DOCKET: EXAMINER HEARING - THURSDAY – MARCH 1, 2007 8:15 A.M. - 1220 South St. Francis Santa Fe, New Mexico

Docket Nos. 08-07 and 09-07 are tentatively set for March 15, 2007 and March 29, 2007. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B 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 or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following Cases will be heard by an Examiner.

<u>CASE NO. 13874</u>: Application of the New Mexico Oil Conservation Division for a compliance order against BC & D Operating, Inc. The Applicant seeks a compliance order requiring BC & D Operating, Inc. to return four inactive wells in Lea County, New Mexico, to compliance with 19.15.4.201 NMAC by a date certain, and authorizing the Division to plug the wells and forfeit the applicable financial assurance if the operator fails to meet the deadline set in the order. The affected wells are: Blankenship #001, API #30-025-07766, Unit Letter E, Section 12, Township 20 South, Range 38 East; Blankenship A #001, API #30-025-07769, Unit Letter L, Section 12, Township 20 South, Range 38 East; Peoples Security #001, API #30-025-07281, Unit Letter L, Section 23, Township 16 South, Range 38 East; and G W Shahan #002, API #30-025-11873, Unit Letter B, Section 33, Township 25 South, Range 37 East.

CASE NO. 13858: Continued from the February 1, 2007 Examiner Hearing.

Application of the New Mexico Oil Conservation Division for a Compliance Order against Pronghorn Management Corp. Applicant seeks an order 1) finding that Operator knowingly and willfully violated 19.15.4.201 NMAC as to sixteen wells and imposing civil penalties for those violations; 2) requiring Operator to bring said wells into compliance with 19.15.4.201 NMAC by a date certain; and 3) authorizing the division to plug said wells and forfeit the applicable financial assurance in the event of non-compliance. The affected wells are: Fowler B #001, 30-025-28197, K-6-19S-38E; JF Black #003, 30-025-11182, B-21-24S-37E; JF Black #004, 30-025-11183, F-21-24S-37E; JF Black #005, 30-025-21401, K-21-24S-37E; JF Black #006, 30-025-21478, F-21-24S-37E; JF Black #007, 30-025-21479, C-21-24S-37E; Marshall #001, 30-025-08358, 4-19-23S-33E; Marshall #005, 30-025-25000, F-19-23S-33E; Marshall #008, 30-025-25642, 3-19-23S-33E; New Mexico BZ State, 30-025-03524, F-29-21S-35E; New Mexico DL State #003, 30-025-28608, H-18-23S-33E; New Mexico DL State #004, 30-025-28609, N-18-23S-33E; New Mexico DL State #005, 30-025-28610, J-18-23S-33E; New Mexico DL State #006, 30-025-28659, P-18-23S-33E; New Mexico DL State #007, 30-025-28681, A-18-23S-33E; New Mexico EF State #003, 30-025-28697, M-17-23S-33E.

CASE NO. 13859: Continued from the February 1, 2007 Examiner Hearing.

Application of the New Mexico Oil Conservation Division for a Compliance Order against Pronghorn Management Corp. Applicant seeks an order requiring finding operator to be in knowing and willful violation of NMSA 1978, Section 70-2-31(B)(2), 19.15.13.1115.A NMAC, and 19.15.4.201 NMAC as to eleven wells; assessing penalties for the violations; requiring operator to file corrected production reports by a date certain; requiring operator to bring the wells into compliance with 19.15.4.201 NMAC by a date certain and authorizing the Division to plug said wells and forfeit the applicable financial assurance in the event of non-compliance; and requiring operator to provide contact information for private lessors affected by the violations. The wells at issue are: Fields #004, 30-025-25348, A-25-23S-32E; JF Black #001, 30-025-11178, G-21-24S-37E; Marshall #007, 30-025-25201, C-19-23S-33E; New Mexico BZ State NCT 5 #001, 30-025-03521, D-29-21S-35E; New Mexico BZ State NCT 5 #002, 30-025-03522, C-29-21S-35E; New Mexico BZ State NCT 5 #003, 30-025-03523.E-29-21S-35E; New Mexico DL State #001, 30-025-28203, I-18-23S-33E; State C #001, 30-025-03485, M-20-21S-35E; State HL #001, 30-025-26492, L-2-23S-33E. The wells are located in southern Lea County, New Mexico.