

**Examiner Hearing – March 22, 2001**  
**Docket No. 9-01**  
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L) of Section 22. This unit is currently dedicated to Chevron U.S.A., Inc.'s:

- (i) Harry Leonard NCT-A Well No. 3 (API No. 30-025-04757), located 660 feet from the North line and 1980 feet from the East line (Unit B) of Section 22;
- (ii) Harry Leonard NCT-A Well No. 7 (API No. 30-025-04760), located 660 feet from the South and West lines (Unit M) of Section 22;
- (iii) Harry Leonard NCT-A Well No. 12 (API No. 30-025-25496), located at an unorthodox infill gas well location (approved by Division Order No. R-5549) 990 feet from the South line and 660 feet from the East line (Unit P) of Section 22;
- (iv) Harry Leonard NCT-A Well No. 13 (API No. 30-025-31320), located at a standard infill gas well location 1650 feet from the South line and 2310 feet from the East line (Unit J) of Section 22;
- (v) Harry Leonard NCT-A Well No. 6 (API No. 30-025-04759), located at an unorthodox infill gas well location [approved by Division Administrative Order NSL-3253 (SD), dated May 28, 1993] 660 feet from the South line and 1980 feet from the West line (Unit N) of Section 22;
- (vi) Harry Leonard NCT-A Well No. 14 (API No. 30-025-32154), located at a standard infill gas well location 1760 feet from the North line and 990 feet from the East line (Unit H) of Section 22, which is a new gas well that was included in this unit in February, 1998.

Further, the applicant, pursuant to the rules governing the Eumont Gas Pool and the stipulated declaratory judgement issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, seeks to simultaneously dedicate Eumont gas production to this 480-acre unit from all seven of the above-described Harry Leonard NCT-A Wells No. 3, 6, 7, 12, 13, 14, and 15.

Note: Records indicate that Chevron U.S.A., Inc.'s Harry Leonard NCT-A Well No. 8 (API No. 30-025-04761), located 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 22, is a Eumont oil well that is currently dedicated to a standard 40-acre oil spacing and proration unit comprising the SW/4 SE/4 of Section 22. It will be necessary for the applicant to address this matter at the time of the hearing.

**CASE 12610: Continued from March 8, 2001, Examiner Hearing.**

**Application of Chevron U.S.A., Inc. for simultaneous dedication, Lea County, New Mexico.** Applicant, pursuant to the rules governing the Eumont Gas Pool and the stipulated declaratory judgement issued by the First Judicial District Court in Santa Fe County, New Mexico on December 15, 2000, seeks to simultaneously dedicate Eumont gas production to the previously approved 160-acre non-standard gas spacing and proration unit comprising the SE/4 of Section 28, Township 21 South, Range 36 East (approved by Division Administrative Order NSP-272, dated June 27, 1956) from the following four wells:

- existing S. E. Felton Well No. 1 (API No. 30-025-04815) located at a standard gas well location 660 feet from the South and East lines (Unit P) of Section 28;
- existing S. E. Felton Well No. 2 (API No. 30-025-25352) located at a standard gas well location either 800 feet or 880 feet from the South line and 1980 feet from the East line (Unit O) of Section 28;

320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the Ryleybart Fed. Well No. 1, to be drilled at an orthodox location in the NE/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 unit is located approximately 22 miles southeast of Farmington, New Mexico.

**CASE 12612:** Continued from March 8, 2001, Examiner Hearing.

**Application of EOG Resources, Inc. for compulsory pooling and a non-standard spacing and proration unit, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface through the top 100 feet of the Mississippian Chester formation underlying the W/2 equivalent of irregular Section 6, Township 18 South, Range 31 East, to form a 295.19-acre non-standard 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 Shugart-Morrow Gas Pool. Applicant proposes to dedicate these pooled units to its Canadian A6" Federal Com Well No. 1 to be drilled at a standard location 1650 feet from the South line and 1780 feet from the West line (Unit K) of said Section 6. 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 southeast of Loco Hills, New Mexico.

**CASE 12552:** Continued from March 8, 2001, Examiner Hearing.

**Application of EOG Resources, Inc. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface through the top 100 feet of the Mississippian Chester formation underlying the S/2 of Section 23, Township 22 South, Range 32 East, for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Bootleg-Ridge Morrow Gas Pool and the Undesignated East Red Tank-Atoka Gas Pool. Applicant proposes to dedicate the pooled units to its Red Tank "23" Federal Com Well No. 1 to be drilled at a standard gas well location in the NW/4 SE/4 of Section 23. 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 30 miles west of Eunice, New Mexico.

**CASE 12609:** Continued from March 8, 2001, Examiner Hearing.

**Application of Chevron U.S.A., Inc. for an unorthodox infill gas well location and simultaneous dedication, Lea County, New Mexico.** Applicant seeks an exception to the well location requirements provided within the "*Special Rules and Regulations for the Eumont Gas Pool*", as promulgated by Division Order No. R-8170, as amended, for an unorthodox Eumont infill gas well location within an existing non-standard 480-acre gas spacing and proration unit (authorized by Division Administrative Order NSP-944, dated April 12, 1974, and upheld by Division Order No. R-5549, issued in Case No. 6041 on October 25, 1977) comprising the NE/4 and the S/2 of Section 22, Township 21 South, Range 36 East, which is located approximately one mile northwest of the Eunice-Lea County Airport. The applicant's proposed Harry Leonard NCT-A Well No. 15 (API No. 30-025-35396) is to be drilled at an unorthodox infill gas well location 1980 feet from the South line and 760 feet from the West line (Unit