

***Examiner Hearing – November 16, 2000***

***Docket No. 34-00***

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**CASE 12538:**     **Application of Ricks Exploration, Inc. for pool creation and special pool rules, Lea County, New Mexico.** Applicant seeks the creation of the North Trinity-Devonian Pool, to initially cover the SE/4 of Section 22, Township 12 South, Range 38 East, and the promulgation of Special Rules and Regulations for the North Trinity-Devonian Pool, including provisions for 160-acre spacing and special well location requirements. The proposed pool is centered approximately 14 miles east of Tatum, New Mexico.

**CASE 12511:**     **Continued from November 2, 2000, Examiner Hearing.**

**Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 28, Township 28 North, Range 10 West, and in the following manner: The E/2 of Section 28 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 but not limited to the Undesignated Blanco-Mesaverde Gas Pool and Basin-Dakota Gas Pool; the SE/4 of Section 28 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, including but not limited to the Undesignated Otero-Chacra Gas Pool; and the NW/4 SE/4 of Section 28 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 but not limited to the Undesignated Kutz-Gallup Pool. The units are to be dedicated to applicant's Federal Gas Com. Well No. 1E, to be drilled at an orthodox gas well location/unorthodox oil well location 1610 feet from the South line and 1570 feet from the East line of Section 28. 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 Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 7 miles southeast of Bloomfield, New Mexico.

**CASE 12523:**     **Continued from November 2, 2000, Examiner Hearing.**

**Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 17, Township 28 North, Range 10 West, and in the following manner: The E/2 of Section 17 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 but not limited to the Undesignated Blanco-Mesaverde Gas Pool and Basin-Dakota Gas Pool; the SE/4 of Section 17 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, including but not limited to the Otero-Chacra Gas Pool; and the SE/4 SE/4 of Section 17 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 but not limited to the Undesignated Armenta-Gallup Pool. The units are to be dedicated to applicant's Federal E Well No. 1E, to be drilled at an orthodox gas well location/unorthodox oil well location 1255 feet from the South line and 930 feet from the East line of Section 17. 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 Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 5 miles southeast of Bloomfield, New Mexico.

**CASE 12524:**     **Continued from November 2, 2000, Examiner Hearing.**

**Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 4, Township 27 North, Range 10 West, and in the following manner: The E/2 of Section 4 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 but not limited to the Basin-Dakota Gas Pool; the SE/4 of Section 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, including but not limited to the Undesignated Otero-Chacra Gas Pool; and the SW/4 SE/4 of Section 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 but not limited to the Undesignated Kutz-Gallup Pool. The units are to be dedicated to applicant's Federal F Well No. 2E, to be drilled at an orthodox gas well location/unorthodox oil well location 1060 feet from the South line and 1805 feet from the East line of Section 4. 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 Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 7 1/2 miles southeast of Bloomfield, New Mexico.

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**CASE 12525:**      **Continued from November 2, 2000, Examiner Hearing.**

**Application of Cross Timbers Oil Company for compulsory pooling and an unorthodox oil well location, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Pictured Cliffs formation to the base of the Dakota formation underlying the following described acreage in Section 16, Township 27 North, Range 10 West, and in the following manner: The E/2 of Section 16 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 but not limited to the Basin-Dakota Gas Pool; the SE/4 of Section 16 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 SW/4 SE/4 of Section 16 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 but not limited to the Undesignated Kutz-Gallup Pool. The units are to be dedicated to applicant's Federal F Well No. 1E, to be drilled at an orthodox gas well location/unorthodox oil well location 1125 feet from the South line and 1665 feet from the East line of Section 16. 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 Cross Timbers Operating Company as operator of the well, and a charge for the risk involved in drilling and completing the well. The units are located approximately 10 miles southeast of Bloomfield, New Mexico.

**CASE 12539:**      **Application of Maynard Oil Company for simultaneous Dedication in the Wilson-Morrow Gas Pool, Lea County, New Mexico.** Applicant seeks authorization to simultaneously dedicate its existing Wilson Deep Unit Well No. 1 (located 2080 feet from the North and West lines - Unit F) and its proposed Wilson Unit Well No. 2 (to be located at a standard location 660 feet from the North and West lines - Unit D) to a standard 320-acre gas spacing unit comprised of the W/2 of Section 13, Township 21 South, Range 34 East. This location is approximately 16 miles west-northwest of Eunice, New Mexico.

**CASE 12518:**      **Continued from November 2, 2000, Examiner Hearing.**

**Application of Concho Resources, Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests in all formations and pools developed on 320-acre spacing in the E/2 of Section 14, Township 23 South, Range 26 East, which includes but is not necessarily limited to the Undesignated Happy Valley-Morrow Gas Pool, Undesignated East McKittrick Hills-Atoka Gas Pool, Southeast Revelation-Strawn Gas Pool, and the McKittrick Canyon-Upper Pennsylvanian Gas Pool. The units are to be dedicated to its Filaree "24" Federal Com Well No. 2 to be drilled at a standard location 1300 feet from the South line and 750 feet from the East line of Section 24 to a depth sufficient to test all formations from the surface to the base of the Morrow formation. 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 risk involved in drilling the well. The area is located approximately 6 miles west of Carlsbad, New Mexico.

**CASE 12540:**      **Application of Penwell Energy, Inc. for adoption of special pool rules, McKinley County, New Mexico.** Applicant in the above-styled cause seeks the promulgation of special rules and regulations for the Arena Blanca-Entrada Oil Pool, including provisions for 160-acre spacing and special well location requirements. This pool is located in portions of Section 36, Township 20 North, Range 5 West. The area is located approximately 9 miles north northwest of Torreon, New Mexico.

**CASE 12386:**      **Continued from October 5, 2000, Examiner Hearing.**

**Application of Threshold Development Company for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation, underlying the following described acreage in Section 16, Township 24 South, Range 33 East, and in the following manner: (a) the W/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 this vertical extent which presently includes the Undesignated Johnson Ranch-Wolfcamp Gas Pool; (b) the NW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent; and (c) the NE/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within this vertical extent. These three units are to be dedicated to a single well, the proposed Johnson Ranch State "16" Well No. 1, to be drilled within the NE/4 NW/4 of Section 16 at a location considered to be standard for all three units. 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 units, and a charge for risk involved in drilling the well. The proposed well location is approximately four miles west-northwest of the junction of New Mexico State Road 128 and the Delaware Basin Road.

**CASE 12515:**      **Continued from October 19, 2000, Examiner Hearing.**

**Application of Manzano Oil Corporation for approval of a unit agreement, Lea County, New Mexico.** Applicant seeks approval of the King State Exploratory Unit for an area comprising 80 acres of State of New Mexico and fee lands in Sections 35 and 36 of Township 13 South, Range 37 East, which is located approximately 9 miles east of McDonald, New Mexico