## Examiner Hearing -August 20, 2009 Docket No. 29-09 Page 2 of 6

2. CASE 14320: (Continued from the July 9, 2009 Examiner Hearing.)

Farmington, New Mexico.

- Application of the New Mexico Oil Conservation Division for a Compliance Order against John Cravey d/b/a JRC Petroleum. The Applicant seeks an order finding that the operator is in violation of 19.15.25 NMAC and 19.15.5.9 NMAC, revoking Administrative Order SWD-1141, requiring operator to plug and abandon all the wells he operates by a date certain, and authorizing the division to plug and abandon the wells if the operator does not comply. The affected wells are: Bradley Federal #001, 30-015-00391, D-13-24S-26E; Bradley Federal #002, 30-015-00387, P-11-24S-26E; Bradley Federal #005, 30-015-00388, P-11-24S-26E; Bradley Federal #006, 30-015-00388, I-11-24S-26E; Bradley Federal #008, 30-015-00388, K-11-24S-26E. The wells are located near Black River Village in Eddy County, New Mexico.
- 3. <u>CASE 14359</u>: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the NW/4 NW/4 of Section 10, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetery-Yeso Pool. The unit is to be dedicated to the proposed Long Draw "10" D Well No. 1, to be drilled at an orthodox location in the NW/4 NW/4 of Section 10. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 3 miles west-southwest of Seven Rivers, New Mexico.
- 4. CASE 14282: (Continued from the July 23, 2009 Examiner Hearing.)

  Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the W/2 of Section 8, Township 29 North, Range 13 West, NMPM, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the Airport 29-13-8 Well No. 113, to be located at an orthodox location in the NW/4 NW/4 of Section 8. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a

200% charge for the risk involved in drilling and completing the well. The unit is located approximately 1/2 mile West of

- 5. CASE 14343: (Continued from the July 23, 2009 Examiner Hearing.)

  Application of Purvis Operating Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Pennsylvanian and Devonian formations underlying the E/2 NE/4 of Section 34, Township 12 South, Range 37 East, NMPM, to form a standard 80-acre oil spacing and proration unit for all pools or formations developed on 80-acre spacing within that vertical extent, including the Southwest Gladiola-Pennsylvanian Pool and Southwest Gladiola-Devonian Pool. The unit is to be dedicated to the Lowe Well No. 1, to be re-entered at a location 554 feet from the North and East lines (the NE/4 NE/4) of Section 34. Also to be considered will be the cost of re-entering and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in re-entering and completing the well. The unit is located approximately 8 miles East-Southeast of Tatum, New Mexico.
- 6. <u>CASE 14360</u>: Application of Apache Corporation for approval of a pilot secondary recovery project, Lea County, New Mexico. Applicant seeks approval to institute a pilot secondary recovery project by the injection of water into the Blinebry, Tubb, and Drinkard formations into the Blankenship Well No. 2, located 2075 feet from the South line and 555 feet from the West line of Section 12, Township 20 South, Range 38 East, NMPM, at depths of 5900-7100 feet subsurface. The well is located approximately 3 miles south-southeast of Nadine, New Mexico.
- 7. CASE 14344: (Continued from the July 23, 2009 Examiner Hearing.)

  Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 4, SE/4 SW/4, and S/2 SE/4 (the S/2 S/2 equivalent) of Section 18, Township 16 South, Range 29 East, NMPM, to form a non-standard 145.50-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Red Wolf "18" Fed. Com. Well No. 1, a horizontal well to be drilled at a surface location 660 feet from the South line and 200 feet from the East line of Section 18. The well will penetrate the Wolfcamp formation at an orthodox location approximately 660 feet from the South line and 330 feet from the East line, and have a terminus 660 feet from the South line and 330 feet from the West line, of Section 18. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200%