

DOCKET: EXAMINER HEARING - THURSDAY – FEBRUARY 16, 2012

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

Docket Nos. 6-12 and 7-12 are tentatively set for March 1, 2012 and March 15, 2012. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B 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.

<i>Locator Key for Cases</i>
<i>Case 14657 – No. 1</i>
<i>Case 14698 – No. 8</i>
<i>Case 14703 – No. 5</i>
<i>Case 14704 – No. 6</i>
<i>Case 14705 – No. 7</i>
<i>Case 14725 – No. 9</i>
<i>Case 14726 – No. 10</i>
<i>Case 14764 – No. 4</i>
<i>Case 14775 – No. 11</i>
<i>Case 14776 – No. 15</i>
<i>Case 14777 – No. 16</i>
<i>Case 14782 – No. 2</i>
<i>Case 14783 – No. 3</i>
<i>Case 14789 – No. 14</i>
<i>Case 14796 – No. 12</i>
<i>Case 14797 – No. 13</i>

1. **CASE 14657:** *(Continued from the December 1, 2011 Examiner Hearing.)*
(This case will be called to determine if Operator has complied with the provisions of Division Order No. R-13448.) Application of the New Mexico Oil Conservation Division for a Compliance Order against McDonold Operating Inc. revoking injection permits R-3269 and WFX-510 for the Langlie Jack Unit. The requested revocation would affect the following injection wells: Langlie Jack Unit #004, B-20-24S-37E, 30-025-11174; Langlie Jack Unit #006, D-20-24S-37E, 30-025-11173; Langlie Jack Unit #007, F-20-24S-37E, 30-025-11172; Langlie Jack Unit #010, E-21-24S-37E, 30-025-11177; Langlie Jack Unit #012, I-20-24S-37E, 30-025-11154; Langlie Jack Unit #014, O-20-24S-37E, 30-025-11169; and Langlie Jack Unit #017, A-29-24S-37E, 30-025-11276. The affected wells are located approximately 5 miles South of Teague, New Mexico in Lea County.
2. **CASE 14782:** *(Continued from the January 19, 2012 Examiner Hearing.) (This case will be dismissed.)*
Application of Endurance Resources, LLC for approval of a salt water disposal well, Eddy County, New Mexico. Applicant seeks an order proposing to convert to water disposal its Hinkle B Federal No. 19 well, located 990 FNL and 330 FWL, Unit D, Section 34, Township 18 South, Range 31 East, N.M.P.M., Eddy County, New Mexico. The disposal zones shall be in the Queen/Grayburg formation at a depth of 3410 feet to 3902 feet below the surface of the earth perforated. The Hinkle B Federal No. 19 is located approximately 16 miles southeast of Loco Hills, New Mexico.
3. **CASE 14783:** *(Continued from the January 19, 2012 Examiner Hearing.) (This case will be dismissed.)*
Application of Endurance Resources, LLC for approval of a salt water disposal well, Eddy County, New Mexico. Applicant seeks an order proposing to convert to water disposal its Base Ball Park No.1 well, located 1980 FSL and 660 FEL, Unit I, Section 24, Township 22 South, Range 26 East, N.M.P.M., Eddy County, New Mexico.

Mexico. The disposal interval shall be in the Delaware Formation at a depth of 4952 feet to 4690 feet below the surface of the earth perforated. The Base Ball Park No. 1 is located approximately 2.5 miles northeast of the Carlsbad, New Mexico, Airport.

4. **CASE 14764: (Continued from the January 19, 2012 Examiner Hearing.)**
Application of Cimarex Energy Co. of Colorado for approval of a non-standard oil spacing and proration unit, an unorthodox location, and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. of Colorado seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 33, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 33 to form a non-standard 160 acre oil spacing and proration unit (project area) for any pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Chaparral 33 Fed. Com. Well No. 3, a horizontal well to be drilled at an unorthodox surface location 230 feet from the north line and 810 feet from the east line, with a terminus in the SE/4 SE/4, of Section 33. 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 17 miles west of Monument, New Mexico.

5. **CASE 14703: Reopened**
Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the NW/4 SE/4 of Section 6, Township 19 South, Range 26 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Colorado 6 Fee Well No. 1, to be drilled at an orthodox location. 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 6 miles south-southwest of Atoka, New Mexico.

6. **CASE 14704: Reopened**
Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the NE/4 SE/4 of Section 6, Township 19 South, Range 26 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Colorado 6 Fee Well No. 2, to be drilled at an orthodox location. 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 6 miles south-southwest of Atoka, New Mexico.

7. **CASE 14705: Reopened**
Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SE/4 of Section 6, Township 19 South, Range 26 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Colorado 6 Fee Well No. 5, to be drilled at an orthodox location. 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 6 miles south-southwest of Atoka, New Mexico.