

CASE 12730: Application of Leonard Resource Investment Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 NW/4 of Section 2, Township 20 South, Range 38 East, 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 that vertical extent, including but not limited to the Undesignated House Yates-Seven Rivers Pool, Undesignated House-San Andres Pool, Undesignated House-Blinebry Pool, Undesignated House-Tubb Pool, Undesignated House-Drinkard Pool, and Undesignated House-Abo Pool. The unit is to be dedicated to applicant's White Owl Well No. 1, to be drilled at an orthodox oil well location in the SE/4 NW/4 of Section 2. 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 Capataz Operating, Inc. as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 2 miles southeast of Nadine, New Mexico.

CASE 12712: Continued from September 6, 2001, Examiner Hearing.

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Grayburg formation to the base of the Morrow formation underlying the E/2 of Section 18, Township 18 South, Range 29 East, 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, including but not limited to the Undesignated West Millman-Wolfcamp Pool, Millman-Strawn Gas Pool, and Undesignated South Millman-Morrow Gas Pool. The unit is to be dedicated to applicant's Remington "18" St. Com. Well No. 1, to be drilled at an orthodox location in the NW/4 SE/4 of Section 18. 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 9 miles southwest of Loco Hills, New Mexico.

CASE 12709: Continued from September 6, 2001, Examiner Hearing.

Application of Melrose Operating Company to expand its Artesia Unit Waterflood project and amend Division Administrative Order WFX-768, Eddy County, New Mexico. Applicant seeks approval to inject water into the Queen, Grayburg and San Andres formations of the Artesia Queen-Grayburg-San Andres Pool in the following injection wells:

Unit Well No. 2. 330 feet FSL & 330 feet FWL, Section 26, T17S, R28E
Unit Well No. 3. 330 feet FSL & 1750 feet FWL, Section 26, T17S, R28E
Unit Well No. 10. 330 feet FNL & 1950 feet FWL, Section 35, T17S, R28E
Unit Well No. 11. 360 feet FNL & 360 feet FWL, Section 35, T17S, R28E
Unit Well No. 12. 1980 feet FNL & 660 feet FWL, Section 35, T17S, R28E
Unit Well No. 13. 1980 feet FNL & 1980 feet FWL, Section 35, T17S, R28E
Unit Well No. 16. 1980 feet FNL & 660 feet FWL, Section 36, T17S, R28E
Unit Well No. 18. 1980 feet FSL & 1980 feet FWL, Section 36, T17S, R28E
Unit Well No. 19. 1980 feet FSL & 660 feet FWL, Section 36, T17S, R28E
Unit Well No. 22. 1980 feet FSL & 1980 feet FWL, Section 35, T17S, R28E
Unit Well No. 23. 1980 feet FSL & 660 feet FWL, Section 35, T17S, R28E
Unit Well No. 28. 990 feet FEL & 330 feet FSL, Section 35, T17S, R28E

is located approximately one to three miles south of the New Mexico/Colorado state line at Mile Corner No. 240. This unit is to be dedicated to Energen's proposed San Juan "32-5" Unit Well No. 112 (API No. 30-039-26729) to be drilled at an unorthodox coal gas well location 410 feet from the South line and 1320 feet from the East line, or 150 feet from the West line (Lot 4/Unit P) of irregular Section 19.

CASE 12654: Continued from August 23, 2001, Examiner Hearing.

Application of Chi Energy, Inc. for compulsory pooling, Eddy 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 9, Township 22 South, Range 24 East, in the following manner: 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 that vertical extent, including the Undesignated Revelation-Strawn Gas Pool and Undesignated Revelation-Morrow Gas Pool; the SW/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 that vertical extent; and the NE/4 SW/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 that vertical extent. The units are to be dedicated to applicant's In Bounds Well No. 1, to be drilled at an orthodox location in the NE/4 SW/4 of Section 9. 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 10½ miles west-southwest of Carlsbad, New Mexico.

CASE 12714: Continued from August 23, 2001, Examiner Hearing.

Application of Southwestern Energy Production Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 33, Township 17 South, Range 30 East, 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, including but not limited to the Undesignated Loco Hills-Atoka Gas Pool and Undesignated Cedar Hills-Morrow Gas Pool. The unit is to be dedicated to applicant's Big Tank "33" Fed. Com. Well No. 1, to be drilled at an orthodox gas well location in the SE/4 of Section 33. 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 2 miles southwest of Loco Hills, New Mexico.

CASE 12729: **Application of Leonard Resource Investment Corporation for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the NE/4 SW/4 of Section 5, Township 20 South, Range 39 East, 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 that vertical extent, including but not limited to the House-San Andres Pool and Undesignated House-Drinkard Pool. The unit is to be dedicated to applicant's Marshall Well No. 1, to be drilled at an orthodox oil well location in the NE/4 SW/4 of Section 5. 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 Capataz Operating, Inc. as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 4 miles east-southeast of Nadine, New Mexico.