

CASE 13576: *Application of the New Mexico Oil Conservation Division for a Compliance Order.* The Applicant seeks an order requiring operator Estate of G. P. Sims to bring four wells into compliance with 19.15.4.201 NMAC by a date certain and, in the event of non-compliance, assessing a civil penalty against the operator, authorizing the Division to plug said well, forfeiting the operator's plugging security, and for such other relief as the Director deems appropriate. The affected wells are: (A) Gulf State #1 well, API # 30-025-03533, located at Unit Letter K, Section 33, Township 21 South, Range 35 East, in Lea County, New Mexico; (B) Gulf State #2 well, API # 30-025-03534, located at Unit Letter L, Section 33, Township 21 South, Range 35 East, in Lea County, New Mexico; (C) Vivian Gulf #1 well, API # 30-025-22617, located at Unit Letter D, Section 30, Township 22 South, Range 38 East, in Lea County, New Mexico; and (D) Vivian Gulf # 2 well, API # 30-025-22897, located at Unit Letter C, Section 30, Township 22 South, Range 38 East, in Lea County, New Mexico.

CASE 13577: *Application of the New Mexico Oil Conservation Division for a Compliance Order Against Kevin O. Butler and Associates, Inc.* The Division seeks an order requiring operator Kevin O. Butler and Associates, Inc. to perform the work specified in the remediation plan submitted by them and approved by the Oil Conservation Division on January 21, 2005; to perform remediation clean up work for its violations subsequent to March 25, 2004; to terminate Kevin O. Butler & Assoc. Inc.'s operational authority for the South Caprock Queen well #12, API# 30-005-01180, located in Unit Letter L, Section 33, Township 14 South, Range 31 East, in Chaves County, New Mexico; for a Ten Thousand Dollar (\$10,000.00) civil penalty for knowingly and willfully violating Rule 116 [19.15.3.116 NMAC]; and for such other relief as the Director deems appropriate. The affected site is the South Caprock Queen well #12, API# 30-005-01180, located in Unit Letter L, Section 33, Township 14 South, Range 31 East, in Chaves County, New Mexico.

CASE 13584: *In the matter of the hearing called by the Oil Conservation Division for an order abolishing, extending and redesignating certain pools in Eddy County, New Mexico.*

(a) ABOLISH the Cottonwood Creek-Abo Gas Pool (Pool Code 97333) in Eddy County, New Mexico consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 24 EAST, NMPM
Section 29: NW/4

(b) ABOLISH the East Cottonwood Creek-Abo Gas Pool (Pool Code 97373) in Eddy County, New Mexico consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 25 EAST, NMPM
Section 29: N/2
Section 30: E/2
Section 31: E/2
Section 32: N/2

(c) EXTEND the Cottonwood Creek-Wolfcamp Gas Pool (Pool Code 75250) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 25 EAST, NMPM
Section 20: All
Section 29: N/2
Section 30: E/2
Section 31: E/2
Section 32: N/2

- (d) EXTEND the Eagle Creek-Wolfcamp Gas Pool (**Pool Code 96622**) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 24 EAST, NMPM

Section 29: W/2

Section 32: W/2

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM

Section 5: N/2

- (e) REDESIGNATE the Gopher-Abo Gas Pool (**Pool Code 77660**) in Eddy County, New Mexico as the Gopher-Wolfcamp Gas Pool (**Pool Code 77660**) and extend the pool to include:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM

Section 31: NW/4

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

CASE 13585: In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting vertical and horizontal limits, extending vertical and horizontal limits and redesignating certain pools in Chaves and Lea Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Devonian production and designated as the North Burtner-Devonian Pool (**Pool Code 97455**). The discovery well is the Energen Resources Corporation Saunders Deep State Well No. 1 (**API No. 30-025-36859**) located in Unit A of Section 3, Township 15 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 33 EAST, NMPM

Section 3: NE/4

- (b) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Atoka production and designated as the South Button Mesa-Atoka Gas Pool (**Pool Code 97462**). The discovery well is the Yates Petroleum Corporation Faron State Unit Well No. 1 (**API No. 30-025-37075**) located in Unit B of Section 5, Township 9 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 32 EAST, NMPM

Section 5: E/2

- (c) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Atoka production and designated as the West Caprock-Atoka Gas Pool (**Pool Code 97460**). The discovery well is the Yates Petroleum Corporation Patsy State Unit Well No. 2 (**API No. 30-005-27934**) located in Unit M of Section 11, Township 12 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 31 EAST, NMPM

Section 11: W/2

- (d) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Strawn production and designated as the Dempster Mill-Strawn Gas Pool (**Pool Code 97471**). The discovery well is the Yates Petroleum Corporation Dempster-Mill Unit Well No. 2 (**API No. 30-025-36785**) located in Unit L of Section 31, Township 11 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 36 EAST, NMPM

Section 31: S/2