

DOCKET: EXAMINER HEARING - THURSDAY – FEBRUARY 21, 2008

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 7-08 and 8-08 are tentatively set for March 6, 2008 and March 20, 2008. 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 or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, 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 13940</i>	<i>- No. 24</i>
<i>Case 13942</i>	<i>- No. 5</i>
<i>Case 13960</i>	<i>- No. 11</i>
<i>Case 14025</i>	<i>- No. 22</i>
<i>Case 14026</i>	<i>- No. 23</i>
<i>Case 14046</i>	<i>- No. 12</i>
<i>Case 14051</i>	<i>- No. 1</i>
<i>Case 14054</i>	<i>- No. 4</i>
<i>Case 14062</i>	<i>- No. 19</i>
<i>Case 14063</i>	<i>- No. 13</i>
<i>Case 14068</i>	<i>- No. 9</i>
<i>Case 14077</i>	<i>- No. 2</i>
<i>Case 14079</i>	<i>- No. 3</i>
<i>Case 14081</i>	<i>- No. 20</i>
<i>Case 14082</i>	<i>- No. 14</i>
<i>Case 14083</i>	<i>- No. 15</i>
<i>Case 14084</i>	<i>- No. 16</i>
<i>Case 14085</i>	<i>- No. 17</i>
<i>Case 14086</i>	<i>- No. 7</i>
<i>Case 14089</i>	<i>- No. 6</i>
<i>Case 14090</i>	<i>- No. 8</i>
<i>Case 14091</i>	<i>- No. 10</i>
<i>Case 14092</i>	<i>- No. 18</i>
<i>Case 14093</i>	<i>- No. 21</i>

1. **CASE 14051:** (Continued from the January 24, 2008 Examiner Hearing.)  
***Application of the New Mexico Oil Conservation Division for a Compliance Order against Reubin Collins d/b/a RCJ Enterprises.*** The Applicant seeks an Order finding that operator violated 19.15.13.1115 NMAC; as to active wells violated 19.15.9.701 NMAC and 19.15.13.1104 NMAC, or in the alternative, violated 19.15.4.201 NMAC; requiring operator to return the wells into compliance with OCD rules by a date certain and authorizing the Division to plug the wells in the event of non-compliance; and assessing penalties. The affected wells are:

- Buffalo Unit No. 008; H-34-18S-33E; API No. 30-025-21846
- Buffalo Unit No. 010; A-34-18S-33E; API No. 30-025-21957
- Buffalo Unit No. 011; L-35-18S-33E; API 30-025-22598

These wells are located approximately 20 miles southwest of Lovington, in Lea County, New Mexico.

- Cockburn Federal No. 004; K-34-17S-33E; API No. 30-025-01391
- Cockburn Federal No. 006; J-34-17S-33E; API No. 30-025-01392

These wells are located approximately 13 miles southwest of Lovington, in Lea County, New Mexico.

- Wallen Bass No. 002; N-21-20S-34E; API No. 30-025-26458
- Wallen Bass No. 004; O-21-20S-34E; API No. 30-025-26288

These wells are located approximately 10 miles southwest of Monument, New Mexico, Lea County.

2. **CASE 14077:** (Continued from the February 7, 2008 Examiner Hearing.)

**Application of the New Mexico Oil Conservation Division for a Compliance Order against Southwest Royalties, Inc.** Applicant seeks an Order finding that operator is in violation of 19.15.4.201 NMAC as to eleven wells, requiring operator to bring the wells into compliance by a date certain, and authorizing the Division to forfeit the applicable financial assurance and plug the wells in the event of operator's non-compliance. The affected wells are:

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|-------------------------------|---------------|--------------|
| • Barr H State No. 001;       | 30-025-29825; | I-7-16S-33E  |
| • Bell Ramsay NCT D No. 001;  | 30-025-06214; | G-35-20S-37E |
| • Eagle No. 001;              | 30-025-27568; | J-36-25S-36E |
| • Humphreys No. 001;          | 30-025-09815; | N-25-25S-36E |
| • Maralo Sholes B No. 002;    | 30-025-09806; | P-25-25S-36E |
| • Mcmillan No. 001;           | 30-025-05511; | N-29-18S-37E |
| • Parke Federal No. 001;      | 30-015-20597; | O-10-17S-30E |
| • Parke Federal No. 003;      | 30-015-20612; | I-10-17S-30E |
| • Sholes A No. 003;           | 30-025-09796; | I-24-25S-36E |
| • Sholes B 25 No. 002;        | 30-025-09808; | B-25-25S-36E |
| • Wright Federal Com No. 001; | 30-015-21878; | N-29-18S-29E |

The Barr H State No. 001 is located approximately 8 miles northeast of Maljamar, in Lea County, New Mexico.  
The Bell Ramsay NCT D No. 001 is located approximately 9 miles southwest of Hobbs, in Lea County, New Mexico.

The Eagle No. 001 is located approximately 3 miles west of Jal, in Lea County, New Mexico.

The Humphreys No. 001 is located approximately 4 miles southwest of Jal, in Lea County, New Mexico.

The Maralo Sholes B No. 002 is located approximately 2 miles southwest of Jal, in Lea County, New Mexico.

The Mcmillan No. 001 is located approximately 8 miles west of Hobbs, in Lea County, New Mexico.

The Parke Federal No. 001 and Parke Federal No. 003 are located approximately 4 miles southeast of Loco Hills, in Eddy County, New Mexico.

The Sholes A No. 003 is located approximately 1 mile west of Jal, in Lea County, New Mexico.

The Sholes B 25 No. 002 is located approximately 3 miles Northwest of Jal, in Lea County, New Mexico.

The Wright Federal Com No. 001 is located approximately 8 miles southwest of Loco Hills, in Eddy County, New Mexico.

3. **CASE 14079:** (Continued from the February 7, 2008 Examiner Hearing.)

**Application of the New Mexico Oil Conservation Division for a Compliance Order against Americo Energy Resources, LLC.** Applicant seeks an order finding operator in violation of 19.15.3.116 NMAC as to two wells; requiring operator to bring the wells into compliance with 19.15.3.116 by a date certain; and assessing penalties.

The affected wells are:

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|------------------------------|-----------------------|--------------|
| • East Shugart Unit No. 015; | API No. 30-015-05687; | F-34-18S-31E |
| • East Shugart Unit No. 042; | API No. 30-015-27670; | A-34-18S-31E |

The East Shugart Unit No. 015 well is located approximately 9 miles southwest of Maljamar, in Eddy County, New Mexico.

The East Shugart Unit No. 042 well is located approximately 7 miles southwest of Maljamar, in Eddy County, New Mexico.