

DOCKET: EXAMINER HEARING - THURSDAY – April 5, 2001
8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 12-01 and 13-01 are tentatively set for April 19, 2001 and May 3, 2001. 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 12501: Continued from March 8, 2001, Examiner Hearing.

Application of Santa Fe Snyder Corporation for pool creation and special pool rules, Eddy County, New Mexico. Applicant seeks the creation of the North Hackberry-Bone Spring Pool, covering the SE/4 of Section 6, Township 19 South, Range 31 East, and the promulgation of Special Pool Rules for the North Hackberry-Bone Spring Pool, including provisions for 160-acre spacing, special well location requirements, and a gas:oil ratio of 30,000 cubic feet of gas for each barrel of oil produced. The proposed pool is centered approximately 10 miles southeast of Loco Hills, New Mexico.

CASE 12619: Continued from March 22, 2001, Examiner Hearing.

Application of Pogo Producing Company for an unorthodox location, Lea County, New Mexico. Applicant seeks authorization to directionally drill its WBR Fed. Com. Well No. 5 to the Morrow formation (Undesignated Bootleg Ridge-Morrow Gas Pool) to an unorthodox gas well location 330 feet from the South line and 2270 feet (+50 feet) from the West line of Section 13, Township 22 South, Range 32 East. The S/2 of Section 13 will be dedicated to the well. The surface location of the well is 660 feet from the South line and 2310 feet from the West line, approved by Division Administrative Order NSL-4523. The unit is located approximately 13 miles southeast of the intersection of State Highway 176 and U.S. Highway 62/180.

CASE 12627: **Application of Pogo Producing Company 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 underlying the following described acreage in Section 23, Township 22 South, Range 32 East: The SE/4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and the E/2 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated East Red Tank-Cisco Canyon Gas Pool, Undesignated East Red Tank-Atoka Gas Pool, Undesignated East Red Tank-Morrow Gas Pool, and Undesignated Bootleg Ridge-Morrow Gas Pool. The units are to be dedicated to a well to be drilled at an orthodox location in the NE/4 SE/4 of Section 23. **IN THE ALTERNATIVE**, applicant requests that the S/2 of Section 23 be dedicated to the well for all pools or formations developed on 320-acre spacing within that vertical extent, including those described above. 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 charge for the risk involved in drilling and completing the well. The units are located approximately 12½ miles southeast of the intersection of State Highway 176 and U.S. Highway 62/180.

CASE 12628: **Application of Pogo Producing Company 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 underlying the following described acreage in Section 24, Township 22 South, Range 32 East: The S/2 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated East Red Tank-Cisco Canyon Gas Pool, Undesignated East Red Tank-Atoka Gas Pool, Undesignated East Red Tank-Morrow Gas Pool, and Undesignated Bootleg Ridge-Morrow Gas Pool; the SW/4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing

within that vertical extent; and the NW/4 SW/4 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the West Red Tank-Delaware Pool and Red Tank-Bone Spring Pool. The units are to be dedicated to a well to be drilled at an orthodox location in the NW/4 SW/4 of Section 24. 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 charge for the risk involved in drilling and completing the well. The units are located approximately 13 miles southeast of the intersection of State Highway 176 and U.S. Highway 62/180.

CASE 12322: (REOPENED) Continued from March 8, 2001, Examiner Hearing.

In the matter of Case 12322 being reopened pursuant to the provisions of Division Order No. R-11326, which order established temporary special rules and regulations for the South McCormack-Silurian Pool in Lea County, New Mexico, including provisions for a depth bracket allowable of 230 BOPD with a limiting GOR of 2000 to 1. Operators in the South McCormack-Silurian Pool may appear and show cause why the Temporary Special Pool Rules for the pool should not be rescinded.

CASE 12629: Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant, in accordance with Division Rule 1207.A(1)(b), seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 2, Township 18 South, Range 25 East, and in the following manner: the S/2 to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within said vertical extent, which presently may include but are not necessarily limited to the West Atoka-Morrow Gas Pool, the West Atoka-Upper Pennsylvanian Gas Pool, the Eagle Creek-Permo Pennsylvanian Gas Pool, the Eagle Creek-Strawn Gas Pool or the Richard Knob-Atoka-Morrow Gas Pool; the SE/4 to form a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre gas spacing within said vertical extent; and the SE/4 SE/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent. The unit(s) is to be dedicated to OXY's Trombone Well No. 1 to be drilled and completed at a standard gas well location in Unit P of this section. Also to be considered will be the costs of drilling and completing 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 charge for risk involved in this well. This well will be located approximately 5-1/2 miles southwest of Artesia, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12630: Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant, in accordance with Division Rule 1207.A(1)(b), seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 21, Township 17 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools spaced on 320-acre spacing, including but not limited to the Empire-Pennsylvanian Gas Pool. This unit is to be dedicated to its Bug State Well No. 1 which was drilled and completed at a standard well location in Unit N of this section. This unit is located approximately 11 miles east of Artesia, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 12631: Application of OXY USA WTP Limited Partnership, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 15, Township 20 South, Range 25 East, to form a standard 320-acre spacing and