

**CASE 12034:** Continued from October 8, 1998, Examiner Hearing.

**Application of Matador Petroleum Corporation for approval of an unorthodox gas well location and to amend Order No. R-10872-B to approve a standard 600.01-acre gas spacing and proration unit, Eddy County New Mexico.** Applicant seeks to amend Order No. R-10872-B to create a standard 600.01-acre gas spacing and proration unit consisting of Lots 11 through 14, 25 through 32 and SW/4 (south two-thirds equivalent) of Irregular Section 1, Township 21 South, Range 25 East. In addition, applicant seeks authority for the drilling of an "infill well" to a depth sufficient to test the Morrow formation at an unorthodox gas well location 2080 feet from the South line and 750 feet from the West line of Irregular Section 1 and for approval of this unorthodox location for any and all gas producing formations from the top of the Wolfcamp to the base of the Morrow, including but not limited to the Catclaw Draw-Morrow Gas Pool. In the event this well is productive from the Morrow formation, then it will be dedicated to this standard 600.01-acre gas proration and spacing unit. Said unit is located approximately 9 miles northwest of Carlsbad, New Mexico.

**CASE 12055:** Continued from October 8, 1998, Examiner Hearing.

**Application of Hallwood Petroleum, Inc. for an order allowing drilling in the Potash Area, Lea County, New Mexico.** Applicant seeks an order allowing drilling within the NW/4 SW/4 of Section 30, Township 20 South, Range 33 East, which are fee lands within the Potash Area designated in Division Order No. R-111-P.

**CASE 12056:** Continued from October 8, 1998, Examiner Hearing.

**Application of Hallwood Petroleum, Inc. for an order allowing drilling in the Potash Area, Lea County, New Mexico.** Applicant seeks an order allowing drilling within the SE/4 SW/4 of Section 30, Township 20 South, Range 33 East, which are fee lands within the Potash Area designated in Division Order No. R-111-P.

**CASE 12057:** Continued from October 22, 1998, Examiner Hearing.

**Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox well location, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests underlying the following described acreage in Section 14, Township 16 South, Range 32 East, in the following manner: the S/2 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; the SW/4 to form a standard 160-acre gas spacing and proration units for any and all formations and/or pools developed on 160-acre spacing within that vertical extent; the N/2 SW/4 to form a standard 80-acre spacing or proration unit for any and all formations and/or pools developed on 80-acre spacing within that vertical extent; and the NW/4 SW/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the proposed Anderson AST State Com Well No. 1 which will be drilled at an unorthodox gas well location 1980 feet from the South line and 1310 feet from the West line (Unit L) of Section 14 to test all formations from the surface to the base of the Morrow formation, Undesignated Anderson Ranch-Morrow Gas Pool. 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 the operator of the well, and a charge for risk involved in drilling the well. This area is located approximately 4 miles north-northeast of Maljamar, New Mexico.

**CASE 12063:** Continued from October 22, 1998, Examiner Hearing.

**Application of Matador Petroleum Corporation for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the E/2 of Section 28, Township 19 South, Range 33 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent, which presently may include but is not necessarily limited to the Gem-Morrow Gas Pool. The unit is to be dedicated to its Topacio Well No. 1 to be drilled and completed at a standard gas well location in Unit G of Section 28. Also to be considered will be the costs of drilling and completing the well 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 a charge for risk involved in drilling the well. The unit is located approximately 25 miles southwest of Hobbs, New Mexico.

**CASE 12064:** Continued from October 22, 1998, Examiner Hearing.

**Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation, Undesignated Gem-Morrow Gas Pool, underlying the E/2 for all formations developed on 320-acre spacing, the SE/4 for all formations developed on 160-acre spacing, the E/2 SE/4 for all formations developed on 80-acre spacing, and the NE/4 SE/4 for all formations developed on 40-acre spacing, all in Section 28, Township 19 South, Range 33 East. Applicant proposes to dedicate these pooled units to its Jade "28" Federal Com Well No. 1 to be drilled at a standard location 1650 feet from the South line and 990 feet from the East line in Unit I of Section 28 to test any and all formations to the base of the Morrow formation. Also to be considered will be the costs of drilling and completing the well and the allocation of the costs 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 the well. This area is located approximately 25 miles southwest of Hobbs, New Mexico.