

DOCKET: EXAMINER HEARING - THURSDAY – May 31, 2001

**8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico**

Docket Nos. 19-01 and 20-01 are tentatively set for June 14, 2001 and June 28, 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 12646: Continued from May 17, 2001, Examiner Hearing.

Application of Strata Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 160-acre spacing underlying the NW/4 of Section 15, Township 24 South, Range 34, East. Applicant proposes to dedicate the above-described spacing or proration unit to its Buckeye No. 1 well to be reentered at a standard location 660 feet from the North line and 1980 feet from the West line of Section 15, to a depth sufficient to test any and all formations down to the base of the Bone Spring Formation.

CASE 12668: **Application of Patterson Petroleum, LP 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 in the following manner: the S/2 for all formations developed on 320-acre spacing, including but not necessarily limited to the undesignated Vacuum Morrow Gas Pool; the SE/4 for all formations developed on 160-acre spacing; and the SW/4 SE/4 for all formations developed on 40-acre spacing, including but not necessarily limited to the undesignated East Corbin-Wolfcamp, the undesignated EK Yates-Seven Rivers Queen, the undesignated Corbin-Abo, the undesignated North Vacuum-Abo, and the undesignated Vacuum Grayburg San Andres Pools, all in Section 31, Township 17 South, Range 34 East. Applicant proposes to dedicate these pooled units to its proposed Gach "31" State Well No. 1, to be drilled at a standard gas well location in the SW/4 SE/4 of said Section 31. 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 4.5 miles southwest of Buckeye, New Mexico.

CASE 12660: Continued from May 17, 2001, Examiner Hearing.

Application of Chesapeake Operating Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the following described acreage in Section 21, Township 16 South, Range 37 East, in the following manner: the N/2 SE/4 to form a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre gas spacing within said vertical extent including but not limited to the Northeast Lovington-Upper Pennsylvanian Pool; and the NE/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 spacing within said vertical extent. This unit(s) is to be dedicated to its Nellie "21" Well No. 1 which will be located at a standard well location in Unit I 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 applicant as the operator of the well and a charge for risk involved in this well. This unit(s) is located approximately 6 miles southeast of the center of the City of Lovington, New Mexico.

CASE 12669: **Application of Chesapeake Operating Inc. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the following described acreage in Section 13, Township 15 South, Range 35 East, in the following manner: (a) 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 gas spacing within that vertical extent,

including the Southwest Austin-Mississippian Gas Pool; (b) the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre gas spacing within said vertical extent; and (c) the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre oil spacing within said vertical extent, including the Southwest Austin-Wolfcamp Pool. This unit(s) is to be dedicated to its Alice "13" Well No. 1 which will be located at a standard location within Unit O 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 applicant as the operator of the well and a charge for risk involved in this well. This unit is located approximately 4 miles north of the center of the City of Lovington, New Mexico.

CASE 12670: Application of Matador Petroleum Corporation for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order pooling all mineral interests from the surface to the base of the Tubb formation underlying the S/2 NW/4 of Section 35, Township 19 South, Range 37 East, to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within this vertical extent including but not limited to the Monument-Tubb Pool. This unit is to be dedicated to its proposed Shelley State "34" Well No. 2 to be drilled and completed at a standard oil well location in Unit F 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 this spacing unit and this well and a charge for risk involved in this well. This unit is located approximately 2-1/2 miles east-southeast of Monument, New Mexico.

CASE 12652: Continued from May 17, 2001, Examiner Hearing.

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 E/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 PIB Well No. 1 which was drilled and completed at a standard well location in Unit G 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 12671: Application of Chevron U.S.A., Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations and pools developed on 80-acre spacing in the W/2 NW/4 and for all formations and pools developed on 40-acre spacing in the SW/4 NW/4 of Section 35, Township 19 South, Range 37 East. Said units are to be dedicated to a well to be drilled at a standard location in the SW/4 NW/4 of said Section 35 to a depth sufficient to test all formations from the surface to the base of the Tubb formation, undesignated Monument-Tubb Pool. 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 2.5 miles East Southeast of Monument, New Mexico.