

CASE 13373: Continued from November 18, 2004, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for a Compliance Order. The Applicant seeks an order determining that Orbit Energy Inc. knowingly and willfully violated 19.15.4.201 NMAC; requiring Orbit Energy Inc. to bring five wells into compliance with 19.15.4.201 NMAC by a date certain; assessing appropriate civil penalties; and, in the event of non-compliance, authorizing the Division to plug said wells and forfeit the applicable financial assurances; and for such other relief as the Director deems appropriate. The affected wells are: Farrell Federal #010, API 30-041-10446, F-28-7S-33E; James McFarland #004, API 30-041-10567, L-20-7S-33E; Humble Federal #005, API 30-041-20116, B-26-7S-32E; State BA #001, API 30-041-10003, A-34-7S-35E; and the State BA #002, API 30-041-20048, H-34-7S-35E. The wells are located approximately 30 miles southwest of Portales in Roosevelt County, New Mexico.

CASE 13374: Continued from November 18, 2004, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for a Compliance Order. The Applicant seeks an order determining that MGM Oil & Gas Co. knowingly and willfully violated NMSA 1978, Section 70-2-31(B)(2), 19.15.13.115.A NMAC and 19.15.4.201 NMAC; requiring MGM Oil & Gas Co. to bring six wells into compliance with 19.15.4.201 NMAC; assessing appropriate civil penalties; and in the event of non-compliance, authorizing the Division to plug said wells and forfeit the applicable plugging bond. The affected wells are: Kemnitz Wolfcamp Unit #6, API 30-025-01918, M-19-16S-34E; Kemnitz Wolfcamp Unit #9, API 30-025-01921, M-20-16S-34E; Kemnitz Wolfcamp Unit #19, API 30-025-01272, C-25-16S-33E; Kemnitz Wolfcamp Unit #21, API 30-025-01274, E-25-16S-33E; Kemnitz Wolfcamp Unit #22, API 30-025-01273, G-25-16S-33E; and the Kemnitz Wolfcamp Unit #28, API 30-025-01944, K-30-16S-34E. The affected wells are located on a lease approximately 14 miles West and 4 miles South of Lovington in Lea County, New Mexico.

CASE 13371: Continued from November 18, 2004, Examiner Hearing

Application of the New Mexico Oil Conservation Division for a Compliance Order. The Applicant seeks an order requiring Lindenmuth & Associates, Inc. to bring one well into compliance with 19.15.4.201 NMAC; imposing a civil penalty; authorizing the Division to plug said well in the event of noncompliance and forfeit the applicable financial assurance; and for such other relief as the Director deems appropriate. The affected well is the Post #001 well, API #30-025-27984, located at Unit Letter N, Section 1, Township 14 South, Range 37 East; approximately 15 miles northeast of Lovington in Lea County New Mexico.

CASE 13396: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Atoka production and designated as the Cottonwood Levee-Atoka Gas Pool (Pool Code 97402). The discovery well is the Yates Petroleum Corporation Clarence "BCU" Well No. 1 (API No. 30-015-33148) located in Unit D of Section 14, Township 16 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 26 EAST, NMPM

Section 14: W/2

(b) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Morrow production and designated as the Northeast Fren-Morrow Gas Pool (Pool Code 96996). The discovery well is the Texaco Exploration and Production, Inc. Texmack "36" State Well No. 1 (API No. 30-015-30743) located in Unit C of Section 36, Township 16 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 31 EAST, NMPM

Section 36: N/2

(c) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Atoka production and designated as the Hess Hills-Atoka Gas Pool (Pool Code 97398). The discovery well is the Yates Petroleum Corporation Chimay "BAO" State Well No. 1 (API No. 30-015-32508) located in Unit E of Section 2, Township 24 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 23 EAST, NMPM

Section 2: N/2