

CASE 13493: Continued from May 19, 2005, Examiner Hearing

Application of Chesapeake Permian, L.P. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Irregular Section 4, Township 21 South, Range 35 East, forming a standard 320-acre gas spacing and proration unit for any production from any and all formations/pools developed on 320-acre gas spacing within that vertical extent, including but not limited to the South Osudo Morrow Pool. This unit is to be dedicated to its KF 4 State Well No. 1 (API #30-025-37129) that is being drilled at a standard well location in Unit X of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 6 miles west from Oil Center, New Mexico.

CASE 13494: Continued from June 2, 2005, Examiner Hearing

Application of Texland Petroleum, L.P. for a Compliance Order against Latigo Petroleum, Inc. voiding of Administrative Order DHC-3086, compulsory pooling, change of operator and other relief, Lea County, New Mexico. Applicant seeks a Compliance Order, including fines, against Latigo Petroleum, Inc. ("Latigo") including an order to void and revoke Administrative Order DHC-3086, and to require Latigo to immediately shut-in its Conoco State Well No. 3 (API No. 30-025-35961) located in Unit J of Section 33, Township 18 South, Range 38 East, until such time as: (i) a standard 160-acre gas spacing unit consisting of the SE/4 of this section, is dedicated to this well in the Tubb formation, Hobbs-Tubb Gas Pool, (ii) the production proceeds from this well in the Tubb and Drinkard formations are reallocated and paid to the owners in these spacing units from the date of first production, and (iii) paid the fines for violations of the Oil and Gas Act. Section 70-2-31 NMSA 1978. Further, applicant seeks a compulsory pooling order including provisions for designation of the applicant as the operator and the removal of Latigo as the operator. The well is located approximately 7 miles West of Hobbs, New Mexico

CASE 13511:

Application of Smith & Marrs, Inc. for Approval of a Salt Water Disposal Well, Lea County, New Mexico. Applicant seeks approval to utilize its Anderson Well No. 1 (API No. 30-025-29962) located 330 feet from the South line and 1980 feet from the East line (Unit O), Section 8, Township 20 South, Range 37 East, to dispose of produced water into the Lower San Andres formation and into the Glorieta formation from depths of 4,350 feet to 5,180 feet. This well is located 6 miles south of Hobbs, New Mexico.

CASE 13451: Continued from April 21, 2005, Examiner Hearing

Application of the Division through the Director of the New Mexico Underground Injection Control Program to revoke Division Administrative Permit SWD-966, Eddy County, New Mexico. Applicant seeks approval to revoke the permit granted January 20, 2005, to Lynx Petroleum Consultants, Inc. for the Jones Federal "B" Well No. 3 (API No. 30-015-10394) located 660 feet from the South line and 660 feet from the East line, Unit P, Section 23, Township 19 South, Range 31 East, to dispose of produced water into the Yates and Seven Rivers formations through perforations from 2,370 feet to 2,720 feet. This well is located southeast of Loco Hills, New Mexico.