

**CASE 12860:** De Novo

Application of Ocean Energy, Inc. for compulsory pooling, Lea County, New Mexico.

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**CASE 12828:** De Novo – Continued from April 17, 2003, Commission Hearing.

**Application of David H. Arrington Oil & Gas, 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 1, Township 15 South, Range 34 East, and in the following manner: the NE/4 NE/4 of Section 1 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 the Undesignated North Morton-Permo Pennsylvanian Pool and Undesignated Morton-Wolfcamp Pool; the N/2 NE/4 of Section 1 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within that vertical extent, including the Undesignated Morton-Lower Wolfcamp Pool; the NE/4 of Section 1 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 E/2 of Section 1 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 North Morton-Atoka Gas Pool, Undesignated East Morton-Morrow Gas Pool, and Undesignated Morton-Mississippian Gas Pool. The units are to be dedicated to applicant's Big Black Ant Well No. 1, to be drilled at an orthodox location in the NE/4 of Section 1. 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 9½ miles northwest of Lovington, New Mexico. Upon application of Yates Petroleum Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1220.

**CASE 13068:** APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENGINEERING BUREAU CHIEF, FOR AMENDMENT OF RULE 705 [COMMENCEMENT, DISCONTINUANCE, AND ABANDONMENT OF INJECTION OPERATIONS]. The New Mexico Oil Conservation Division applies to the Oil Conservation Commission to amend present Rule 705 [19.15.9.705] to repeal the requirement that no injection well may be temporarily abandoned for a period exceeding one year unless the injection interval has been isolated by use of cement or a bridge plug, and to conform the requirements for temporary abandonment of injection wells to those for temporary abandonment of production wells as set forth in Rule 203. The text of the proposed amendment is available for public review in the Division's Santa Fe office during regular business hours. The rule and the amendment are also posted on the Division's website at <http://www.emnrd.state.nm.us/ocd/whatsnew.htm>. The application of the proposed rule amendments is STATEWIDE.

**CASE 13069:** APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENGINEERING BUREAU CHIEF, FOR ADOPTION OF A NEW RULE RELATING TO COMPULSORY POOLING AND PRESCRIBING RISK CHARGES. The New Mexico Oil Conservation Division applies to the Oil Conservation Commission to adopt a new rule defining parameters for risk charges to be assessed against the interest of non-consenting owners in compulsory pooling orders issued by the Division. The text of the proposed rule is available for public review in the Division's Santa Fe office during regular business hours. The proposed rule is also posted on the Division's website at <http://www.emnrd.state.nm.us/ocd/whatsnew.htm>. The application of the proposed rule is STATEWIDE.

**PRELIMINARY DOCKET: COMMISSION HEARING - THURSDAY – MAY 15, 2003**

9:00 A.M. – Porter Hall  
1220 So. St. Francis Drive  
Santa Fe, New Mexico

Land Commissioner, Patrick Lyons, may designate Jami Bailey as his representative for this hearing, or may participate himself.

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**Notice:** The minutes of the April 17, 2003, Commission hearing will be adopted.

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**Notice:** During this meeting, the Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

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Final action may be taken in the following:

**CASE 12792:** De Novo

Application of the New Mexico Oil Conservation Division for an Order Requiring Kelly H. Baxter to Properly Plug Seven (7) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Kelly H. Baxter or His Surety, and Ordering a Forfeiture of Applicable Plugging Bond; Lea County, New Mexico.

**CASE 12862:** De Novo

Application of the New Mexico Oil Conservation Division for an Order Requiring N. Dale Nichols to Bring Eight (8) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Chaves County, New Mexico.

**CASE 12905:** De Novo

Application of Pronghorn Management Corporation for Approval of a Salt Water Disposal Well, Lea County, New Mexico.

**CASE 12816:** De Novo

Application of TMBR/Sharp Drilling Inc. for compulsory pooling, Lea County, New Mexico.

**CASE 12841:** De Novo

Application of Ocean Energy, Inc. for compulsory pooling, Lea County, New Mexico.

**CASE 12859:** De Novo

Application of David H. Arrington Oil and Gas, Inc. for compulsory pooling, Lea County, New Mexico.

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