Examiner Hearing – July 6, 2017 Docket No. 23-17 Page 5 of 9

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 Mar Oil and Gas Corporation ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 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.

21. Case No. 15737: (Continued from the June 22, 2017 Examiner Hearing.)

Application of The New Mexico Oil Conservation Division Compliance and Enforcement Bureau for a Compliance Order against Oasis Water Solutions, LLC for Wells 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 Oasis Water Solutions LLC ("Operator") is out of compliance with 19.15.8 NMAC and NMSA 1978, § 70-2-14; (2) requiring Operator to return to compliance with 19.15.8 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.

22. <u>Case No. 15754</u>: In the matter of the hearing of the Oil Conservation Division upon its own motion for an order expanding and abolishing certain pools in McKinley, Rio Arriba, Sandoval and San Juan Counties, New Mexico.

a) ABOLISH the San Luis-Mesaverde Oil Pool (53620) in Sandoval County, New Mexico to correct nomenclature. Abolished acreage will be placed in the South San Luis-Mesaverde Oil Pool (53630). Said pool comprises the following acreage:

TOWNSHIP 18 NORTH, RANGE 3 WEST, NMPM

Section 21: NW/4 SE/4

b) ABOLISH the Torreon-Mesaverde Oil Pool (59560) in McKinley County, New Mexico to correct nomenclature. No wells have been drilled in this pool. Said pool comprises the following acreage:

TOWNSHIP 19 NORTH, RANGE 4 WEST, NMPM Section `17: All Section `18: E/2 Section 19: NE/4 Section 20: N/2 Chacra Pool Expansions: c) EXPAND the Bisti-Chacra Gas Pool (70120) in San Juan County, New Mexico, by adding: TOWNSHIP 22 NORTH, RANGE 8 WEST, NMPM Section 5: S/2 Section 6: SE/4 Section 16: N/2 Section 17: N/2 Section 18: NE/4 Section 20: NE/4 TOWNSHIP 22 NORTH, RANGE 9 WEST, NMPM Section 24: SE/4 d) EXPAND the Rusty-Chacra Gas Pool (84360) in Sandoval and San Juan Counties, New Mexico, by adding: TOWNSHIP 21 NORTH, RANGE 5 WEST, NMPM Section 18: S/2 and NW/4 TOWNSHIP 22 NORTH, RANGE 7 WEST, NMPM Section 5: N/2 TOWNSHIP 22 NORTH, RANGE 8 WEST, NMPM Section 23: SW/4 e) EXPAND the Otero-Chacra Gas Pool (92329) in Rio Arriba and San Juan Counties, New Mexico, by adding: TOWNSHIP 24 NORTH, RANGE 4 WEST Section 5: S/2 Section 7: W/2 TOWNSJHIP 25 NORTH, RANGE 5 WEST, NMPM Section 1: NW/4 TOWNSHIP 25 NORTH, RANGE 6 WEST, NMPM Section 15: NW/4 TOWNSHIP 26 NORTH, RANGE 5 WEST, NMPM Section 27: N/2 and SE/4 Section 34: NE/4 Section 36: SE.4 TOWNSHIP 26 NORTH, RANGE 7 WEST, NMPM Section 36: NW/4