

DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 11, 2005**8:15 A.M. - 1220 South St. Francis****Santa Fe, New Mexico**

Docket Nos. 26-05 and 27-05 are tentatively set for August 25, 2005 and September 8, 2005. Applications for hearing must be filed at least 23 days in advance of hearing date. OCD Rule 1208.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Friday 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 Friday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

CASE 13496: Reopened

Application of Cimarex Energy Co. for Compulsory Pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Permo-Upper Pennsylvanian formation underlying the SE/4 NW/4 of Section 21, Township 15 South, Range 36 East, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Caudill Permo-Upper Pennsylvanian Pool. The unit is to be dedicated to the Caudill South "21" Fee Well No. 1, to be located 1830 feet from the north and west lines of Section 21. 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 and completing the well. The unit is located approximately 5 miles north-northeast of Lovington, New Mexico. **IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE 13532: *Application of J. W. Neal, Patricia Neal, and the Claudia Young Trust to Rescind Division Administrative Order No. SWD-984, Lea County, New Mexico.* J. W. Neal, Patricia Neal, and the Claudia Young Trust are owners of the mineral estate underlying the NE/4 and the N/2 of the SE/4 of Section 18, Township 17 South, Range 39 East, and are seeking to rescind Permit No. SWD-984 administratively issued by the Division on June 10, 2004 allowing Platinum Exploration, Inc. to inject up to 15,000 gallons per day of salt water into the Devonian formation underlying portions of Section 18, Township 17 South, Range 39 East, Lea County, New Mexico.

CASE 13533: *Application of Energen Resources Corporation to Amend Compulsory Pooling Order No. R-10154 to Include Provisions for an Infill Well and to Address Excess Royalty Burdens, San Juan County, New Mexico.* Applicant seeks an order amending Order No. R-10154 which pooled all interests in the Fruitland Coal formation, (Basin-Fruitland Coal Gas Pool) underlying the S/2 of Section 19, Township 30 North, Range 11 West, forming a standard 326.26 acre spacing and proration unit to allow the recovery of the costs of drilling, equipping and completing the Flora Vista "19" Well No. 3 Fruitland Coal formation infill well drilled at a standard location 675 feet from the south line and 1025 feet from the east line (Unit P) of said Section 19. Also to be considered will be the allocation of the costs of drilling, equipping and completing the infill well and Applicant's costs of supervision while drilling and after completion, including overhead charges and imposing a 200% risk charge for the risks assumed by the Applicant in drilling, completing and equipping the well. Applicant further seeks authorization for the recovery of costs and the risk charge out of the full working interest in the lease covering the SE/4 of said Section 19 without recognition of an overriding royalty interest claimed by the owners thereof. The well is located approximately 2 miles east of Flora Vista, New Mexico.

CASE 13527: Readvertised

Application of NorthStar Operating Company for approval of a Unit Agreement, Lea County, New Mexico. Applicant seeks approval of the NorthStar Operating Company East Denton Unit from the surface to the base of the Devonian formation in an area comprising 160 acres of fee lands in the E/2 NW/4 and W/2 NE/4 of Section 8 of Township 15 South, Range 38 East, which is located approximately 15 miles east of Lovington, New Mexico.

CASE 13528: *Continued from July 28, 2005, Examiner Hearing*

Application of NorthStar Operating Company for an Unorthodox Gas Well Location, Lea County, New Mexico. Applicant seeks approval of an unorthodox well location in the Wolfcamp and Devonian formations, for its Fort Well No. 1 to be drilled at an unorthodox well location 2100 feet from the North line and 2500 feet from the East line of Section 8, Township 15 South, Range 38 East. Said well is located approximately 15 miles east of Lovington, New Mexico.



August 3, 2005

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HAND-DELIVERED

Mr. Mark E. Fesmire, P.E.
Director
Oil Conservation Division
New Mexico Energy, Minerals and
Natural Resources Department
1220 South Saint Francis Drive
Santa Fe, New Mexico 87505

Re: Case No. 13528: Application of NorthStar Operating Company for an unorthodox well location, Lea County, New Mexico.

Dear Mr. Fesmire:

NorthStar Operating Company, hereby requests that the Examiner Hearing in the above-referenced case that is currently scheduled for August 11, 2005, be continued to the August 28, 2005 Examiner Hearing Docket.

Your attention to this request is appreciated.

Very truly yours,

William F. Carr
of Holland & Hart^{LLP}

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