Examiner Hearing – November 103, 2005 Docket No. 36-05 Page 2 of 2

CASE 13274: De Novo – Readvertised – Continued from October 13, 2005 Commission Meeting.

Application of Arch Petroleum Inc. for Approval of Two Non-Standard Gas Spacing and Proration Units in the Jalmat Gas Pool, Lea County, New Mexico. Applicant seeks approval of (1) a non-standard gas spacing and proration unit comprised of the SW/4 of Section 20, Township 23 South, Range 37 East, to be dedicated in the Jalmat Gas Pool to the Steeler "A" Well No. 1, located in the NW/4 SW/4 of the section, to be operated by Westbrook Oil Corporation, and (ii) a non-standard gas spacing and proration unit comprised of the SE/4 of Section 20, in said township and range, to be dedicated in the Jalmat Gas Pool to the Resler "B" Well No. 1, located in the NW/4 SE/4 of the section, to be operated by applicant. The units are located approximately 10-½ miles south-southwest of Euroice, New Mexico. Upon the application of Arch Petroleum Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 13480: De Novo. Continued from October 13, 2005 Commission Meeting

Application of Gandy Marley, Inc. to modify their existing NMOCD Rule 711 Permit No. NM-01-019 so that they may accept salt-contaminated oilfield wastes. Gandy Marley, Inc. has applied for a modification to their surface waste management facility permit to allow the facility to accept oilfield waste, exempt from RCRA Subtitle C, including chloride impacted debris, drilling mud, soils, sludges, tank bottoms and filters associated with the drilling, operating and maintenance of oil and gas wells and related operations of the oil and gas industry, and certain non-exempt, non-hazardous oilfield waste. Gandy Marley, Inc.'s facility is located in Sections 4,5,8, and 9 of Township 11 South, Range 31 East, in Chaves County, New Mexico. Gandy Marley, Inc. has provided information describing the construction of the cells and conditions at the site that make it suitable for the acceptance of such wastes. The operator will keep salt-contaminated oilfield waste separate from hydrocarbon-contaminated oilfield waste. Upon application of Gandy Marley, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 13367: De Novo

Application of Bass Enterprises Production Co. for an order Authorizing the Drilling of a Well in the Potash Area, Eddy County, New Mexico. Applicant seeks an order approving the drilling of its proposed James Ranch Unit Well No. 93 within the Potash Area at a location 660 feet from the North and East lines (Unit A) of Section 7, Township 23 South, Range 31 East. This well will be drilled to an approximate depth of 14,800 feet to test all formations from the surface to the base of the Morrow formation, Los Medanos-Morrow Gas Pool and will be at a standard location in all formations. Said location is within the Potash Area and approximately 10 miles east of Carlsbad, New Mexico. Upon application of Mosaic Potash Carlsbad, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1221.

CASE 13368: De Novo

Application of Devon Energy Production Company, L.P. for an order Authorizing the Drilling of a Well in the Potash Area, Eddy County, New Mexico. Applicant seeks an order approving the drilling of its proposed Apache 24 Fee Well No. 6 within the Potash Area at a location 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 24, Township 22 South, Range 30 East. This well will be drilled to an approximate depth of 7,900 feet to test all formations from the surface to the base of the Delaware formation, Southeast Quadada Ridge-Delaware Pool and will be at a standard location in all formations. Said location is within the Potash Area and located approximately 8 miles east of Carlsbad, New Mexico. Upon application of Mosaic Potash Carlsbad, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1221.

CASE 13372: De Novo

Application of Devon Energy Production Company, L.P. for Approval of an Unorthodox Well Location and Authorization to Drill a Well in the Potash Area, Eddy County, New Mexico. Applicant seeks an order approving the drilling of its proposed Apache 24 Fee Well No. 7A within the Potash Area at an unorthodox well location 1460 feet from the North line and 1150 feet from the West line (Unit E) of Section 24, Township 22 South, Range 30 East. This well will be drilled to an approximate depth of 15,500 to as a wildcat well to test the Devonian formation. Said location is within the Potash Area and located approximately 8 miles east of Carlsbad, New Mexico. Upon application of Mosaic Potash Carlsbad, Inc., this case will be heard De Novo pursuant to the provisions of Rule 1221.

<u>CASE 13589</u>: Application of Duke Energy Field Services, LP for approval of an acid gas injection well, Lea County, New Mexico. Applicant seeks approval to utilize its proposed Linam AGI Well No. 1, to be drilled 1980 feet from the South and West lines of Section 30, Township 18 South, Range 37 East, to inject up to 2300 barrels of acid gas per day, at a maximum pressure of 2800 psi, into the lower Bone Spring Formation, at an approximate depth of 8700 feet to 9100 feet. Applicant will also test the Brushy Canyon Member of the Delaware Group at a depth of approximately 5000 feet for consideration as a potential secondary injection target. This well is located approximately 4.5 miles west of Hobbs, New Mexico.