

This Case will be continued to the February 8, 2007 Commission Meeting.

CASE NO. 13695: De Novo Continued from the December 7, 2006 Commission Meeting.

Application of Chaparral Energy, LLC for approval of a salt-water disposal well, Lea County, New Mexico. Applicant seeks approval to utilize its State K Well No. 1-21 (API No. 30-025-22049) located 1980 feet from the South and West lines (Unit K) of Section 21, Township 11 South, Range 33 East, to dispose of produced water into the San Andres formation from depths of 3,850 feet to 4,469 feet. Upon application of Chaparral Energy, L.L.C., this case will be heard De Novo pursuant to the provisions of Rule 1221.

This De Novo case will be continued to the February 8, 2007 Commission Meeting. Pre-hearing motions will be argued at the January 11, 2007 Commission Meeting.

CASE NO. 13686: De Novo Application of DKD, LLC for an order directing Gandy Corporation to show cause, Lea County, New Mexico. Applicant seeks an order immediately and permanently revoking the authority of Gandy Corporation to utilize its State "T" Well No. 2 for the injection of produced water for disposal purposes. The State "T" Well No. 2 (API No. 30-025-03735) is located 4,290' FSL and 500' FWL, Lot 12, in Section 6, T16S, R36E, NMPM in Lea County, New Mexico. Gandy utilizes the State "T" Well No. 2 to dispose of produced water into the San Andres and Glorieta formations pursuant to SWD-836 and Order No. R-12171. Applicant is the owner and operator of the Watson "6" No. 1 Well (API No. 30-025-34197) located 2857' FSL and 1417' FWL in Unit N, of said Section 6 utilized for the disposal of produced water by injection into the Cisco and Canyon formations (SWD-834). Applicant also owns and operates the Snyder "A" No. 1 Well (API No. 30-025-03727) located 2319' FSL and 330' FWL in Unit L of said Section 6. The Snyder "A" No. 1 Well was originally drilled to and produced from the Strawn formation. The subject lands and wells are located approximately three miles west of Lovington, New Mexico. Upon application of Gandy Corporation, this case will be heard De Novo pursuant to the provisions of Rule 1221.

This case will be continued to the February 8, 2007 Commission Meeting.

CASE NO. 13817: De Novo. Application of the Harvey E. Yates Company for an exemption from Oil Conservation Commission Rule 19.15.2.50(A) NMAC. Applicant seeks to use a reserve pit in the Bennett Ranch Federal Exploratory Unit (BRU) as part of an underbalanced (air drill) system for the proposed BRU #6 exploratory well in Section 24, Township 26-South, Range 12-East, Otero County, New Mexico. Upon application of the Harvey E. Yates Company, this case will be heard De Novo pursuant to the provisions of Rule 1221.