

PRELIMINARY DOCKET: COMMISSION HEARING – FRIDAY – AUGUST 30, 2002

9:00 A.M. – Porter Hall
1220 So. St. Francis
Santa Fe, New Mexico

The Land Commissioner's designee for this hearing will be Jami Bailey.

The minutes of the July 19, 2002, Commission hearing will be adopted.

This Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

Final action may be taken in the following cases:

CASE 12897: Application of the New Mexico Oil Conservation Division through the Environmental Bureau Chief, for the Adoption of Amendments to Division Rule 118 (Hydrogen Sulfide Gas).

CASE 12757: Application of the New Mexico Oil Conservation Division for an Order Requiring Marks and Garner Production Ltd. Co. to Properly Plug Seventeen (17) Wells, Authorizing the Division to Plug Said Wells in Default of Compliance by Marks and Garner Ltd. Co., Ordering a Forfeiture of Applicable Plugging Bond and Assessing Civil Penalties for False Production Reporting; Eddy County, New Mexico.

CASE 12622: De Novo – Continued from July 19, 2002, Commission Hearing.

Application of Nearburg Exploration Company, L.L.C. for two non-standard gas spacing and proration units, Lea County, New Mexico. Applicant seeks an exception to the spacing provisions of Division Rule 104.C (2) to create two non-standard 160-acre gas spacing and proration units within the East Grama Ridge-Morrow Gas Pool comprising: (i) the NE/4 of Section 34, Township 21 South, Range 34 East, to be dedicated to the Nearburg Producing Company's existing Grama Ridge East "34" State Well No. 1 (API No. 30-025-34948), located at a standard gas well location 1548 feet from the North line and 990 feet from the East line (Unit H) of Section 34; and (ii) the SE/4 of Section 34 to be dedicated to the EOG Resources, Inc. operated Llano "34" State Well No. 1 (API No. 30-025-26318), located at a standard gas well location 1650 feet from the South line and 660 feet from the East line (Unit I) of Section 34. These two wells are located approximately 17 miles west of Eunice, New Mexico. Upon application of Nearburg Exploration Company, L.L.C., this case will be heard De Novo pursuant to the provisions of Rule 1220.