

PRELIMINARY DOCKET: COMMISSION MEETING –THURSDAY – OCTOBER 7, 2010

9:00 A.M. – Porter Hall
1220 South St. Francis
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, 2010 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.

FINAL ACTION may be taken in: De Novo Case No. 14116, the application of Fasken Oil & Ranch Ltd. for an order authorizing the drilling of an additional well at an unorthodox location in the “Potash Area,” Lea County, New Mexico.

1. **CASE 14411:** *De Novo (Continued from the September 9, 2010 Commission Meeting.)*
Application of Agua Sucia, LLC to reinstate Division Administrative Order SWD-559 for a salt water disposal well, Lea County, New Mexico. Applicant seeks an order reinstating Division Administrative Order SWD-559 for a salt water disposal well, approving disposal into the Bone Spring formation in the Government E Well No. 1, located 610 feet from the South line and 1880 feet from the West line of Section 25, Township 19 South, Range 34 East, NMPM, at depths of 9716-10240 feet subsurface. The well is located approximately 15 miles West-Northwest of Oil Center, New Mexico. Upon the application of Agua Sucia, LLC, this case will be heard *De Novo* pursuant to the provisions of Division Rule NMAC 19.15.4.23.
2. **CASE 14472:** *De Novo (Continued from the September 9, 2010 Commission Meeting.)*
Application of COG Operating, LLC for Cancellation of Operator's Authority and Termination of Spacing Units, Yeso Energy, Inc. Dow "B" 28 Federal Well No. 1, Eddy County, New Mexico. Applicant seeks an order cancelling the authority of Yeso Energy, Inc. as operator of the Dow “B” 28 Federal Well No. 1 and terminating all spacing and proration units at any time dedicated to the well. These include the S/2 (Cedar Lake Morrow-East, Wildcat Cedar Lake Mississippian, and Cedar Lake Morrow pools) and the SE/4 SE/4 (Cedar Lake Devonian pool) in Section 28, Township 17 South, Range 31 East, NMPM, Eddy County. The well is located approximately four miles South of Maljamar, New Mexico and is more particularly described as follows: Dow “B” 28 Federal Well No. 1, API No. 30-015-28676, 1028’ FSL & 1227’ FEL (Unit P) Section 28, T-17-S, R-31-E, NMPM, Eddy County, New Mexico. Upon application of Yeso Energy, Inc., this case will be heard *De Novo* pursuant to the provisions of Division Rule 19.15.4.23.
3. **CASE 14547:** *Application of the New Mexico Oil Conservation Division. The Applicant seeks an order authorizing the Oil Conservation Division to recognize an operator of record for wells currently operated by Yeso Energy, Inc., OGRID 221710.* The affected wells are: Dalton Federal #001, 30-015-25259, H-29-17S-29E (located near Loco Hills in Eddy County); Dow B 28 Federal #001, 30-015-28676, P-28-17S-31E (located approximately 5 miles Southeast of Maljamar in Lea County); Gulf McKay Federal #001, 30-025-25471, N-34-18S-32E (located approximately 12 miles Southeast of Maljamar in Lea County); and Morgan Federal #001, 30-005-20667, 3-6-10S-30E (located approximately 15 miles Northwest of Caprock in Chaves County).