

**CASE 13132: Readvertised**

**Application of Devon Energy Production Company, L.P. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Morrow formation underlying Lots 1, 2, S/2 NE/4, and SE/4 (the E/2 equivalent) of Section 6, Township 23 South, Range 27 East, to form a standard 319.49-acre gas spacing and proration unit in the East Carlsbad-Morrow Gas Pool. The unit is to be dedicated to the Joell Well No. 2, to be located at an orthodox gas well location in the SW/4 NE/4 of Section 6. Also to be considered will be the cost of drilling and completing the well, the allocation of the cost thereof and production therefrom in the three separate Morrow zones underlying the well unit, actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 6 miles south of Carlsbad, New Mexico.

**CASE 13139: Continued from October 23, 2003 Examiner Hearing.**

**Application of Gruy Petroleum Management Co. to Expand the White City-Pennsylvanian Gas Pool, Eddy County, New Mexico.** Applicant seeks an order expanding the horizontal boundaries of the White City-Pennsylvanian Gas Pool to include all of Section 14, Township 24 South, Range 26 East. The pool currently covers all of Sections 8, 9, 15-17, 19-22, and 26-35, Township 24 South, Range 26 East, Sections 1-4 and 10-14, Township 25 South, Range 26 East, and Section 7, Township 25 South, Range 27 East. The pool is centered approximately 5 miles east of Whites City, New Mexico.

**CASE 13177: Continued from November 7, 2003, Examiner Hearing.**

**Application of Crossland Operating, LLC for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the top of the Morrow formation to one hundred feet below the Morrow formation in the SE/4 NE/4 of Section 27, Township 18 South, Range 29 East. Applicant proposes to dedicate these pooled units to its proposed Empire A Federal Re-entry Well No. 2, to be drilled at a standard gas well location in the SE/4 NE/4 of said Section 27. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles south of Loco Hills, New Mexico.

**CASE 12681: Reopened**

In the matter of Case 12681 being reopened pursuant to the provisions of Division Order No. R-11680, which order promulgated temporary special pool rules for the Big Dog-Atoka Pool in Lea County, New Mexico, including provisions for 80-acre spacing units and designated well locations. Operators in the Big Dog-Atoka Pool should appear and show cause why the temporary special pool rules established for this pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.

**CASE 13146: Continued from October 23, 2003, Examiner Hearing.**

**Application of EOG Resources, Inc. for Compulsory Pooling and a Non-Standard Gas Spacing Unit, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests below the base of the Strawn formation underlying Lots 3, 4, 5, 6, 11, 12, 13 and 14 of Section 1, Township 16 South, Range 35 East, to form a 342.06-acre non-standard gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Shoe Bar Atoka-Gas Pool. Applicant proposes to dedicate these pooled units to its Giant Stone Fly "1" Well No. 1 that was drilled at a surface location 2264 feet from the North line and 1018 feet from the West line to test the Morrow formation. The well has been recompleted in the Atoka formation 2304 feet from the North line and 947 feet from the West line (Unit E) of said Section 1. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 4 miles northwest of Lovington, New Mexico.

**CASE 13142: Continued from October 23, 2003, Examiner Hearing.**

**Application of the New Mexico Oil Conservation Division for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site, Lea County, New Mexico.** Applicant seeks an order requiring Maralo, LLC to remediate contamination at the Humble State Well No. 3 site, located in Unit A, Section 36, Township 25 South, Range 36 East.

**CASE 13165: Continued from October 9, 2003, Examiner Hearing.**

**Application of the New Mexico Oil Conservation Division for an Order Requiring EnergyPro Inc. to Properly Plug One Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, if Any, Lea County, New Mexico.** The Applicant seeks an order requiring EnergyPro Inc., the operator of one inactive well in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well if the operator fails to do so, forfeiting Operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected well is: Huber State #1, API #30-025-27290, Lot 1, Section 5, Township 16 South, Range 38 East, Lea County, New Mexico.

**CASE 13177: Continued from December 4, 2003, Examiner Hearing.**

**Application of Crossland Operating, LLC for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the top of the Morrow formation to one hundred feet below the Morrow formation in the SE/4 NE/4 of Section 27, Township 18 South, Range 29 East. Applicant proposes to dedicate these pooled units to its proposed Empire A Federal Re-entry Well No. 2, to be drilled at a standard gas well location in the SE/4 NE/4 of said Section 27. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles south of Loco Hills, New Mexico.

**CASE 13190:** Application of the New Mexico Oil Conservation Division for an Order Requiring Gordon M. Cone to Plug One Well, and Authorizing the Division to Plug Said Well, in Lea County, New Mexico. The Applicant seeks an order requiring operator Gordon M. Cone to plug one abandoned well in Lea County, New Mexico by a date certain, authorizing the Division to plug said well if the operator fails to do so, and for such other relief as the Director deems appropriate. The affected well is: Beery State #1, API # 30-025-05514, Lot 3, Section 30, Township 18 South, Range 37 East, in Lea County, New Mexico.

**CASE 13177:** Continued from November 20, 2003, Examiner Hearing.  
Application of Crossland Operating, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Morrow formation to one hundred feet below the Morrow formation in the SE/4 NE/4 of Section 27, Township 18 South, Range 29 East. Applicant proposes to dedicate these pooled units to its proposed Empire A Federal Re-entry Well No. 2, to be drilled at a standard gas well location in the SE/4 NE/4 of said Section 27. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles south of Loco Hills, New Mexico.

**CASE 12681:** Continued from November 20, 2003, Examiner Hearing.  
In the matter of Case 12681 being reopened pursuant to the provisions of Division Order No. R-11680, which order promulgated temporary special pool rules for the Big Dog-Atoka Pool in Lea County, New Mexico, including provisions for 80-acre spacing units and designated well locations. Operators in the Big Dog-Atoka Pool should appear and show cause why the temporary special pool rules established for this pool should not be rescinded and the pool not be developed on statewide 40-acre spacing.

**CASE 13191:** In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

(a) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Pre-Permian production and designated as the Acme-Pre-Permian Gas Pool (Pool Code 97311). The discovery well is the Elk Oil Company Miller State Well No. 1 (API No. 30-005-63538) located in Unit N of Section 2, Township 8 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM  
Section 2: S/2

(b) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Atoka production and designated as the Crow Flats-Atoka Gas Pool (Pool Code 97312). The discovery well is the Fasken & Stevens, Inc. Logan Draw "6" Federal Well No. 1 (API No. 30-015-32798) located in Unit L of Section 6, Township 17 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 6: W/2

(c) EXTEND the Black River-Morrow Gas Pool (Pool Code 72170) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM  
Section 35: E/2

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM  
Section 6: N/2

(d) EXTEND the South Carlsbad-Morrow Gas Pool (Pool Code 73960) in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM  
Section 3: SE/4  
Section 10: E/2

**DOCKET: EXAMINER HEARING - THURSDAY - JANUARY 8, 2004**

8:15 A.M. - 1220 South St. Francis  
Santa Fe, New Mexico

Docket Nos. 1-04 and 2-04 are tentatively set for January 8, 2003 and January 22, 2004. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

**CASE 13177: Readvertised**

**Application of Crossland Operating, LLC for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the top of the Morrow formation to one hundred feet below the Morrow formation in the E/2 of Section 27, Township 18 South, Range 29 East. Applicant proposes to dedicate these pooled units to its proposed Empire A Federal Re-entry Well No. 2, to be drilled at a standard gas well location in the SE/4 NE/4 of said Section 27. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles south of Loco Hills, New Mexico.

**CASE 13144: Continued from December 4, 2003, Examiner Hearing.**

**Application of Permian Resources, Inc. for Special Pool Rules or, alternatively, for an Unorthodox Well Location, Lea County, New Mexico.** Applicant seeks an order amending the special pool rules and regulations for the North Shoe Bar-Strawn pool to provide for (a) the creation of 80-acre units, (b) authorizing well locations no closer than 330 feet to any quarter-quarter section or subdivision inner-boundary or closer than 1020 feet to the nearest well drilling or capable of drilling or producing from the same pool, and (c) administrative approvals of exceptions to the well location requirements under the amended rule. The North Shoe Bar-Strawn pool is comprised of the following acreage located in Township 16 South, Range 35 East: Section 13: N/2, SW/4; Section 14: E/2. Alternatively, Applicant seeks authorization for an unorthodox location for its Hillburn Well No. 3 to be drilled to the Strawn formation at a bottom hole location 990 feet from the North line and 330 feet from the West line of Section 13, Township 16 South, Range 35 East, which is located approximately two miles south of Lovington, New Mexico.

**CASE 13198: Application of Lynx Petroleum Consultants, Inc. for compulsory pooling, Eddy County, New Mexico.**

Applicant seeks an order pooling all mineral interests in the following described spacing and proration units in Section 1, Township 19 South, Range 31 East as follows: the E/2 for all formations and pools developed on 320-acre spacing and the SE/4 for all formations and/or pools developed on 160-acre spacing which includes but is not limited to the Lusk-Strawn Gas Pool. Said units are to be dedicated to its Kitty Hawk Federal Well No. 1 which is to be drilled at a standard location in Unit J from the surface to the base of the Morrow formation (Shugart-Morrow Gas Pool) and if productive in the Morrow to be dedicated to a standard 320-acre gas spacing unit consisting of the E/2 of this section and/or if productive in the Strawn formation to be dedicated to a standard 160-acre gas spacing unit consisting of the SE/4 of this section. Also to be considered will be the costs of the drilling and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 12 miles Southwest from Maljamar, New Mexico

**CASE 13199: Application of Melrose Operating Company to re-instate and amend Division Order R-11720 for its Artesia Unit Waterflood Project, Eddy County, New Mexico.**

Applicant seeks to re-instate Division Order R-11720, issued in case 12709, and to amend this order including altering the injection pattern, approving an additional injection well, Artesia Unit Well No. 21 located to Unit J of Section 35 and a replacement injection well, Artesia Unit Well No. 53 located in Unit J of Section 3, altering the injection interval for the Unit to temporarily delete the Penrose interval, increase the surface injection pressure to not less than 1263 psi, and for the application of a "radius of endangerment calculation" for this Unit as utilized in Division Order R-11328-A, dated May 21, 2001. This Unit is located in all or part of Sections 2 and 3, Township 18 South, Range 28 East, and Sections 25, 26, 34, 35, and 36, Township 17 South, Range 28 East. The injection will be into the Artesia Queen-Grayburg-San Andres Pool through the gross interval approximately 1,897 feet to 2,750 feet within the subject injection wells. This unit is located approximately 13 miles southeast of Artesia, New Mexico.

**CASE 13200: Application of Yates Petroleum Corporation for a Unit Agreement, Lea County, New Mexico.**

Applicant seeks approval of its proposed Reba State Exploratory Unit for an area comprising 3,520 acres, more or less, of State of New Mexico lands situated in Sections 20, 21, 28, 29, 32 and 33 of Township 11 South, Range 35 East. Said area is located approximately 10 miles northwest of Tatum, New Mexico.