

which includes but is not necessarily limited to the Mesaverde formation, Blanco-Mesaverde Gas Pool. Said unit is to be dedicated to applicant's proposed Naomi Well No. 2 to be drilled at a standard location in the NW/4 of said Section 25. 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 5 miles southwest of Lindrith, New Mexico.

**CASE 12801:**    **Application of McElvain Oil & Gas Properties, Inc. for compulsory pooling, Rio Arriba County, New Mexico.** Applicant seeks an order pooling all uncommitted mineral interests in all formations from the base of the Pictured Cliffs formation to the base of the Mesaverde formation underlying the E/2 of Section 25, Township 25 North, Range 3 West, to form a standard 320-acre stand-up gas spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent, which includes but is not necessarily limited to the Undesignated Blanco-Mesaverde Gas Pool. Said unit is to be dedicated to applicant's proposed Naomi Well No. 3 to be drilled at a standard location in the SE/4 of said Section 25. 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 5 miles southwest of Lindrith, New Mexico.

**CASE 12802:**    **Application of D.J. Simmons, Inc. for Compulsory Pooling, Rio Arriba County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Gallup-Dakota formation in the SE/4 of Section 25, Township 25 North, Range 3 West, for all formations and or pools developed on 160 acre spacing, including, but not necessarily limited to, the Pictured Cliffs, Chacra, and the Gallup-Dakota formations. Said units are to be dedicated to Applicant's Bishop Federal 25-2 well to be drilled at a standard location in the NW/4 SE/4 of said Section 25 to a depth sufficient to test all formations in the pooled intervals, including the Gallup-Dakota formation, West Lindrith Gallup-Dakota Oil 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 and a charge for the risk involved in drilling said well. The units are located approximately 5 miles southwest of Lindrith, New Mexico.

**CASE 12787:**    **Continued from January 10, 2002, 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 Morrow formation underlying the following described acreage in Section 20, Township 17 South, Range 35 East: (i) the E/2 NE/4 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; (ii) the NE/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 this vertical extent; and (iii) the E/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 this vertical extent, including but not limited to the North Vacuum Atoka-Morrow Gas Pool. This unit(s) is to be dedicated to its Lee "20" Well No. 1 which will be located at a standard well location within Unit A of this section. Applicant further seeks an order prescribing terms ("operating provisions") pursuant to which future operations may be conducted in accordance with the applicant's Joint Operating Agreement. 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 11 miles southeast of the center of the City of Lovington, New Mexico.

Examiner Hearing – January 24, 2002  
Docket No. 03-02  
Page 4 of 6

---

**CASE 12739-A:** Continued from October 18, 2001, Examiner Hearing.

**Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Ninety Nine (99) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico.** The Applicant seeks an order requiring the operators of 119 inactive wells located in San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico, to bring said wells into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof. The affected wells are the following:

<u>OPERATOR</u>	<u>WELL NAME AND NUMBER</u>	<u>API #</u>	<u>UNIT/SEC/TWSP</u> <u>RANGE</u>	<u>COUNTY</u>
R - J ENTERPRISES	NMALCO GURLEY #001	30-031-20908	P-09-20N-12W	McKinley
R - J ENTERPRISES	STATE COOKIE #001	30-031-20919	A-16-20N-12W	McKinley
R - J ENTERPRISES	STATE COOKIE #005	30-031-20928	B-16-20N-12W	McKinley
CHAPARRAL ENERGY INC	OSO CANYON FEDERAL B #001	30-039-23521	F-11-24N-02W	Rio Arriba
N M & O OPERATING CO	FEDERAL #010	30-039-05956	D-24-25N-02W	Rio Arriba
N M & O OPERATING CO	FEDERAL INVADER #001	30-039-23976	D-01-24N-02W	Rio Arriba
N M & O OPERATING CO	GAVILAN #003	30-039-23192	E-26-25N-02W	Rio Arriba
N M & O OPERATING CO	HIGHSMITH D #004	30-039-06144	I-04-25N-02W	Rio Arriba
N M & O OPERATING CO	NORTH LINDRITH 23 #001	30-039-24368	H-23-25N-02W	Rio Arriba
SMOKEY OIL COMPANY	SCHMITZ ANTICLINE FED #001	30-039-23379	K-25-24N-01W	Rio Arriba
CLAYTON INVESTMENT CO	STOCK #001	30-045-25177	J-36-30N-16W	San Juan
HART OIL & GAS INC	NAVAJO AA #010	30-045-11440	K-17-32N-17W	San Juan
HART OIL & GAS INC	NAVAJO AA #019	30-045-20797	B-19-32N-17W	San Juan
HART OIL & GAS INC	NAVAJO TRIBAL C #001	30-045-11358	L-24-32N-18W	San Juan
HART OIL & GAS INC	NAVAJO TRIBE OF IND F #103	30-045-11053	L-04-31N-17W	San Juan
HART OIL & GAS INC	NAVAJO TRIBE OF IND G #209	30-045-11047	K-01-31N-17W	San Juan
HART OIL & GAS INC	NAVAJO TRIBE OF IND G #222	30-045-11117	C-02-31N-17W	San Juan
J C WELL SERVICE	KING KONG #020	30-045-09899	L-04-30N-17W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #004	30-045-10143	F-32-31N-15W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #010	30-045-10240	N-29-31N-15W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #020	30-045-25240	G-31-31N-15W	San Juan
J C WELL SERVICE	UTE MOUNTAIN B #021	30-045-25239	B-31-31N-15W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	A P HIXON 1A COM #001	30-045-25678	E-21-25N-11W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	A P HIXON COM #001E	30-045-26036	A-21-25N-11W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	ALAMO WASH 34 #032	30-045-28023	G-34-25N-11W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	ALEXANDRA BALLARD #001	30-045-27123	F-30-25N-11W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	BLACK HILL MESA #001	30-045-23260	G-17-25N-12W	San Juan
JIMMY ROBERSON ENERGY CORPORATION	S CARSON FEDERAL 25 #008	30-045-24227	H-25-25N-12W	San Juan
MANANA GAS INC	MARY ACKROYD #001	30-045-23426	J-18-30N-11W	San Juan
MANANA GAS INC	MARY ACKROYD #002	30-045-23555	J-18-30N-11W	San Juan