

DOCKET: EXAMINER HEARING - THURSDAY – APRIL 16, 2009

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

Docket Nos. 16-09 and 17-09 are tentatively set for April 30, 2009 and May 14, 2009. 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.

<p><i>Locator Key for Cases</i></p> <p><i>Case 14173 – No. 12</i></p> <p><i>Case 14245 – No. 8</i></p> <p><i>Case 14271 – No. 13</i></p> <p><i>Case 14290 – No. 11</i></p> <p><i>Case 14295 – No. 3</i></p> <p><i>Case 14300 – No. 14</i></p> <p><i>Case 14301 – No. 15</i></p> <p><i>Case 14302 – No. 1</i></p> <p><i>Case 14303 – No. 2</i></p> <p><i>Case 14304 – No. 4</i></p> <p><i>Case 14305 – No. 5</i></p> <p><i>Case 14306 – No. 6</i></p> <p><i>Case 14307 – No. 7</i></p> <p><i>Case 14308 – No. 9</i></p> <p><i>Case 14309 – No. 10</i></p>
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1. **CASE 14302:** *(This case will be continued to the May 28, 2009 Examiner Hearing.)*
Application of the New Mexico Oil Conservation Division for a Compliance Order against Slayton Resources, Inc. The Applicant seeks an order finding Operator in violation of Rule 19.15.25.8 NMAC as to one well; requiring Operator to bring the well into compliance by a date certain; requiring Operator to plug the well if it is not brought into compliance by set date; authorizing the division to plug and abandon the well and forfeit the applicable financial assurance in event of Operator's non-compliance; and assessing penalties. The affected well is:

- State COM No. 001; 30-005-60302; M-36-14S-27E

The well is located approximately 13 miles Southeast of Hagerman, in Chaves County, New Mexico.

2. **CASE 14303:** ***Application of the New Mexico Oil Conservation Division for a Compliance Order against Jay Management Company, LLC.*** The Applicant seeks an order finding that the operator is in violation of 19.15.25.8 NMAC as to twenty-four wells, requiring operator to return the wells to production, place the wells on approved temporary abandonment status, or properly plug and abandon the wells by a date certain, and in the event of non-compliance authorizing the division to

plug and abandon the wells and forfeit the applicable financial assurance. The affected wells are: Amerada Com #001, 30-025-22378, J-28-11S-33E; Andover Federal #001, 30-025-21904, P-17-11S-33E; Bess #002, 30-025-28545, A-20-11S-33E; Clark State #001, 30-025-21880, D-27-11S-33E; Collier #001, 30-025-00994, F-9-11S-33E; Eva Com #001, 30-025-22412, J-20-11S-33E; G S State #001, 30-025-22811, G-8-11S-33E; Iva Com. #001, 30-025-22437, H-20-11S-33E; Kelsay #001, 30-025-01005, M-28-11S-33E; Leigh Com #001, 30-025-22541, N-20-11S-33E; New Mexico B State #001, 30-025-00035, B-27-10S-32E; New Mexico B State #003, 30-025-00037, B-27-10S-32E; New Mexico X State #001, 30-025-21603, P-10-10S-32E; Opal #001, 30-025-22561, D-20-11S-33E; Queen Com #001, 30-025-22642, L-20-11S-33E; Rose #001, 30-025-22653, C-32-11S-33E; Shell State Com #001, 30-025-22226, H-17-11S-33E; Sohio B State #001, 30-025-22122, P-5-11S-33E; Sohio State #001, 30-025-22043, P-4-11S-33E; State NBF #001, 30-025-20891, F-22-11S-33E; State NBN #001, 30-025-00998, N-16-11S-33E; Vera #001, 30-025-22761, E-32-11S-33E; Warren A State #001, 30-025-23338, I-28-11S-33E; Warren State #001, 30-025-22012, G-28-11S-33E. The wells are located approximately 20 miles Northwest of Tatum, in Lea County, New Mexico.

3. ***CASE 14295: (Continued from the March 31, 2009 Examiner Hearing.)***
Application of Koch Exploration Company, LLC, ConocoPhillips Company, Burlington Resources Oil & Gas Company LP and Energen Resources Corporation for an Increased Density Pilot Project in the Basin-Fruitland Coal Gas Pool, San Juan County, New Mexico. Applicant seeks an order approving an Increased Density Pilot Project to allow the drilling of additional infill wells within six standard spacing and proration units located in Township 29 North, Range 9 West NMPM in San Juan County, New Mexico in order to determine the proper well density and well requirements for Basin-Fruitland Coal gas wells in this area:

Township 29 North, Range 9 West

Section 20 E/2; Section 21 W/2; Section 28 W/2; Section 29 E/2; Section 32 E/2; Section 33 W/2

Each of the above-referenced spacing units is located within the low-productivity area of the Basin-Fruitland Coal Gas Pool defined by Rule 7(C) of the Special Rules and Regulations for the Pool, promulgated by Order R-8768-F. These units are located approximately two miles Southeast of Blanco, New Mexico.

4. ***CASE 14304: Application of Burlington Resources Oil & Gas Company to re-instate Division Order R-13057 (for compulsory pooling), San Juan County, New Mexico.*** Applicant seeks to re-instate Order R-13057 that pooled all mineral interests from the surface to the base of the Dakota formation underlying the following described acreage in Section 15, T31N, R10W, NMPM, in the following manner: the E/2 to form a standard 318.86 acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent. This unit is to be dedicated to its Kelly A Well No. 3E (API # Pending) which will be located at a standard location in Unit P. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 7-1/4 miles East-South of Aztec, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**