#### Examiner Hearing – October 9, 2003 Docket No. 33-03 Page 7 of 16

CASE 13167: Application of the New Mexico Oil Conservation Division through the Environmental Bureau Chief to Revoke the Permit of A. L. Daugherty to Operate an Oil Treatment Plant and Disposal Facility and to Release Bond; Chaves County, New Mexico. The Applicant seeks an order revoking the permit of A. L. Daugherty to operate an oil treatment plant and disposal facility located at Section 24, Township 8 South, Range 29 East and Section 19, Township 8 South, Range 30 East. The facility was originally permitted under Order No. R-5464. Applicant also seeks an order releasing the bond on the subject facility.

CASE 12733-A: Continued from August 21, 2003, Examiner Hearing.

Application of Read & Stevens, Inc. to Re-open Case No. R-12733-A, Eddy and Chaves Counties, New Mexico. Applicant applies to re-open Case No. 12733-A, and for an order rescinding or reducing the civil penalty imposed against it by Order No. R-11761.

**CASE 13142:** Continued from September 4, 2003, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Maralo, LLC to Remediate Hydrocarbon Contamination at an Abandoned Well and Battery Site, Lea County, New Mexico. Applicant seeks an order requiring Maralo, LLC to remediate contamination at the Humble State Well No. 3 site, located in Unit A, Section 36, Township 25 South, Range 36 East.

<u>CASE 13168</u>: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves, Lea, and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Northeast Alston Ranch-Morrow Gas Pool (Pool Code 97274). The discovery well is the Ensign Operating Company Key 20 Well No. 1 (API No. 30-025-36140) located in Unit H of Section 20, Township 13 South, Range 35 East, NMPM. Said pool would comprise:

# TOWNSHIP 13 SOUTH, RANGE 35 EAST, NMPM Section 20: E/2

(b) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Northwest Eight Mile Draw-Morrow Gas Pool (Pool Code 97190). The discovery well is the Yates Petroleum Corporation Blitzen AUB State Well No. 2 (API No. 30-025-34859) located n Unit P of Section 16, Township 11 South, Range 34 East, NMPM. Said pool would comprise:

# TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM Section 16: S/2

(c) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Southeast Greenwood-Morrow Gas Pool (Pool Code 97224). The discovery well is the Marbob Energy Corporation Tres Elo Federal Well No. 1 (API No. 30-025-35750) located in Unit A of Section 31, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

# TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM Section 31: N/2

(d) CREATE a new pool in Chaves County, New Mexico classified as an oil pool for Wolfcamp production and designated as the Little Lucky Lake-Wolfcamp Pool (Pool Code 97247). The discovery well is the Nadel & Gussman Permian LLC. Mia Michelle State Com. Well No. 1 (API No. 30-005-21175) located in Unit A of Section 32, Township 15 South, Range 30 East, NMPM. Said pool would comprise:

#### TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM

Section 32: NE/4