DOCKET: EXAMINER HEARING - THURSDAY - NOVEMBER 13, 2008

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

Docket Nos. 40-08 and 41-08 are tentatively set for December 4, 2008 and December 18, 2008. 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 at the applicant's request. The following cases will be heard by an Examiner.

Locator Key for Cases Case 14047 - No. 13 Case 14117 - No. 1 Case 14147 - No. 2 Case 14148 - No. 3 Case 14162 - No. 5 Case 14173 - No. 8 Case 14192 - No. 14 Case 14203 - No. 15 Case 14204 - No. 16 Case 14208 - No. 17 Case 14239 - No. 4 Case 14240 - No. 6 Case 14241 - No. 7 Case 14242 - No. 9 Case 14243 - No. 10 Case 14244 - No. 11 Case 14245 – No. 12

1. CASE 14117: (Continued from the July 10, 2008 Examiner Hearing)

Application of the New Mexico Oil Conservation Division, Through the Enforcement and Compliance Manager, for a Compliance Order against STAR ACQUISITION VII, LCC. Finding that Operator knowingly and willfully violated Rule 50.A [19.15.2.50.A NMAC] as to one well and Assessing Monetary Penalties for Those Violations Pursuant to NMSA §70-2-14(B), and ordering that Operator Plug and Abandon All Wells that it Operates in New Mexico by a date certain. The well at issue in this Application is identified as follows:

<u>Jicarilla</u> 71 #25: API # 30-039-23416 - Unit Letter A, Section 9, Township 23 North, Range 4 West, Rio Arriba County, NM.

The subject well is located approximately 8 miles northeast of Counselor, NM, about 2 miles north of the Sandoval County line in Rio Arriba County, New Mexico.

2. <u>CASE 14147:</u> Amended (Continued from the October 30, 2008 Examiner Hearing.) (This case will be continued to the December 18, 2008, Examiner Hearing.)

Application of Chesapeake Operating, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in a 160-acre project area located in the S/2 N/2 of Section 31, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The above-referenced spacing unit will be dedicated to Chesapeake's Diamond 31 Federal Well No. 4H which will be drilled to test the Bone Springs formation, Willow Lake Bone Spring Pool, from a surface location 1670 feet from the North line and 25 feet from the East line and to a bottomhole location 1670 feet from the North line and 350 feet from the West line of said Section 31. Also to be considered will be the cost of drilling and