3. CASE 14337: Revised

Application of Nacogdoches Oil and Gas, Inc. for approval of a water disposal well, McKinley County, New Mexico. Applicant seeks an order approving water disposal into the Entrada formation in the South Hospah Unit Well No. 9, located 330 feet from the North line and 2051 feet from the East line of Section 12, Township 17 North, Range 9 West, NMPM. The well is located approximately 30 miles Northeast of Thoreau, New Mexico.

4. CASE 14331: (Continued from the June 25, 2009 Examiner Hearing.)

Application of XTO Energy, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Pictured Cliffs/Charca formations underlying the NE/4 of Section 24, T29N, R10W, NMPM, San Juan County, New Mexico, forming a standard 160-acre gas spacing and proration unit for any production from the Pictured Cliffs/Charca formations, including but not limited to the Aztec-Pictured Cliffs Gas Pool. This unit is to be dedicated to its Martinez Gas Com D Well No. 001R (API# 30-045-34063) to be drilled at a standard location in Unit B of this section. Also to be considered will be the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and

charges for supervision, designation of the applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 1/3 mile Southeast from Blanco, New Mexico. IN THE ADSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT

5. ***CASE 14338: Amended Application of Yates Petroleum Corporation for the adoption of special pool rules, Lea County, New Mexico.*** Applicant seeks adoption of Special Pool Rules and Regulations for the Llano-Upper Pennsylvanian Pool located in the NE/4 of Section 31 and the NW/4 of Section 32, Township 11 South, Range 35 East, NMPM, including provisions for 80-acre oil spacing and special well location requirements. Said pool area is located approximately 8 miles Northwest of Tatum, New Mexico.

6. ***CASE 14332: (Continued from the June 25, 2009 Examiner Hearing.) Application of Enstor Grama Ridge Storage and Transportation, LLC for approval of a gas storage well, Grama Ridge Morrow Storage Unit, Lea County, New Mexico.*** Applicant seeks approval to utilize its Grama Ridge Federal, 8817-P Well No. 1 located 660 feet from the North line and 1980 feet from the East line of Section 9, Township 22 South, Range 34 East, N.M.P.M., for the purpose of injection, storage and withdrawal of natural gas, at a maximum pressure of 5000 psi, in the Morrow Formation sands in its Grama Ridge Morrow Storage Unit, This well is located approximately 18 miles West of Eunice, New Mexico.

7. ***CASE 14333: (Continued from the June 25, 2009 Examiner Hearing.) Application of Enstor Grama Ridge Storage and Transportation, LLC for expansion of the Grama Ridge Morrow Storage Unit and the area subject to the Special Project Rules and Operating Procedures for this storage unit, Lea County, New Mexico.*** Applicant seeks an order expanding the Gama Ridge Morrow Storage Unit and the area subject to the Special Rules and Regulations for the Grama Ridge Morrow Storage Unit, which include certain notification, casing, cementing, completion and recompletion requirements for newly drilled and existing wells within the Unit Area, to include Section 9, Township 22 South, Range 34 East, N.M.P.M.. The Unit Area, also known as the Grama Ridge Morrow Gas Storage Agreement Area, following expansion, will include:

Township 21 South, Range 34 East, N.M.P.M.

Sections 33 and 34: All

Township 22 South, Range 34 East, N.M.P.M.

Sections 3 and 4: All

Sections 9 and 10: All

The Grama Ridge Storage Unit is located approximately 18 miles West of Eunice, New Mexico.

8. ***CASE 14339: Application of OGX Resources, LLC for approval of a salt water disposal well, Eddy County, New Mexico.*** Applicant, OGX Resources, LLC, PO Box 953, Midland, Texas 79702, seeks approval to re-enter the Latham Federal Well No. 1 (API No. 30-015-22752) located 1980 feet from the South line and 1800 feet from the East line (Unit J) of Section 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico to dispose of produced water. Applicant proposes to inject into the Delaware formation at an approximate depth of 3306 feet to 4600 feet. The average and maximum injection rates will be 2000 and 4000 barrels of water per day and the average and maximum surface injection pressure is anticipated to be 661 psi and 1050 psi. Additional information may be obtained by contacting Ann Ritchie, OGX Resources, LLC at (432) 684-6381. Said well is located 14 miles Southeast of Lovington, New Mexico.

9. ***CASE 13940: (Continued from the March 5, 2009 Examiner Hearing.) 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