

DOCKET: EXAMINER HEARING - THURSDAY – JANUARY 24, 2013

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 3-13 and 4-13 are tentatively set for February 7, 2013 and February 21, 2013. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

Locator Key for Cases***Case 14883 – No. 13******Case 14888 – No. 14******Case 14907 – No. 1******Case 14922 – No. 6******Case 14927 – No. 5******Case 14937 – No. 3******Case 14940 – No. 10******Case 14941 – No. 11******Case 14942 – No. 12******Case 14943 – No. 7******Case 13944 – No. 2******Case 14945 – No. 4******Case 14946 – No. 8******Case 14947 – No. 9******Case 14948 – No. 15***

1. **CASE 14907:** *(Continued from the December 13, 2012 Examiner Hearing.)*
Application of KC Resources, Inc. for approval of a pressure maintenance project in Eddy County, New Mexico;
Applicant seeks approval to institute a lease pressure maintenance project through its Jones D No.5 well location 2310 FSL, 330 FWL in Unit L of Section 18, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. Applicant intends to inject produced water into the San Andres formation at a depth of 1779 to 1934.
2. **CASE 14944:** ***Application of Apache Corporation for approval, retroactively, for surface commingling and an exception to the metering requirements of Division Rule 19.15.12.10(C)(1) NMAC, Lea County, New Mexico.***
Applicant, in the above-styled cause, seeks exceptions to allow for surface commingling and allocation of production by well tests, retroactively, to the date that oil and gas was first surface commingling for its wells located within its Hawk B-1 lease comprising the SE/4 and E/2 SW/4 of Section 8 and the S/2 and E/2 NW/4 of Section 9, Township 21 South Range 37 East, Lea County, New Mexico. In addition, Applicant seeks approval to add future wells to the Hawk B-1 Federal Tank Battery and/or the Hawk B-1 Tank Battery. The center of said area is located approximately 4 miles north from Eunice, New Mexico.
3. **CASE 14937:** *(Continued from the December 13, 2012 Examiner Hearing.)*
Application of Cimarex Energy Co. for designation of a non-standard oil spacing and proration unit and for compulsory pooling, Lea County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the E/2 W/2 of Section 25, Township 23 South, Range 32 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Bone Spring formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Bone Spring formation underlying the E/2 W/2 of Section 33 to be dedicated to its Triste Draw 25 Fed. Com. Well No. 3 to be drilled horizontally from a surface location 330' from the South line and 1980' from the West line (Unit N) to a bottom hole location 330' from the North line and 1980' from the West line (Unit C), to a depth sufficient to test the Bone Spring formation underlying the proposed project area in Section 25. 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 Cimarex Energy Co. as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 4 miles east of Bootleg Ridge, New Mexico.