

**DOCKET: EXAMINER HEARING - THURSDAY – APRIL 15, 2010**

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

Docket Nos. 14-10 and 15-10 are tentatively set for April 29, 2010 and May 13, 2010. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13 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 14387 – No. 1*  
*Case 14425 – No. 7*  
*Case 14458 – No. 2*  
*Case 14459 – No. 3*  
*Case 14460 – No. 4*  
*Case 14461 – No. 5*  
*Case 14462 – No. 6*  
*Case 14463 – No. 8*

1. **CASE 14387:** *(Continued from the March 4, 2010 Examiner Hearing.)*  
**Application of the New Mexico Oil Conservation Division for a Compliance Order against Dennis Langlitz.** The Applicant seeks an order revoking Operator's authority to inject into his wells and pursuant to NMSA 1978, Section 70-2-14(B), an order requiring Operator to plug and abandon all the wells he operates in New Mexico and authorizing Applicant to plug and abandon the wells and forfeit the applicable financial assurance in the event of non-compliance. The affected wells are:

• Saladar Unit #001	30-015-02451	L-33-20S-28E
• Saladar Unit #002	30-015-02450	L-33-20S-28E
• Saladar Unit #003	30-015-02447	F-33-20S-28E
• <b><i>Saladar Unit #004</i></b>	<b><i>30-015-02446</i></b>	<b><i>K-33-20S-28E</i></b>
• <b><i>Saladar Unit #005</i></b>	<b><i>30-015-02444</i></b>	<b><i>K-33-20S-28E</i></b>
• <b><i>Saladar Unit #006</i></b>	<b><i>30-015-02448</i></b>	<b><i>K-33-20S-28E</i></b>
• <b><i>Saladar Unit #007</i></b>	<b><i>30-015-10468</i></b>	<b><i>N-33-20S-28E</i></b>
• <b><i>Saladar Unit #008</i></b>	<b><i>30-015-02449</i></b>	<b><i>N-33-20S-28E</i></b>
• <b><i>Saladar Unit #010</i></b>	<b><i>30-015-10365</i></b>	<b><i>O-33-20S-28E</i></b>
• <b><i>Saladar Unit #011</i></b>	<b><i>30-015-24178</i></b>	<b><i>L-33-20S-28E</i></b>
• <b><i>Saladar Unit #012</i></b>	<b><i>30-015-24179</i></b>	<b><i>K-33-20S-28E</i></b>

The wells are located approximately 11 miles Northeast of Carlsbad, in Eddy County, New Mexico.

2. **CASE 14458:** **Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Devon Energy Production Company, L.P. seeks an order approving a 159.08-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of Lots 1-4 of Section 5, Township 17 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests from

the surface to the base of the Wolfcamp formation underlying (i) Lot 4 of Section 5 to form a standard 39.72 acre oil spacing and proration unit, and (ii) Lots 1-4 of Section 5 to form a non-standard 159.08 acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Mark Twain 5 Fed. Com. Well No. 4, a horizontal well to be drilled at an unorthodox surface location in Lot 4, with a terminus at an orthodox location in the Lot 1, of Section 5. 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 units are located approximately 11 miles East-Northeast of Artesia, New Mexico.

3. **CASE 14459:** *Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.* Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Wolfcamp formation comprised of the S/2 S/2 of Section 15, Township 25 South, Range 26 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Wolfcamp formation underlying (i) the SE/4 SE/4 of Section 15 to form a standard 40 acre oil spacing and proration unit, and (ii) the S/2 S/2 of Section 15 to form a non-standard 160 acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Seldom Seen 15 Fed. Well No. 1, a horizontal well to be drilled at an orthodox surface location in the SE/4 SE/4, with a terminus at an orthodox location in the SW/4 SW/4, of Section 15. 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 Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 7 miles Southeast of Whites City, New Mexico.
4. **CASE 14460:** *Application of Cimarex Energy Co. of Colorado for an order authorizing the drilling of a well in the Potash Area, Eddy County, New Mexico.* Applicant seeks an order approving the drilling of its proposed State 14 Com. Well No. 3, a horizontal well to test the Bone Spring formation (Turkey Track-Bone Spring Pool) within the Potash Area, at a surface location 375 feet from the north line and 2120 feet from the west line of Section 14, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The E/2 W/2 of Section 14 will be dedicated to the well to form a 160-acre non-standard well unit (project area). The unit is located approximately 12 miles South-Southwest of Loco Hills, New Mexico.
5. **CASE 14461:** *Application of BOPCo, L.P. for approval of a water disposal well, Eddy County, New Mexico.* Applicant seeks an order approving water disposal into the Avalon zone of the Nash Draw-Delaware/Bone Spring Avalon Sand Pool at a depth of 7038-7460 feet subsurface in the Poker Lake Unit Well No. 213, located 860 feet from the south line and 660 feet from the east line of Section 18, Township 24 South, Range 30 East, NMPM. The well is located approximately 7 miles East-Southeast of Harroun, New Mexico.
6. **CASE 14462:** *Application of Yates Petroleum Corporation to rescind Administrative Order No. SWD-247, Eddy County, New Mexico.* Applicant, in the above-styled cause seeks an order rescinding SWD-247 that authorizes the injection of produced water for disposal in the Bone Spring formation in the Dorstate Well No. 1 (API No. 30015-36913) located in Unit H, 1980 feet from the North line and 660 feet from the East line of Section 27, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. Said well is located approximately 8 miles South of Malaga, New Mexico.