

CASE 13144: Continued from September 18, 2003, Examiner Hearing.

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 13163: Application of the New Mexico Oil Conservation Division for an Order Requiring Saba Energy of Texas, Inc., to Properly Plug Six Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, if Any, Lea County, New Mexico. The Applicant seeks an order requiring Saba Energy of Texas, Inc., the operator of six inactive wells in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well or wells if the operator fails to do so, forfeiting Operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

| | | |
|----------------------|--------------------|-----------------------------|
| Harton State #1 | API # 30-025-28540 | UL H, Section 7, T13S, R36E |
| Morris #1 | API # 30-025-29247 | UL D, Section 8, T13S, R36E |
| Fern Guye #1 | API #30-025-34488 | UL M, Section 5, T13S, R36E |
| Saba State #1 | API #30-025-33726 | UL I, Section 7, T13S, R36E |
| San Simon 5 State #1 | API #30-025-27564 | UL E, Section 5, T22S, R35E |
| San Simon 5 State #2 | API #30-025-28480 | UL G, Section 5, T22S, R35E |

CASE 13164: Application of the New Mexico Oil Conservation Division for an Order Requiring Weststar Exploration Company to Properly Plug One Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, if Any, Lea County, New Mexico. The Applicant seeks an order requiring Weststar Exploration Company, the operator of one inactive well in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well or wells if the operator fails to do so, forfeiting Operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected well is the following:

TPA State #2, API 30-025-22013, located in Unit Letter O, Section 10, Township 11 South, Range 33 East.

CASE 13165: Application of the New Mexico Oil Conservation Division for an Order Requiring EnergyPro Inc. to Properly Plug One Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, if Any, Lea County, New Mexico. The Applicant seeks an order requiring EnergyPro Inc., the operator of one inactive well in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said well if the operator fails to do so, forfeiting Operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected well is: Huber State #1, API #30-025-27290, Lot 1, Section 5, Township 16 South, Range 38 East, Lea County, New Mexico.

CASE 13166: Application of the New Mexico Oil Conservation Division through the Environmental Bureau Chief to Revoke the Permit of Watson Treating Plant to Operate an Oil Treatment Plant, and to Release Bond; Roosevelt County, New Mexico. The Applicant seeks an order revoking the permit of Watson Treating Plant to operate an oil treatment plant located at Section 12, Township 8 South, Range 34 East. The facility was originally permitted under Order No. R-6095. Applicant also seeks an order releasing the bond on the subject facility.