

CASE 13271: *Continued from August 5, 2004, Examiner Hearing*

Application of Tom Brown, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 15, Township 22 South, Range 27 East, and in the following manner: The N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the East Carlsbad-Wolfcamp Gas Pool, Undesignated Carlsbad-Strawn Gas Pool, and Undesignated South Carlsbad-Morrow Gas Pool; the NW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent; and the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including the Esperanza-Delaware Pool. The units are to be dedicated to applicant's Forni Well No. 3, to be drilled at an orthodox well location in the SW/4 NW/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 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 3 miles north-northwest of Otis, New Mexico.

CASE 13320: *Continued from August 19, 2004, Examiner Hearing*

Application of Platinum Exploration, Inc. for Approval of a Salt Water Disposal Well, Lea County, New Mexico. Applicant seeks approval to utilize its Whitten Well No. 1 SWD (API No. 30-025-27856) located 990 feet from the North line and 1,680 feet from the West line, Unit C, Section 35, Township 16 South, Range 38 East, to dispose of produced water into the Devonian formation through an open hole interval from 12,550 feet to 13,000 feet. This well is located 14 miles east of the town of Lovington, New Mexico.

CASE 13336: *Application of the New Mexico Oil Conservation Division for a Compliance Order.* Applicant seeks an order requiring operator B. Bernard Lankford to bring one well into compliance with 19.15.4.201 NMAC by a date certain and, in the event of non-compliance, assessing a civil penalty against the operator, authorizing the Division to plug said well, forfeiting the operator's plugging security, and for such other relief as the Director deems appropriate. The affected well is: Spears State #1, API #30-025-22098, Unit Letter F, Section 2, Township 26 South, Range 37 East, in Lea County, New Mexico. The Spears State #1 is located approximately 6 miles southeast of Jal, New Mexico.

CASE 13337: *Application of the New Mexico Oil Conservation Division for a Compliance Order.* Applicant seeks an order requiring Carbon Energy Inc. and Carbon Energy to bring wells into compliance with 19.15.4.201 NMAC, authorizing the Division to plug said wells, forfeiting the applicable financial assurances, and for such other relief as the Director deems appropriate. The affected wells are the Aztec "28" State #3, API #30-025-04361, located at Unit Letter M, Section 28, Township 20 South, Range 36 East, in Lea County, New Mexico, and the Shell State #1, API #30-025-26637, located at Unit Letter C, Section 6, Township 19 South, Range 37 East, in Lea County, New Mexico. The Aztec "28" State #3 is located approximately 10 miles southwest of Hobbs, New Mexico. The Shell State #1 is located approximately 5 miles west of Hobbs, New Mexico.

CASE 13061: *Reopened*

Application of the New Mexico Oil conservation Division, through the Environmental Bureau Chief, for an Order Determining the Responsible Party or Parties and Ordering the Responsible Party or Parties to Complete and Perform an Abatement Plan Pursuant to OCD Rule 19; Lea County, New Mexico. The Applicant seeks an order directing Smith & Marrs, Inc. to comply with a Stage 1 Abatement Plan and a prior Settlement Agreement with respect to subsurface water pollution existing at the South Langlie Jal Unit, in Sections 7, 8, 17 and 18, Township 25 South, Range 37 East, and ordering the responsible parties to submit a Stage 1 Investigation Report to the Division for approval.