DOCKET: EXAMINER HEARING - THURSDAY - MARCH 17, 2016

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

Docket Nos. 12-16 and 13-16 are tentatively set for March 31, 2016 and April 14, 2016. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule Subsection B of 19.15.4.13 NMAC 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 15438 - No. 3 Case 15439 - No. 4 Case 15440 - No. 5 Case 15441 - No. 21 Case 15444 - No. 14 Case 15446 - No. 1 Case 15447 - No. 2 Case 15448 - No. 6 Case 15449 - No. 7 Case 15450 - No. 8 Case 15451 - No. 9 Case 15452 - No. 10 Case 15453 - No. 11 Case 15454 - No. 12 Case 15455 - No. 13 Case 15456 - No. 15 Case 15457 - No. 16 Case 15458 - No. 17 Case 15459 - No. 18 Case 15460 - No. 19 Case 15461 - No. 20

- 1. <u>Case No. 15446</u>: (This case will be continued to the April 14, 2016 Examiner Hearing.)

 Application Of The New Mexico Oil Conservation Division Compliance And Enforcement Bureau for a Compliance Order against Lanexco, Inc., for Wells Operated in Chaves, Eddy, and Lea Counties, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau in the above styled case seeks a compliance order (1) determining operator Lanexco, Inc. ("Operator") is out of compliance with OCD rules, 19.15.5.9, 19.15.7.24, 19.15.8.9, and 19.15.25.8; (2) requiring Operator to return to compliance with OCD rules; and (3) in the event of non-compliance, finding the Operator in violation of a Division order, declaring the wells abandoned and authorizing the OCD to plug the violating wells in accordance with a Division-approved plugging program and restore and remediate the location, recover costs from the Operator's financial assurance as permitted by § 70-2-14(E), NMSA 1978.
- 2. <u>Case No. 15447</u>: Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 320-acre, more or less, spacing and proration unit comprised of the W/2 E/2 of Section 21 and the W/2 E/2 of Section 28, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico and (2) pooling all mineral interests in the Wolfcamp formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Admiral Federal Com No. 2H Well, which will be horizontally drilled from a surface location in the SW/4 SE/4 (Unit O) of Section 28 to a standard bottom hole location in the NW/4 NE/4 (Unit B) of Section 21. The completed interval for this well will remain within the 330-foot standard offset required by the rules. 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 COG Operating LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 10 miles southeast of Malaga, NM.