## Examiner Hearing -September 20, 2012 Docket No. 31-12 Page 5 of 5

11. <u>CASE 14904</u>: Application of Heritage Petroleum, Inc. for Compulsory Pooling, Rio Arriba County, New Mexico.

Applicant seeks an order for the compulsory pooling of all interests in all pools or formations developed on 40-acre spacing within the Mancos Shale formation underlying the SE/4 NE/4 of projected Section 27, Township 30 North, Range 1 East in Rio Arriba County, New Mexico. The unit will be dedicated to the following well to be drilled to the Greenhorn member of the undesignated Mancos Shale formation, (WC30N1E27):

Theis Greenhorn Test Well No. 1 API No. 30-039-31012 1796' FNL and 1469' FEL (G) (Surface) 1796' FNL and 1069' FEL (H) (Bottom hole) Projected Section 27, T30N, R1E Rio Arriba County, New Mexico

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 as operator and a charge for the risk involved in drilling the well. The well and lands are located approximately one-half mile south of Horse Lake, New Mexico.

12. (CASE 14548: (Reopened)

Motion of the Jicarilla Apache Nation (Nation) for further orders in Case No. 14548, Order No. R-13326, Rio Arriba County, New Mexico. Order No. R-13326 approved the application filed by Blue Dolphin Production, LLC for the formation of a non-standard oil spacing and proration unit consisting of the 21.0 ± acres comprising the approximate east half of the SW/4 NE/4 of Projected Section 27, Township 30 North, Range 1 East, to be dedicated to the Theis Greenhorn Test Well No. 1 to be drilled at an unorthodox location in Section 27. The Nation moves the Oil Conservation Division to enter an order dismissing this action for lack of subject matter jurisdiction and vacating Order No. R-13326 or, in the alternative, to enter an order staying Order No. R-13326 pending further determination by the Division of certain threshold issues, including the legality and proper scope and conditions of Order No. R-13326.