

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE
HEARING CALLED BY THE OIL
CONSERVATION DIVISION FOR
THE PURPOSE OF CONSIDERING:

CASE NO. 13101
ORDER NO. R-12021

APPLICATION OF CHESAPEAKE
OPERATING, INC. FOR
COMPULSORY POOLING, OR IN
THE ALTERNATIVE A NON-
STANDARD GAS SPACING UNIT,
LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION;

This case came on for hearing at 8:15 a.m. on August 21, 2003, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 10th day of September, 2003, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT;

(1) Due public notice has been given, and the Division has jurisdiction of this case and its **subject** matter.

(2) Chesapeake Operating, Inc. ("Applicant") seeks an order pooling all uncommitted mineral interests in the Tubb formation underlying the NW/4 of Section 8, Township 20 South, Range 37 East, NMPM, Lea County, New Mexico, forming a standard **160-acre** gas spacing unit, pursuant to Division Rule 104.C (3), in the **Undesignated West Monument-Tubb Gas Pool** (96968).

(3) This unit is to be dedicated to the Applicant's existing **Barber-Adkins "8"** Well No. 1 (**API No.** 30-025-20436), located at a standard shallow gas well location 660 feet from the North and West lines (Unit D) of Section 8, pursuant to Division Rule 104.C (3).

(4) In the alternative, Applicant seeks to establish a non-standard 120-acre gas spacing unit in the Undesignated West Monument-Tubb Gas Pool comprising the W/2 NW/4 and SE/4 NW/4 of Section 8. This unit to be dedicated to Applicant's above-described Barber-Adkins "8" Well No. 1.

(5) On August 26, 2003, the Applicant and Doyle Hartman, Oil Operator jointly filed an application with the Division for administrative review (*administrative application reference No. pMES0-323937932*) to develop the Tubb formation underlying the NW/4 of Section 8 with two non-standard spacing and proration units: (i) 120 acres comprising the W/2 NW/4 and SE/4 NW/4 of Section 8 to be ascribed to the Undesignated West Monument-Tubb Gas Pool; and (ii) the remaining 40 acres comprising the NE/4 NW/4 (Unit C) of Section 8 to be ascribed to the Undesignated Monument-Tubb Pool.

(6) By Administrative Order NSP-1867, dated September 2, 2003, the Division approved the subject application, thereby making this case unnecessary.

(7) This case should therefore be dismissed.

IT IS THEREFORE ORDERED THAT:

(1) Case No. 13101 is hereby dismissed.

(2) Jurisdiction is hereby retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico, on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery

LORI WROTENBERY
Director