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CASE 13277: Continued from May 27, 2004, Examiner Hearing

Application of Fulfer Oil & Cattle Co. to Rescind Division Administrative Order NSP-1871 Issued to Yarbrough Oil, L.P., Lea County. Applicant seeks to rescind Division Administrative Order NSP-1871, dated April 12, 2004, which approved Yarbrough Oil, L.P.'s application for a 160-acre non-standard Jalmat Gas Pool (79240) spacing unit comprising the N/2 SW/4, SW/4, SW/4, and NW/4 SE/4 of Section 17, Township 23 South, Range 37 East (located approximately 13 miles north of Jal, New Mexico). Fulfer Oil & Cattle Co. is the operator of a Jalmat Gas unit adjacent to the spacing unit.

CASE 13257: Continued from April 29, 2004, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for a Compliance Order. The Applicant seeks an order requiring operator Verde Grande Inc. to bring one abandoned well into compliance with 19.15.4.201 NMAC by a date certain and, in the event of non-compliance, assessing a civil penalty against the operator, authorizing the Division to plug said well, forfeiting the operator's plugging security, and for such other relief as the Director deems appropriate. The affected well is: Aztec State #1, API # 30-025-22342, Unit Letter J, Section 18, Township 16 South, Range 37 East, Lea County, New Mexico.