FINAL DOCKET: COMMISSION MEETING - Thursday - June 15, 2006

9:00 A.M. – Porter Hall 1220 South St. Francis Santa Fe, New Mexico

Land Commissioner, Patrick H. Lyons, may designate Jami Bailey as his representative for this meeting, or may participate himself.

Notice: The minutes of the April 20-21, May 4-6, May 18, and June 5, 2006 Commission Meetings will be adopted.

<u>Notice</u>: During this meeting, the Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

CASE NO. 12792: Application of the New Mexico Oil Conservation Division for an order requiring Kelly H. Baxter to plug seven wells in Lea County, New Mexico. The Applicant moves the Oil Conservation Commission to reopen Case No. 12792 to issue an order assessing civil penalties and finding Kelly H. Baxter to be in violation of Order R-11840-A, issued in Case No. 12792, requiring corrective action as to the following wells: State FP #001, 30-025-21925, 0-23-016S-33E; State Wes #001, 30-025-28227, A-20-14S-33E; State 26 #001, 30-025-27961, B-26-12S-32E; Wallen Fee #001, 30-025-25238, D-28-20S-34E; Wallen Fee #002, 30-015-25283, C-28-20S-34E. The Wallen Fee #001 and #002 are located approximately 20 miles southwest of Hobbs, New Mexico. The remaining wells are located approximately 20 to 25 miles west and northwest of Lovington, New Mexico.

CASE NO. 13163: Application of the New Mexico Oil Conservation Division for an order requiring Saba Energy of Texas, Inc. to bring six wells into compliance with 19.15.4.201 NMAC. The Applicant moves the Oil Conservation Commission to re-open Case No. 13163 and issue an order pursuant to OCD Rule 19.15.1.40 NMAC finding Saba Energy of Texas, Inc. to be in violation of Order R-12132-A, issued in Case No. 13163, requiring corrective action as to the following wells: San Simon 5 State #1, API #30-025-27564, UL E, Sec. 5, T22S, R35E; San Simon 5 State #2, API #30-025-28480, UL G, Sec. 5, T22S, R35E; Morris #1, API #30-025-29247, Unit Letter D, Section 8, T13S, R36E; Saba State #1, API #30-025-33726, UL I, Sec. 7, T13S, R36E; Harton State #1, API #30-025-28540, UL H, Sec. 7, T13S, R36E; Fern Guye #1, API #30-025-34488, UL M, Sec. 5, T13S, R36E. The San Simon 5 State #1 and #2 are located approximately 5-15 miles west of Eunice and the remaining wells are located approximately 5 miles southeast of Tatum, in Lea County, New Mexico.

The Commission will deliberate on the following cases:

<u>CASE NO. 13367</u>: De Novo - Continued from June 5, 2006, Special Commission Meeting.

Application of Bass Enterprises Production Co. for an order Authorizing the Drilling of a Well in the Potash Area, Eddy County, New Mexico.

<u>CASE NO. 13368:</u> De Novo - Continued from June 5, 2006, Special Commission Meeting.

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.

<u>CASE NO. 13372</u>: De Novo - Continued from June 5, 2006, Special Commission Meeting.

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.