

CASE 13133: **Application of Devon Energy Production Company, L.P. 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 28, Township 18 South, Range 24 East, and in the following manner: The E/2 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Penasco Draw-Permo Penn Gas Pool, Undesignated Antelope Sink-Strawn Gas Pool, Undesignated Antelope Sink-Atoka Gas Pool, and Undesignated North Antelope Sink-Morrow Gas Pool; and the SE/4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to applicant's Southern Cross "28" State Com. Well No. 1, to be located at an orthodox location in the SE/4 SE/4 of Section 28. 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 11½ miles southeast of Hope, New Mexico.

CASE 13119: **Continued from July 24, 2003, Examiner Hearing.**

Application of EGL Resources, Inc. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests below 4,000 feet subsurface underlying Section 28, Township 18 South, Range 29 East, and in the following manner: a) W/2 to form a standard 320-acre standup gas spacing and proration unit ("the 320-acre Unit") for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently include but are not necessarily limited to the North Turnkey Track-Morrow Gas Pool; b) NW/4 to form a standard 160-acre spacing and proration unit ("the 160-acre Unit") for any and all formations and/or pools developed on 160-acre spacing within that vertical extent; c) S/2 NW/4 for form a standard 80-acre lay-down spacing and proration unit ("the 80-acre Unit") for any and all formations and/or pools developed on 80-acre spacing within that vertical extent; and d) the SW/4 NW/4 to form a standard 40-acre spacing and proration unit ("the 40-acre Unit") for any and all formations and/or pools developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to applicant's proposed Trigg 28 Federal Com No. 1 to be drilled at a standard 320-acre spacing and proration unit gas well location 1730 feet from the North line and 660 feet from the West line (Unit E) in the W/2 of said Section 28. 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 EGL Resources, Inc. or its designee as operator of the well and a charge for risk involved in drilling said well. The subject lands are located approximately six miles south of Loco Hills, New Mexico.

CASE 13134: **Application of ConocoPhillips Company for approval of a Cooperative Lease Line Injection Agreement for an "Expanded Use Area" within the East Vacuum Grayburg-San Andres Unit Pressure Maintenance Project Area, and qualification of the acreage within the "Expanded Use Area" for the Recovered Oil Tax Rate pursuant to the New Mexico Enhanced Oil Recovery Act, Lea County, New Mexico.** Applicant seeks an order approving the cooperative lease line injection agreement between ConocoPhillips and ChevronTexaco for a 156-acre Expanded Use Area for carbon dioxide injection within the East Vacuum Grayburg-San Andres Unit Pressure Maintenance Project Area comprised of portions of the SE/4 of Section 31 and the W/2 of Section 32, Township 17 South, Range 34 East, and the NW/4 of Section 5, Township 18 South Range 35 East. Applicant also seeks to qualify the acreage within the "Expanded Use Area" for the Recovered Oil Tax Rate pursuant to the New Mexico Enhanced Oil Recovery Act " (Laws 1992, Chapter 38, Sections 1 through 5). The Expanded Use Area is located approximately 15 miles northwest of Hobbs, New Mexico.

CASE 13135: **Application of Mack Energy Corporation for approval of a Unit Agreement, Eddy County, New Mexico.** Applicant seeks approval of the Aoudad State Unit for an area comprising 320.00 acres of State of New Mexico lands in Section 36, Township 17 South, Range 31 East, which is located approximately 5 miles southwest of Maljamar, New Mexico.

DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 18, 2003**8:15 A.M. - 1220 South St. Francis****Santa Fe, New Mexico**

Docket Nos. 32-03 and 33-03 are tentatively set for October 9, 2003 and October 23, 2003. 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 13144: Application of Permian Resources, Inc. for Special Pool Rules or, alternatively, for an Unorthodox Well Location, Lea County, New Mexico. Applicant seeks an order amending the special pool rules and regulations for the North Shoe Bar-Strawn pool to provide for (a) the creation of 80-acre units, (b) authorizing well locations no closer than 330 feet to any quarter-quarter section or subdivision inner-boundary or closer than 1020 feet to the nearest well drilling or capable of drilling or producing from the same pool, and (c) administrative approvals of exceptions to the well location requirements under the amended rule. The North Shoe Bar-Strawn pool is comprised of the following acreage located in Township 16 South, Range 35 East: Section 13: N/2, SW/4; Section 14: E/2. Alternatively, Applicant seeks authorization for an unorthodox location for its Hillburn Well No. 3 to be drilled to the Strawn formation at a bottom hole location 990 feet from the North line and 330 feet from the West line of Section 13, Township 16 South, Range 35 East, which is located approximately two miles south of Lovington, New Mexico.

CASE 13145: Application of Yates Petroleum Corporation for Approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the Mandrell State Exploratory Unit for an area comprising 1920.00 acres of State of New Mexico lands in Sections 18, 19, and 30, Township 14 South, Range 35 East, that is located approximately 10 miles north of Lovington, New Mexico.

CASE 13146: Application of EOG Resources, Inc. for Compulsory Pooling and a Non-Standard Gas Spacing Unit, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests below the base of the Strawn formation underlying Lots 3, 4, 5, 6, 11, 12, 13 and 14 of Section 1, Township 16 South, Range 35 East, to form a 342.06-acre non-standard gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Shoe Bar Atoka-Gas Pool. Applicant proposes to dedicate these pooled units to its Giant Stone Fly "1" Well No. 1 that was drilled at a surface location 2264 feet from the North line and 1018 feet from the West line to test the Morrow formation. The well has been recompleted in the Atoka formation 2304 feet from the North line and 947 feet from the West line (Unit E) of said Section 1. 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 miles northwest of Lovington, New Mexico.

CASE 13135: Continued from August 21, 2003 Examiner Hearing.

Application of Mack Energy Corporation for approval of a Unit Agreement, Eddy County, New Mexico. Applicant seeks approval of the Aoudad State Unit for an area comprising 320.00 acres of State of New Mexico lands in Section 36, Township 17 South, Range 31 East, which is located approximately 5 miles southwest of Maljamar, New Mexico.

CASE 13136: Readvertised

Application of Mack Energy Corporation for approval of a Pressure Maintenance Project and Qualification of the Project Area for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Eddy County, New Mexico. Applicant seeks approval of its Aoudad State Unit Pressure Maintenance Project by injection of water into the Grayburg-San Andres formations through one injection well located in the following described area:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM
Section 36: All

The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within the unit area without the necessity of further hearings and the adoption of any provisions necessary for such other matters as may be appropriate for said pressure maintenance operations. Applicant further seeks to qualify the project area for the Recovered Oil Tax Rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said area is located approximately 5 miles southwest of Maljamar, New Mexico.