DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 15, 2016

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

Docket Nos. 39-16 and 40-16 are tentatively set for September 29, 2016 and October 13, 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 14933 - No. 17
 Case 15277 - No. 2
 Case 15491 - No. 21
 Case 15498 - No. 22
 Case 15508 - No. 20
 Case 15512 - No. 8
 Case 15524 - No. 3
 Case 15529 - No. 18
 Case 15530 - No. 19
Case 15531 - No. 10
Case 15532 - No. 4
Case 15533 - No. 5
Case 15534 - No. 6
 Case 15535 - No. 9
Case 15539 - No. 15
 Case 15540 - No. 16
 Case 15541 - No. 1
Case 15542 - No. 7
Case 15543 - No. 11
Case 15544 - No. 12
Case 15545 - No. 13
 Case 15546 - No. 14
```

1. <u>Case No. 15541</u>: Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Chaparral Resources, LLC, for its Well Operated in Lea County, New Mexico. The New Mexico Oil Conservation Division Compliance and Enforcement Bureau, ("Bureau") through its undersigned attorney, hereby files this application with the Oil Conservation Division ("OCD or Division") pursuant to the provisions of NMSA 1978, §70-2-12 for a compliance order (1) determining operator Chaparral Resources, LLC ("Operator") is out of compliance with 19.15.5.9 and 19.15.25.8 NMAC; (2) requiring Operator to return to compliance with 19.15.5.9 and 19.15.25.8 NMAC; and (3) in the event of non-compliance, finding the Operator in violation of a Division order for each day after the deadline established in the sought order to obtain acceptable financial assurance.

2. <u>Case No. 15277</u> (re-opened): (Continued from the September 1, 2016 Examiner Hearing.)

Application of Blue Sky Company, Inc. to reopen Case No. 15277 to ask for an extension of the deadlines in compliance Order No. R-14155 dated April 25, 2016, Chaves County, New Mexico. The purpose of the extension is such that Blue Sky can present a successor operator who can provide additional resources for bonding and other compliance issues, as well as other additional resources to re-establish injection authority, which will allow production on the Twin Lakes Unit in Chaves County, New Mexico.

3. <u>Case No: 15524</u> (Continued and re-advertised): Application of Nemo Fund I, LLC for approval of a unit agreement, Lea County, New Mexico. Applicant seeks approval of the Unit Agreement for the Curly San Andres Unit Area, comprising 2241.16 acres of state and fee lands comprising all or portions of Sections 1-3 and 10, Township 10 South, Range 37 East, NMPM. The proposed unit area is centered approximately 12-1/2 miles east-southeast of Crossroads, New Mexico.