

CASE 12885: Application of Armstrong Energy Corporation for approval of a pressure maintenance project and for Qualification of the Project Area for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval of a pressure maintenance project by the injection of water into the third sand interval of the Cherry Canyon formation of the Delaware Mountain group which is within the Northeast Lea-Delaware Pool, through its Mobil Lea State Well No. 8 to be drilled as an injection well at a point 330 feet from the South line and 1650 feet from the West line of Section 2, Township 20 South, Range 34 East. Applicant also seeks to qualify this project for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act. Said lease is located approximately 24 miles southwest of Hobbs, New Mexico.

CASE 12886: Application of Petrocap, Inc. for compulsory pooling, Roosevelt County, New Mexico. Applicant seeks an order pooling all mineral interests in the following described spacing and proration units in Section 34, Township 4 South, Range 31 East as follows: the N/2 for all formations and/or pools developed on 320-acre spacing; the NW/4 for all formations and/or pools developed on 160-acre spacing; the S/2 NW/4 for all formations and/or pools developed on 80-acre spacing; and the SW/4 NW/4 for all formations and/or pools developed on 40-acre spacing. Said units are to be dedicated to its McCowen Well No. 1 to be drilled at a standard location 1980 feet from the North line and 660 feet from the West line of Section 34 to a depth sufficient to test all formations from the surface to the base of the basal Penn unconformity sand formation. 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, provisions governing subsequent operations on the pooled units, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2 miles southwest of Elida, New Mexico.

CASE 12887: Application of Petrocap, Inc. for compulsory pooling, Roosevelt County, New Mexico. Applicant seeks an order pooling all mineral interests in the following described spacing and proration units in Section 22, Township 4 South, Range 31 East as follows: the N/2 for all formations and/or pools developed on 320-acre spacing; the NE/4 for all formations and/or pools developed on 160-acre spacing; the S/2 NE/4 for all formations and/or pools developed on 80-acre spacing; and the SE/4 NE/4 for all formations and/or pools developed on 40-acre spacing. Said units are to be dedicated to its Stevenson Well No. 1 to be located at a standard location 1980 feet from the North line and 660 feet from the East line of Section 22 and drilled to a depth sufficient to test all formations from the surface to the base of the basal Penn unconformity sand formation. 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, provisions governing subsequent operations on the pooled units, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2 miles west of Elida, New Mexico.

CASE 12866: Continued from June 13, 2002, Examiner Hearing.

Application of C. W. Trainer for approval of a salt water disposal well, Lea County, New Mexico. Applicant seeks approval to utilize its State GA Well No. 6 (API No. 30-025-03687) located 660 feet from the North line and 990 feet from the West line (Unit D) of Section 16, Township 15 South, Range 36 East, to dispose of produced water into the San Andres and Glorieta formations from a depth of 4749 feet to 6230 feet. This well is located approximately 3 miles northeast of Lea County, New Mexico.

CASE 12875: Continued from June 13, 2002, Examiner Hearing.

Application of Texakoma Oil & Gas Corporation for an unorthodox coal gas well location, San Juan County, New Mexico. Applicant seeks approval to drill its proposed Black Hills "16" Well No. 1 (API No. 30-045-31077) at an off-pattern non-standard coal gas well location 772 feet from the South line and 701 feet from the East line (Unit P) of Section 16, Township 26 North, Range 13 West, which is located approximately 17 miles south of Farmington, New Mexico. The S/2 of Section 16 is to be dedicated to this well in order to

form a standard 320-acre lay-down gas spacing and proration unit for the Basin-Fruitland Coal (Gas) Pool.

CASE 12876: Continued from June 13, 2002, Examiner Hearing.

Application of David H. Arrington Oil and Gas, Inc. To Reinstate Drilling Permit, Lea County, New Mexico. Applicant seeks an order reinstating its previously approved C-101 and C-102 drilling permit for the Glass-Eyed Midge 25 Well No. 1 (API No. 30-025-3587) to be drilled at a standard 320-acre spacing and proration unit gas well location 803 feet from the North line and 962 feet from the East line in the NE/4 of Section 25, Township 16 South, Range 35 East, and to which Applicant proposes to dedicate the E/2 of said Section 25. Applicant's drilling permit was originally approved by the Division's District I office on December 17, 2001 and was subsequently cancelled on May 1, 2002. The proposed well location is approximately 6 miles southwest of Lovington, New Mexico.