

DOCKET: EXAMINER HEARING - THURSDAY – APRIL 26, 2007

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

Docket Nos. 14-07 and 15-07 are tentatively set for May 10, 2007 and May 24, 2007. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.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 or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following Cases will be heard by an Examiner.

CASE NO. 13885: (Continued from March 15, 2007 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a Compliance Order against Kimlar Oil Company. The Applicant seeks an Order finding that Operator is in violation of Division Rule 19.15.4.201 NMAC as to four wells, requiring operator to bring the four wells into compliance with Division Rule 19.15.4.201 NMAC by a date certain, and authorizing the Division to plug said wells in the event of non-compliance. The affected wells are: Gourley Federal #003, A-31-22S-28E, API # 30-015-22660; Gourley Federal #004, J-31-22S-28E, API # 30-015-22661; Gourley Federal #005, J-31-22S-28E, API # 30-015-23501; Gourley Federal #006, I-31-22S-28E, API # 30-015-23707. The wells are located approximately ten miles southeast of Carlsbad, off of CR 605, in Eddy County, New Mexico.

CASE 13908: *Application of OXY USA WTP, Limited Partnership, for authorization to simultaneously dedicate a standard spacing and proration unit in the Wolfcamp formation to a horizontal well and two vertical wells, Eddy County, New Mexico.* Applicant seeks authorization to dedicate a standard 320-acre spacing and proration unit comprised of the S/2 of Section 15, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico in the Wolfcamp formation, North Burton Flat-Wolfcamp Gas Pool, to the following three wells:

1. The Government AC Com Well No. 1 (**API No. 30-015-21432**) drilled as a vertical well located 660 feet from the South Line and 1980 feet from the West Line of said Section 15;
2. The Government AA Com Well No. 2 (**API No. 30-015-33283**) that has been drilled as a dual lateral horizontal wellbore (directional well) from a surface location 190 feet from the North line and 350 feet from the West line of Section 23 to a bottom hole location 675 feet from the North Line and 261 feet from the East Line of Section 15 and a second lateral with a bottom hole location 678 feet from the South Line and 237 feet from the West line of Section 23; and
3. The Government AC Com Well No. 4 (**API No. 30-015-32655**) drilled as a vertical well located 660 feet from the South and East Lines of Section 15.

This acreage is located approximately 10 miles northeast of Carlsbad, New Mexico.

CASE 13909: Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing and proration units located in the W/2 of Section 14, Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated South Carlsbad-Morrow Gas Pool, Undesignated South Happy Valley-Atoka Gas Pool, Undesignated Happy Valley-Strawn Gas Pool, Undesignated East Hackberry Hills-Canyon Gas Pool, South Carlsbad-Wolfcamp Gas Pool; the SW/4 for all formations and/or pools developed on 160-acre spacing; the SE/4 SW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Undesignated East Happy Valley-Bone Spring Pool; Said units are to be dedicated to its Commode Hugger Fee Com Well No. 1 (**API No. 30-015-34965**) to be drilled as a gas well at a standard location 660 feet from the South line and 1850 feet from the West line (Unit N) of said Section 14, to test any and all formations from the surface to the base of the Morrow formation. 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 Marbob Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 2.25 miles north of the Carlsbad Airport, New Mexico.