

DOCKET: EXAMINER HEARING - THURSDAY – AUGUST 22, 2013

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

Docket Nos. 30-13 and 31-13 are tentatively set for September 5, 2013 and September 19, 2013. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.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. A party who plans on using projection equipment at a hearing must contact Florene Davidson seven (7) business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

<p><i>Locator Key for Cases</i> <i>Case 14998 – No. 4</i> <i>Case 14999 – No. 5</i> <i>Case 15026 – No. 2</i> <i>Case 15031 – No. 7</i> <i>Case 15032 – No. 8</i> <i>Case 15033 – No. 6</i> <i>Case 15034 – No. 3</i> <i>Case 15035 – No. 9</i> <i>Case 15036 – No. 1</i></p>

1. **CASE 15036: Application of Capstone Natural Resources LLC for Reinstatement of Authorization to Inject for Waterflood Project Operations, Eddy County, New Mexico.** Applicant seeks an order authorizing the injection of water in the San Andres formation, Grayburg-Jackson-San Andres Pool (28509), for its Lea "C" Waterflood project comprised of Section 11, Township 17 South, Range 31 East through the following wells:

Lea "C" Federal Well No. 4

API No. 30-015-05132
1980' FSL and 1980' FWL (Unit J)
Section 11
T-17-S, R-31-E, NMPM

Lea "C" Federal Well No. 7

API No. 30-015-20627
1980' FNL and 1980' FWL (Unit F)
Section 11
T-17-S, R-31-E, NMPM

Lea "C" Federal Well No. 15

API No. 30-015-20706
1980' FNL and 660' FEL (Unit H)
Section 11
T-17-S, R-31-E, NMPM

Applicant proposes to support production from its project area by converting the three wells and utilizing them for injection of water through a closed system into the Grayburg and San Andres members through perforations at depths of 3,407 to 3,682' (Grayburg) and 3,700 to 4,014 or open hole (San Andres), respectively. Injection operations through the wells will be conducted at the previously authorized maximum injection pressures of 662 to 672 psi or as may be permitted by the Division. Applicant proposes injection of water at rates of between 200 to 300 bbls per day. The lands and wells are located approximately four miles west of Maljamar, New Mexico.