

drilling said well. Said area is located approximately 3 miles East of Maljamar, New Mexico. Upon application of Mary T. Ard, Trustee of the Edward R. Hudson Trust 4, Ard Energy Group, Ltd. and Ard Oil, Ltd., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 13402: *Continued from March 8, 2005, Commission Meeting.*

Consolidated Application of Loco Hills GSF for an Exemption to the Liner and Leak Detection Requirements of 19.15.2.50.C NMAC and Approval of Stage 1 and 2 Abatement Plans, with Provisional Alternate Abatement Standards, Eddy County, New Mexico. Applicant seeks an order granting an exemption to the liner and leak detection requirements of 19.15.2.50.C NMAC to allow a clay-lined storage pond for saturated brine, with monitoring devices to detect designed leakage, at the Loco Hills LPG storage facility located in Section 22, Township 17 South, Range 29 East.

Applicant also seeks approval of its proposed Stage 1 and 2 abatement plans to restore groundwater quality at the site to background concentrations or to an alternate abatement standard of 5000/mg/l TDS through a pump and use strategy. The site is located on the south side of New Mexico State Highway 82 between Loco Hills and Artesia, just west of where Bear Grass Draw crosses the highway.

CASE 13359: *De Novo*

Application of Mewbourne Oil Company for Compulsory Pooling, Lea 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 9, Township 21 South, Range 35 East, and in the following manner: The N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations developed on 320-acre spacing within that vertical extent, including the Undesignated South Osudo-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing within that vertical extent, including the Undesignated South Osudo-Wolfcamp Gas Pool; and the SE/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on 40-acre spacing within that vertical extent, including the Undesignated Osudo-Wolfcamp Pool and Undesignated Osudo-Strawn Pool. The units are to be dedicated to the proposed Osudo "9" State Com. Well No. 1, to be drilled at an orthodox location in the SE/4 NE/4 (Unit H) of Section 9. 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 200% charge for the risk involved in drilling said well. Upon application of Finley Resources, Inc. and Chesapeake Operating Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.