

DOCKET: EXAMINER HEARING - THURSDAY - JUNE 9, 2016

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

Docket Nos. 23-16 and 24-16 are tentatively set for June 23, 2016 and July 7, 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 15185 - No. 10
Case 15337 - No. 8
Case 15367 - No. 9
Case 15446 - No. 1
Case 15471 - No. 7
Case 15475 - No. 2
Case 15495 - No. 4
Case 15496 - No. 5
Case 15498 - No. 3
Case 15499 - No. 6

1. ***Case No. 15446:*** (Continued from the May 26, 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 19.15.8.13 NMAC, and seek indemnification as permitted by § 70-2-14(E), NMSA 1978.

2. ***Case No. 15475:*** (Continued from the May 26, 2016 Examiner Hearing.)
Application Of The New Mexico Oil Conservation Division Compliance And Enforcement Bureau for a Compliance Order against Siana Operating, LLC, for Wells Operated in Lea County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau in the above styled case seeks a compliance order (1) determining operator Siana Operating, LLC ("Operator") is out of compliance with OCD rules 19.15.7.24 NMAC (reporting violations), 19.15.20 NMAC (transporting without an allowable), 19.15.25.8 NMAC (failure to properly plug and abandon wells), 19.15.26 NMAC (injecting without authority), 19.15.29 NMAC (release notification violations), and NMSA 1978 § 70-2-32 for sale of illegal oil; (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 19.15.8.13 NMAC, and seek indemnification as permitted by NMSA 1978, § 70-2-14(E).

3. ***Case No. 15498:*** (This case will be continued to the June 17, 2016 Special Examiner Hearing.)
Application of Matador Production Company for compulsory pooling and approval of an unorthodox well location, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests in the Wolfcamp formation underlying the spacing unit comprised of the N/2 of Section 13, Township 24 South, Range 27 East, NMPM, Eddy County, New Mexico. Said unit is to be dedicated to applicant's proposed **Brantley State Com 13-24S-27E RB No. 221H Well**, which will be horizontally drilled from a surface location in the NW/4 NW/4 (Unit D) of Section 18, Township 24 South, Range 28 East to a non-standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 13, Township 24 South, Range 27 East. The completed interval for this well will commence 330 feet from the from the North line and 330 from the East line (Unit A) to a location 330 feet from the North Line and 330 feet from the West line (Unit D) of Section 13, thereby encroaching on the spacing units to the North, East, Northeast, West, and Northwest. 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 Matador Production Company as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 17 miles southeast of Carlsbad, New Mexico.