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from the West line of said Section 5 to a depth sufficient to test all formations from the surface to the base of the Morrow formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, provisions governing subsequent operations on the pooled units, designation of Nearburg Producing Company as operator of the well, imposition of a charge for risk involved in drilling said well and whether excessive royalty burdens upon certain leases should be subject to the charge for risk imposed by this order. Said area is located approximately 24 miles southeast of Loco Hills, New Mexico.

CASE 12824: Continued from March 21, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Cecil Lee's Company to Properly Plug Two (2) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Cecil Lee's Company or Its Surety, and Ordering a Forfeiture of Applicable Plugging Bond; Lea County, New Mexico. The Applicant seeks an order requiring Cecil Lee's Company, the operator of Two (2) inactive wells in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator or its sureties fails to do so, forfeiting Operator's plugging bond, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

<u>Operator</u>	<u>Well Name</u>	<u>API No.</u>	<u>Location</u>
Cecil Lee's Company	Landreth State No. 1	30-025-25595	M-15-10S-36E
Cecil Lee's Company	Crossroad Devonian Unit No. 1	30-025-20735	O-16-10S-36E

CASE 12771-A: Continued from March 21, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Forty-Six (46) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Lea and Roosevelt Counties, New Mexico. The Applicant seeks an order requiring the operators of 46 inactive wells located in Lea and Roosevelt Counties, New Mexico, to bring said wells into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof. The affected wells are the following:

<u>OPERATOR</u>	<u>WELL NAME AND NO.</u>	<u>API #</u>	<u>ULSTR</u>	<u>CO.</u>
PRONGHORN MANAGEMENT CORP	FOWLER B #001	30-025-28197	K-06-19S-38E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #003	30-025-11182	B-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #004	30-025-11183	F-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #005	30-025-21401	K-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	JENNINGS FEDERAL #004	30-025-25149	K-14-24S-32E	Lea
PRONGHORN MANAGEMENT CORP	MARSHALL #001	30-025-08358	4-19-23S-33E	Lea
PRONGHORN MANAGEMENT CORP	MARSHALL #005	30-025-25000	F-19-23S-33E	Lea
PRONGHORN MANAGEMENT CORP	NEW MEXICO BZ STATE NCT 5 #003	30-025-03523	E-29-21S-35E	Lea
PRONGHORN MANAGEMENT CORP	NEW MEXICO BZ STATE NCT 5 #004	30-025-03524	F-29-21S-35E	Lea
PRONGHORN MANAGEMENT CORP	NEW MEXICO BZ STATE NCT 5 #005	30-025-32362	D-29-21S-35E	Lea

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<u>OPERATOR</u>	<u>WELL NAME AND NO.</u>	<u>API #</u>	<u>ULSTR</u>	<u>CO.</u>
PRONGHORN MANAGEMENT CORP	NEW MEXICO DL STATE #006	30-025-28659	P-18-23S-33E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #001	30-025-03734	13-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #002	30-025-03735	12-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #003	30-025-03736	14-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #004	30-025-03737	11-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	GILA 4 DEEP #001	30-025-30872	G-04-25S-33E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #006	30-025-21478	F-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #007	30-025-21479	C-21-24S-37E	Lea
SABA ENERGY OF TEXAS INC	SAN SIMON 5 STATE #002	30-025-28480	G-05-22S-35E	Lea
SABA ENERGY OF TEXAS INC	FERN GUYE #001	30-025-34488	M-05-13S-36E	Lea
SANTA FE ENERGY OPERATING PARTNERS, L. P.	WHITE SWAN 9 FEDERAL #003	30-025-32301	J-09-22S-32E	Lea
SMITH & MARRS INC	AMERICAN EAGLE #001	30-025-27163	M-22-26S-36E	Lea
SMITH & MARRS INC	CHRISITE #001	30-025-22991	A-19-11S-33E	Lea
SMITH & MARRS INC	LEA KN STATE #002	30-025-21070	B-17-17S-37E	Lea
SMITH & MARRS INC	SHULTS #002	30-025-05020	P-13-12S-37E	Lea
SMITH & MARRS INC	STATE HTA #001	30-025-21329	B-36-12S-33E	Lea
SMITH & MARRS INC	AZTEC STATE COM #003	30-025-27575	4-18-16S-37E	Lea
SMITH & MARRS INC	CORTLAND MYERS UNIT #006	30-025-11200	J-22-24S-37E	Lea
SMITH & MARRS INC	JAMISON #005	30-025-21152	H-21-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #006	30-025-20355	P-21-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #007	30-025-20354	I-21-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #008	30-025-20353	L-22-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #009	30-025-20352	L-22-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #010	30-025-20351	M-22-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #011	30-025-20350	M-22-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #012	30-025-21154	P-21-24S-37E	Lea
SMITH & MARRS INC	KNIGHT #013	30-025-20613	P-21-24S-37E	Lea
SMITH & MARRS INC	MR WILLS FEDERAL #001	30-025-28499	D-34-26S-37E	Lea
SMITH & MARRS INC	NEW MEXICO CV STATE #002	30-025-26048	P-28-26S-36E	Lea
SMITH & MARRS INC	STATE HTB SWD #001	30-025-21671	1-31-12S-34E	Lea
TEXLAND PETROLEUM, INC	J R HOLT #002	30-025-30582	3-02-17S-37E	Lea
TEXLAND PETROLEUM, INC	W D GRIMES NCT A #016	30-025-22627	D-32-18S-38E	Lea
W H BRININSTOOL	SHEARN STATE #001	30-025-27998	2-32-26S-37E	Lea
SMITH & MARRS INC	HAYES #003	30-041-00186	L-29-08S-37E	Roosevelt
SMITH & MARRS INC	HAYES #004	30-041-00187	N-29-08S-37E	Roosevelt
SMITH & MARRS INC	LAS CRUCES B #001	30-041-00234	1-30-08S-37E	Roosevelt

CASE 12739-A: Continued from January 24, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Ninety Nine (99) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; San Juan, Rio Arriba, Sandoval and McKinley Counties, New Mexico. The Applicant seeks an order requiring the operators of 119 inactive