

CASE 12973: Application of Paladin Energy Corp. for a non-standard oil spacing unit, Lea County, New Mexico. Applicant seeks an exception to the Special Pool Rules and Regulations for the Bagley Siluro-Devonain Pool for a 40-acre non-standard oil spacing unit in the Devonian formation comprised of the NW/4 SW/4 of Section 35, Township 11 South, Range 33 East. This non-standard spacing and proration unit is to be dedicated to the State BTC Well No. 3 which Paladin proposed to re-enter at a surface location 1980 feet from the South line and 660 feet from the West line and sidetrack, drill and re-complete in the Devonian formation at a standard bottomhole oil well location 1880 feet from the South line and 660 feet from the West line of said Section 35. Said spacing unit is located approximately 17 miles west of Tatum, New Mexico.

CASE 12967: Continued from November 14, 2002, Examiner Hearing.

Application of BP America Production Company for Surface Commingling, Eddy County, New Mexico. Applicant seeks authority to surface commingle gas production from the Little Box Canyon-Morrow, Indian Loafer Draw-Upper Pennsylvanian, Strychnine Draw-Atoka and Strychnine Draw-Strawn Gas Pools within certain wells it operates located on Federal Leases No. NMNM-93457 and NMNM-25336, which comprise all or portions of Sections 22, 25, 26 and 35, Township 20 South, Range 21 East, and on the Little Box State Lease, located on all or portions of Section 36, Township 20 South, Range 21 East. These wells are located approximately 18 miles south of Hope, New Mexico.

CASE 12968: Continued from November 14, 2002, Examiner Hearing.

Application of BP America Production Company for Surface Commingling, Eddy County, New Mexico. Applicant seeks authority to surface commingle gas production from the Little Box Canyon-Morrow and Indian Loafer Draw-Upper Pennsylvanian Gas Pools within certain wells it operates located on Federal Leases No. NMNM-82831, NMNM-88085, and NMNM-27451 which comprise all or portions of Section 31, Township 20.5 South, Range 22 East, Section 6, Township 21 South, Range 22 East, and Section 1, Township 21 South, Range 21 East, and on the Little Box State and Sweet Thing "36" State Leases, located on all or portions of Section 36, Township 20 South, Range 21 East, and Section 36, Township 20.5 South, Range 21 East. These wells are located approximately 18 miles south of Hope, New Mexico.

CASE 12962: Continued from November 14, 2002, Examiner Hearing.

Application of David H. Arrington Oil and Gas, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests underlying the W/2 of Section 12, Township 18 South, Range 24 East to form a standard 320-acre stand-up gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently include but are not necessarily limited to the Penasco Draw Permo-Penn Gas Pool. Said unit is to be dedicated to Applicant's proposed Gold Stonefly Fed. Com. "12" No. 1 well to be drilled at a standard 320-acre spacing and proration unit gas well location 665 feet from the South line and 1032 feet from the West line in the SW/4 of said Section 24. 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, designation of applicant or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 5 miles northwest of Arkansas Junction, New Mexico.

CASE 12974: Application of the New Mexico Oil Conservation Division for an Order Requiring Hulen H. Lemon to Properly Plug one (1) Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well(s) in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, if Any, Lea County, New Mexico. The Applicant seeks an order requiring Hulen H. Lemon, the operator of one (1) inactive well 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

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said well if the operator fails to do so, forfeiting Operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected well is the following:

Gregg Dodd Well No. 1 (API No. 30-025-24137) located 1977 feet from the South line and 1977 feet from the East line (Unit J) of Section 30, Township 9 South, Range 33 East, NMPM, Lea County, New Mexico.

CASE 12975: Application of the New Mexico Oil Conservation Division for an Order Requiring Walter W. Anderson to Properly Plug One (1) Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, if Any, Lea County, New Mexico. The Applicant seeks an order requiring Walter W. Anderson, the operator of One (1) inactive well 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 well if the operator fails to do so, forfeiting operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected well is the following:

S.E. Anderson Estate Well No. 1 (API No. 30-025-20488) located 660 feet from the North line and 1980 feet from the East line (Unit B) Section 30, Township 9 East, Range 35 South, NMPM, Lea County, New Mexico.

CASE 12976: Application of the New Mexico Oil Conservation Division for an Order Requiring Paul D. Bliss to Properly Plug One (1) Well, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, if Any, Roosevelt County, New Mexico. The Applicant seeks an order requiring Paul D. Bliss, the operator of One (1) inactive well in Roosevelt 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 well or wells if the operator fails to do so, forfeiting Operator's plugging security, if any, and providing for such other relief as the Director deems appropriate. The affected well is the following:

Rhonda PG State V-39 Well No. 1 (API No. 30-041-20615) located 1980 feet from the South line and 660 feet from the West line (Unit L) of Section 35, Township 7 South, Range 35 East, NMPM, Roosevelt County, New Mexico.

CASE 12966: Continued from November 14, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division, through the Supervisor of District III, for an Order Assessing Civil Penalties against BC&D Operating Incorporated for Failure to Give Timely Notice of a Release and Failure to Take Corrective Action as Required by OCD Rule 116, McKinley County, New Mexico. The Applicant seeks an order assessing civil penalties for violation of the reporting and remediation requirements of OCD Rule 116 in connection with an unintended release of hydrocarbons occurring at the Hospah Sand Unit in McKinley County, New Mexico.

CASE 12951: Readvertised – Continued from November 14, 2002, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Orbit Enterprises 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 Orbit Enterprises, and Ordering a Forfeiture of Applicable Security; Roosevelt County, New Mexico. The Applicant seeks an order requiring Orbit Enterprises, the operator of two (2) inactive wells in Roosevelt 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 fails to do so, forfeiting Operator's plugging security, and providing for such other relief as the Director deems appropriate. The affected wells are the following: