

DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 19, 2015

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 06-15 and 07-15 are tentatively set for March 5, 2015 and March 19, 2015. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson seven (7) business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

Locator Key for Cases***Case 15220 - No. 9******Case 15221 - No. 10******Case 15222 - No. 11******Case 15244 - No. 7******Case 15245 - No. 8******Case 15254 - No. 1******Case 15255 - No. 4******Case 15260 - No. 5******Case 15263 - No. 2******Case 15264 - No. 3******Case 15265 - No. 6***

1. ***CASE 15254:*** (Continued from the January 22, 2015 Examiner Hearing.)
Application of the New Mexico Oil Conservation Division, by and through its attorney for a Compliance Order against Larry Marker DBA Marker Oil, directors, and officers, jointly and severally, finding that the operator is in violation of N.M.S.A. §70-2-14 and OCD Rules 19.15.8.9 and 19.15.7.24 NMAC, requiring sanctions as provided by OCD Rule 19.15.5.10 until compliance with all division rules is achieved by a date certain, and in the event of non-compliance, to assess additional sanctions.
2. ***CASE 15263:*** ***Application of Overflow Energy, Inc. for approval of a salt water disposal well, Eddy County, New Mexico.*** Applicant seeks an order approving disposal of produced water into the Delaware formation at depths of 2614-5417 feet subsurface in the **Helena 25 Fee Com. Well No. 1**, located 1340 feet from the north line and 1040 feet from the west line of Section 25, Township 21 South, Range 27 East, NMPM. The well is located approximately 5 miles northeast of Carlsbad, New Mexico.
3. ***CASE 15264:*** ***Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 N/2 of Section 22, Township 22 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2 N/2 of Section 22 to form a non-standard 160 acre oil spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the **Grandi 22 Well No. 2H**, a horizontal well with a surface location 1360 feet from the north line and 255 feet from the west line, and a terminus 2265 feet from the north line and 330 feet from the west line, of Section 22. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 2 miles north-northwest of Otis, New Mexico.
4. ***CASE 15255:*** (Continued from the January 8, 2015 Examiner Hearing.)
Application of Legacy Reserves Operating LP to institute a tertiary recovery project for the Drickey Queen Sand Unit, and to qualify the project for the recovered oil tax rate, Chaves County, New Mexico. Applicant seeks approval to institute a tertiary recovery project for the Drickey Queen Sand Unit by the injection of water and carbon dioxide into the Queen formation into 31 water injection wells and 20 WAG (water-alternating-gas) injection wells located on 7002.52 acres of federal, state, and fee lands covering all or parts of 33-35, Township 13 South, Range 31 East, N.M.P.M., and Sections 1-4, 9-11, 14-16, and 22, Township 14 South, Range 31 East, N.M.P.M. Applicant further seeks to qualify the tertiary