

STATE OF NEW MEXICO  
DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES  
OIL CONSERVATION COMMISSION

APPLICATION OF THE NEW MEXICO OIL CONSERVATION DIVISION, THROUGH THE ENFORCEMENT AND COMPLIANCE MANAGER, FOR A COMPLIANCE ORDER AGAINST XERIC OIL & GAS CORPORATION; (1) FINDING THAT THE OPERATOR KNOWINGLY AND WILLFULLY VIOLATED 19.15.3.101.B NMAC AS TO 69 WELLS AND 19.15.4.201 NMAC; (2) 19.15.13.1115 NMAC AS TO 80 WELLS; (3) REQUIRING OPERATOR TO POST THE REQUIRED SINGLE-WELL FINANCIAL ASSURANCES FOR THE 69 NON-COMPLIANT WELLS BY A DATE CERTAIN; AND IN THE EVENT OF NON-COMPLIANCE WITH ANY ASPECT OF THE ORDER, DECLARING THE WELLS ABANDONED, AUTHORIZING THE DIVISION TO PLUG THE WELLS AND FORFEITING ANY APPLICABLE FINANCIAL ASSURANCE, LEA COUNTY, NEW MEXICO.

CASE NO. 14106

APPLICATION FOR HEARING DE NOVO

COMES NOW XERIC OIL & GAS CORPORATION, a party adversely affected by Order No. R-13005, and hereby applies for a hearing *De Novo* before the full Commission, pursuant to NMSA 1978, Section 70-2-13.

Respectfully submitted,  
HOLLAND & HART, LLP

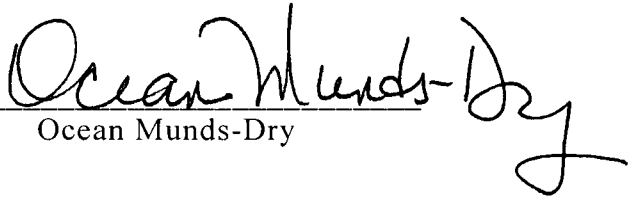
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ATTORNEYS FOR XERIC OIL & GAS  
CORP.

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**CERTIFICATE OF SERVICE**

I hereby certify that a copy of the foregoing Application for Hearing *De Novo* was delivered by hand-delivery on this 7th day of November 2008 to the following:

Mikal Altomare  
New Mexico Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

  
Ocean Munds-Dry