

PRELIMINARY DOCKET: COMMISSION MEETING - THURSDAY – OCTOBER 14, 2004

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

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

Notice: The minutes of the September 9, 2004, Commission meeting will be adopted.

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.

CASE 13345: Application of the New Mexico Oil Conservation Division, through the Supervisor of District I, for an Emergency Order Requiring Maralo, LLC to Properly Plug one (1) Well in Lea County, New Mexico, Authorizing the Division to Plug said well, and Ordering a Forfeiture of Applicable Plugging Bond.

CASE 13142: *De Novo- Continued from September 9, 2004 Commission Hearing.*
Application of the New Mexico Oil Conservation Division for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site, Lea County, New Mexico. Applicant seeks an order requiring Maralo, LLC to remediate contamination at the Humble State Well No. 3 site, located in Unit A, Section 36, Township 25 South, Range 36 East. Upon application of Maralo, LLC, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 13142: *De Novo and Amended – Continued from September 9, 2004 Commission Hearing.*
Application of the New Mexico Oil Conservation Division for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site, Lea County, New Mexico. Applicant seeks an order requiring Maralo, LLC to remediate contamination at the Humble State Well No. 3 site, located in Unit A, Section 36, Township 25 South, Range 36 East. Upon application of New Mexico Oil Conservation Division, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 13048: *De Novo – Continued from August 12, 2004, Commission Hearing.*
Application of Devon Energy Production Company, L.P. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Morrow formation to the base of the Devonian formation underlying the N/2 of Section 4, Township 23 South, Range 34 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools spaced on 320-acre spacing, including but not limited to the Antelope Ridge-Devonian Gas Pool. This unit is to be dedicated to its Rio Blanco "4" Federal Well No. 1 to be reentered and deepened to the base of the Devonian formation at a standard well location in Unit F of this section. Also to be considered will be the costs of deepening and completing the well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in this well. This unit is located approximately 20 miles southwest of Eunice, New Mexico. Upon application of EGL Resources, Inc., Robert Landreth and Devon Energy Production Company, L. P., this case will be heard De Novo pursuant to the provisions of Rule 1220. The hearing of this case on August 14, 2003, was vacated until the issuance of an order in Division Case No. 13085; Order No. R-12106 was issued in this case on February 20, 2004.

CASE 13226: *De Novo – Continued from September 9, 2004 Commission Hearing.*
Application of OXY USA WTP Limited Partnership for rescission of the approval of an application for permit to drill and for compulsory pooling, Eddy County, New Mexico. Applicant seeks rescission of the Division's prior approval of an Application for Permit to Drill covering the W/2 of Section 15, Township 22 South, Range 27 East, and an order pooling all mineral interests in the W/2 of said Section 15 in all formations and/or pools developed on 320-acre spacing and proration units which includes but is not necessarily limited to the Undesignated South Carlsbad-Morrow Gas Pool. Applicant proposes to dedicate the pooled unit to its Redemption Well No. 1 to be drilled at a standard gas well location 660 feet from the South and West lines of said Section 15. 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