

**DOCKET: EXAMINER HEARING - THURSDAY – MARCH 16, 2017**

8:15 A.M.

1220 South St. Francis Drive  
Santa Fe, New Mexico  
87505

Docket Nos. 12-17 and 13-17 are tentatively set for March 30, 2017 and April 13, 2017. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule Subsection B of 19.15.4.13 NMAC 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.

*Locator Key for Cases*

*Case 15606 - No. 1*  
*Case 15625 - No. 6*  
*Case 15634 - No. 12*  
*Case 15635 - No. 13*  
*Case 15636- No. 14*  
*Case 15637 – No. 7*  
*Case 15638 - No. 8*  
*Case 15639 - No. 2*  
*Case 15640 - No. 3*  
*Case 15641 – No. 4*  
*Case 15642 – No. 5*  
*Case 15643 - No. 9*  
*Case 15644 - No. 10*  
*Case 15645 – No. 11*

1. **Case No. 15606:** (Continued from the March 2, 2017 Examiner Hearing.)

**Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against ICA Energy Operating, L.L.C. for its Well Operated in Roosevelt County, New Mexico.** The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") hereby files this application with the Oil Conservation Division ("OCD" or "Division") pursuant to the provisions of NMSA 1978, § 70-2-12 for a compliance order (1) determining operator ICA Energy Operating, L.L.C. ("Operator") is out of compliance with 19.15.5.9 and 19.15.25.8 NMAC; (2) requiring Operator to return to compliance with 19.15.5.9 and 19.15.25.8 NMAC; and (3) in the event of non-compliance, finding Operator in violation of a Division Order for each day after the deadline established in the sought order to obtain compliance, declaring the well abandoned, and authorizing the OCD to plug the violating well in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from Operator's financial assurance as permitted by 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

2. **Case No. 15639: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (1) creating a 160-acre, more or less, non-standard spacing and proration unit comprised of the W/2 E/2 of Section 29, Township 25 South, Range 27 East, NMPM, Eddy County, New Mexico; and (2) pooling all uncommitted interests in the 2<sup>nd</sup> Bone Spring Sand formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed **Populus Federal #2H Well**, which will be horizontally drilled from a surface location in the NW/4 NE/4 (Unit B) of Section 29 to a bottom hole location in the SW/4 SE/4 (Unit O) of Section 29. The completed interval for this well will remain within the 330-foot standard set back required by Division rules. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling the well. Said area is located approximately 14 miles southwest of Loving, New Mexico.

3. **Case No. 15640: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant in the above-styled cause seeks an order (1) creating a 160-acre, more or less, non-