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

IN THE MATTER OF THE APPLICATION OF THE BOARD OF COUNTY COMMISSIONERS OF RIO ARRIBA COUNTY FOR CANCELLATION OR SUSPENSION OF APPLICATIONS FOR PERMITS TO DRILL (APD'S) FILED BY APPROACH OPERATING, LLC, RIO ARRIBA COUNTY, NEW MEXICO C

CASE NO. 14134

CASE NO. 14141

CASE NO. 14278

IN THE MATTER OF THE APPLICATION OF APPROACH OPERATING, LLC FOR APPROVAL OF SIX APPLICATIONS FOR PERMITS TO DRILL, RIO ARRIBA COUNTY, NEW MEXICO

IN THE MATTER OF THE APPLICATION OF APPROACH OPERATING, LLC FOR APPROVAL OF FOURTEEN APPLICATIONS FOR PERMITS TO DRILL, RIO ARRIBA COUNTY, NEW MEXICO

ORDER NO. R-12976-B

ORDER REMANDING TO THE DIVISION

This matter, having come before the Chair of the Oil Conservation Commission pursuant to the Motion To Remand to the Division filed by Approach Operating LLC, ("Approach"), through its undersigned attorneys, Montgomery and Andrews, P.A., (J. Scott Hall) with the concurrence of the Board of County Commissioners of Rio Arriba County, through their attorney, Adan E. Trujillo, and the Commission Chair finding the motion is well taken, ORDERS as follows:

1. The Applications for Pemits to Drill ("APD's") that are the subject of Case No. 14134, Case No. 14141 and Case No. 14278 that have not otherwise been withdrawn by Approach are remanded to the Division for disposition in accordance with regular administrative review and approval procedure by the Division's District III office for the following proposed wells:

*Sena Well No. 2 *Avella Sultemeier No. 2 *Montano Well No. 1 *Dora Spill Well No. 2 *Dora Spill Well No. 3 *Jeffrey Spill Well No. 1 *Jeffrey Spill Well No. 3 *Edward Spill Well No. 4 2. Purusant to 19.15.14.10 B NMAC of the Division's rules and regulations, the Division's approvals of the APD's for each of the above-referenced wells, and for all other APD's submitted by Approach for wells it proposes to drill on its current leasehold in Rio Arriba County shall reflect the following condition: "*Applicant shall comply with all applicable county ordinances.*"

3. The APD's for the following wells are withdrawn and are accordingly dismissed from these cases:

<u>Case No. 14143:</u>

*Sultemeier Well No. 1 *Sena Well No. 1 *Woolley Family LP Well No. 1

<u>Case No. 14141</u>:

*Benjamin Trujillo Well No. 1 *Rosemary Roller Well No. 1 *Leo Valdez Well No. 1 *Cloyd Hinkle No. 1 *Anthony Garcia No. 1

Case No. 14278:

*Rice Well No. 1 *Rice Well No. 2 *Montano Well No. 2 *Dora Spill No. 1 *Jeffrey Spill Well No. 2 *Edward Spill No. 1 *Edward Spill Well No. 2 *Edward Spill Well No. 3

4. The Applications for adjudicatory hearing in Case No. 14134, Case No.14141 and Case No. 14278 are dismissed.

5. Order No. R-12976 is hereby vacated.

DONE at Santa Fe, New Mexico, on this

day of October, 2009.

STATE OF NEW MEXICO OIL CONSERVATION DIVISION

MARK E. FESMIRE, P.E. Director

Submitted by: MONTGOMERY & ANDREWS, P.A.

1. I won -du By:

J. Scott Hall, Esq. Post Office Box 2307 Santa Fe, New Mexico 87504 (505) 982-3873 Attorneys for Approach Operating, LLC

Approved by:

Adan E. Trujillo, Esq. Ted J. Trujillo, Esq. P. O. Box 2185 Espanola, New Mexico 87532-2185 (505) 753-5150 Attorneys for the Board of County Commissioners for Rio Arriba County

00131465