

DOCKET: EXAMINER HEARING - THURSDAY – NOVEMBER 1, 2007

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 36-07 and 37-07 are tentatively set for November 29 and December 13, 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.

<i>Locator Key for Cases</i>	
<i>Case 13897</i>	<i>- No.20</i>
<i>Case 13916</i>	<i>- No.15</i>
<i>Case 13940</i>	<i>- No.21</i>
<i>Case 13960</i>	<i>- No.13</i>
<i>Case 13980</i>	<i>- No.1</i>
<i>Case 13981</i>	<i>- No.14</i>
<i>Case 13985</i>	<i>- No.9</i>
<i>Case 13990</i>	<i>- No.4</i>
<i>Case 14001</i>	<i>- No.18</i>
<i>Case 14002</i>	<i>- No.19</i>
<i>Case 14007</i>	<i>- No.3</i>
<i>Case 14013</i>	<i>- No.12</i>
<i>Case 14014</i>	<i>- No.2</i>
<i>Case 14016</i>	<i>- No.5</i>
<i>Case 14017</i>	<i>- No.6</i>
<i>Case 14018</i>	<i>- No.7</i>
<i>Case 14019</i>	<i>- No.8</i>
<i>Case 14020</i>	<i>- No.10</i>

1. **CASE NO. 13980:** *(Continued from the October 3, 2007 Examiner Hearing.)*  
***Application of the New Mexico Oil Conservation Division for a Compliance Order against Rojo Grande Company LLC.*** Applicant seeks an order finding that operator is in violation of 19.15.4.201 NMAC as to one well, requiring operator to return said well to compliance with 19.15.4.201 NMAC by a date certain and authorizing the Division to plug said well in the event of non-compliance. The affected well is: Ramapo No. 006, N-36-17S-27E, API 30-015-30964. The well is located approximately 10 miles southwest of Loco Hills, in Eddy County, New Mexico.
2. **CASE 14014:** ***Application of the New Mexico Oil Conservation Division for a Compliance Order against Lothian Oil Texas I, Inc.*** The Applicant seeks an order finding that operator knowingly and willfully violated 19.15.13.1115 NMAC and NMSA 1978, Section 70-2-31(B)(2) by filing false C-115 monthly production reports for the Bedingfield Federal No. 001 well since October 1, 2005 or in the alternative finding that operator knowingly and willfully violated 19.15.4.201 NMAC as to the Bedingfield Federal No. 001; finding that operator knowingly and willfully violated 19.15.3.103 NMAC as to the Square Lake 12 Unit No. 111 well; imposing penalties; requiring operator to return both wells to compliance by a date certain; authorizing the Division to plug the Bedingfield Federal No. 001 well if operator fails to return that well to compliance by the deadline set in the order; and for such other relief as the Director deems appropriate. The affected wells are the Bedingfield Federal No.001 well, API No. 30-015-02835, J-1-17S-29E, and the Square Lake 12 Unit No.111 well, API No. 30-015-04108, G-7-17S-37E. Both wells are located approximately five miles northeast of Loco Hills in Eddy County, New Mexico.
3. **CASE 14007:** *(Continued from the October 18, 2007 Examiner Hearing.)*  
***Application of the New Mexico Oil Conservation Division for a Compliance Order against Southwestern Inc.*** The Applicant seeks an order finding that operator is in violation of 19.15.3.100.C NMAC, and is in violation of 19.15.4.201 NMAC, 19.15.1.13.B NMAC and 19.15.3.116.D NMAC as to one well, determining that the violations are knowing and willful and imposing a penalty, requiring operator to come into compliance by a date

certain and authorizing the division to plug said well in the event of non-compliance and forfeit the applicable financial assurance. The affected well is: State VC #001, 30-025-03035, L-36-17S-35E. The well is located approximately eight miles west of Humble City in Lea County, New Mexico.

4. **CASE 13990:** *(Continued from the October 18, 2007 Examiner Hearing.)*  
***Application of the New Mexico Oil Conservation Division for a Compliance Order.*** The Applicant seeks an order finding that Pogo Producing Company knowingly and willfully violated Rule 104, Order R-12366, Rule 1115.A, NMSA 1978, Section 70-2-31(B) and NMSA 1978, Section 70-2-31(D) and imposing penalties for those violations, requiring the operator to file corrected reports, requiring operator to plug and abandon a well, and for such other relief as the Director deems appropriate. The affected well is the Resler B #001, 30-025-36573, Unit Letter J, Section 20, Township 23 South, Range 37 East, in Lea County, New Mexico. The well is located less than five miles north of Teaque.
  
5. **CASE 14016:** ***Application of ConocoPhillips for an exception to the well density requirements of the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico.*** Applicant seeks an exception to the well density requirements of Rule II.B of the Special Rules and Regulations for the Basin-Dakota Gas Pool to permit it to produce the following 2 Dakota gas wells in the same quarter-quarter section (NW/4 SW/4) on a standard spacing and proration unit comprised of the W/2 of Section 24, Township 28 North, Range 7 West, NMPM:  
  
(a) the San Juan 28-7 Unit Well No. 259 (API #30-039-21690) located 1450 feet from the South line and 790 feet from the West line (Unit L) of this section; and  
  
(b) the San Juan 28-7 Unit Well No. 259G (API #30-039-21788) located 2370 feet from the South line and 225 feet from the West line (Unit L) of this section.  
  
These wells are located approximately 8 miles southeast of Navajo City, New Mexico.
  
6. **CASE 14017:** ***Application of ConocoPhillips for an exception to the well density requirements of the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico.*** Applicant seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit it to produce the following 2 Mesaverde gas wells in the same quarter-quarter section (SW/4 NE/4) on a standard spacing and proration unit comprised of the E/2 of Section 34, Township 29 North, Range 5 West, NMPM:  
  
(a) the San Juan 29-5 Unit Well No. 34 (API #30-039-075150) located 1425 feet from the North line and 2080 feet from the East line (Unit G) of this section; and  
  
(b) the San Juan 29-5 Unit Well No. 34R (API #30-039-21788) located 2450 feet from the North line and 1850 feet from the East line (Unit G) of this section.  
  
These wells are located approximately 4 miles southeast of Gobernador Camp, New Mexico.
  
7. **CASE 14018:** ***Application of ConocoPhillips for an exception to the well density requirements of the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico.*** Applicant seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit it to produce the following 2 Mesaverde gas wells in the same quarter-quarter section (NW/4 NE/4) on a standard spacing and proration unit comprised of the E/2 of Section 34, Township 28 North, Range 7 West, NMPM:  
  
(a) the San Juan 28-7 Unit Well No. 225F (API #30-039-66940) located 740 feet from the North line and 2170 feet from the East line (Unit B) of this section; and  
  
(b) the San Juan 28-7 Unit Well No. 91 (API #30-039-07270) located 900 feet from the North line and 1460 feet from the East line (Unit B) of this section.  
  
These wells are located approximately 9-1/2 miles southeast of Navajo City, New Mexico.