

CASE 13146: Continued from September 18, 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 13040: Continued from August 21, 2003, Examiner Hearing.

Application of David H. Arrington Oil & Gas, Inc. for Approval of a Waterflood Project for its East Hobbs-Blinebry Pool Cooperative Waterflood Area and Qualification of said Project for the Recovered Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval of its East Hobbs-Blinebry Pool Cooperative Waterflood Area for injection of water into the Blinebry formation, East Hobbs-Blinebry Pool through one injection well located in the following described area:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM

Irregular Section 29: Lots 1, 2, 3 and 4 (E/2 equivalent), SW/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. Applicant further seeks to qualify the project area for the Recovered Oil Tax Rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said unit is located on the New Mexico-Texas State line approximately 2 miles east of Hobbs, New Mexico.

CASE 13153: Continued from October 9, 2003, Examiner Hearing.

Application of Pride Energy Company for Cancellation of a Drilling Permit and Re-instatement of a Drilling Permit, an Emergency Order Halting Operations, and Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order canceling one drilling permit and re-instating another drilling permit, ordering operations halted on the well unit, and pooling all mineral interests from the surface to the base of the Mississippian formation underlying the W/2 of Section 12, Township 12 South, Range 34 East, to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Four Lakes-Morrow Gas Pool and Undesignated Four Lakes-Mississippian Gas Pool. The unit is to be dedicated to the existing State "X" Well No. 1, located at an orthodox well location in the SW/4 NW/4 of Section 12. Also to be considered will be the cost of re-entering, deepening, 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 charge for the risk involved in re-entering, deepening, and completing the well. The unit is located approximately 12 miles west-northwest of Tatum, New Mexico.

CASE 13142: Continued from October 9, 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.