

**DOCKET: EXAMINER HEARING - THURSDAY – MARCH 15, 2007**

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

Docket Nos. 10-07 and 11-07 are tentatively set for March 29, 2007 and April 12, 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.

**CASE NO. 13884: This case will be dismissed.**

***Application of the New Mexico Oil Conservation Division for a Compliance Order against C&D Management, d/b/a Freedom Ventures.*** The Applicant seeks an Order finding that Operator is in violation of 19.15.13.1115 NMAC and 19.15.4.201 NMAC as to seventeen wells, requiring Operator to bring the seventeen wells into compliance with 19.15.13.115 NMAC and 19.15.4.201 NMAC by a date certain and authorizing the Division to plug said wells in the event of non-compliance. The affected wells are:

- AMOCO #001, L-13-17S-27E, 30-015-24738
- Hastie #016, 4-18-17S-28E, 30-015-22371
- Hastie #017, 3-18-17S-28E, 30-015-22852
- Hastie #018, N-18-17S-28E, 30-015-22848
- Hastie #019, 2-18-17S-28E, 30-015-23186
- Hastie #020, 1-18-17S-28E, 30-015-23516
- Hastie #021, C-18-17S-28E, 30-015-23821
- Michael State #001, H-25-17S-27E, 30-015-24877
- Muncy Federal #001, F-13-17S-27E, 30-015-23083
- Muncy Federal #002, E-13-17S-27E, 30-015-25012
- Saunders #012, O-13-17S-27E, 30-15-22348
- Schneider #001, J-24-17S-27E, 30-015-22907
- Scott Federal #001, P-12-17S-27E, 30-015-25437
- Shearn Becky Federal #001, B-14-17S-27E, 30-015-34440
- Shearn Freedom Federal #002, A-14-17S-27E, 30-015-34454
- Shearn Samantha Federal #001, G-14-17S-27E, 30-015-31059
- Shearn Shilo Federal #001, B-14-17S-27E, 30-015-31061.

The wells are located in Eddy County, New Mexico.

**CASE NO. 13885: Application of the New Mexico Oil Conservation Division for a Compliance Order against Kimlar Oil Company.** The Applicant seeks an Order finding that Operator is in violation of Division Rule 19.15.4.201 NMAC as to four wells, requiring operator to bring the four wells into compliance with Division Rule 19.15.4.201 NMAC by a date certain, and authorizing the Division to plug said wells in the event of non-compliance. The affected wells are: Gourley Federal #003, A-31-22S-28E, API # 30-015-22660; Gourley Federal #004, J-31-22S-28E, API # 30-015-22661; Gourley Federal #005, J-31-22S-28E, API # 30-015-23501; Gourley Federal #006, I-31-22S-28E, API # 30-015-23707. The wells are located approximately ten miles southeast of Carlsbad, off of CR 605, in Eddy County, New Mexico.

**CASE NO. 13886: Application of the New Mexico Oil Conservation Division for a Compliance Order against Reubin Collins d/b/a RCJ Enterprises, LLC.** The Applicant seeks an Order finding that operator is in violation of 19.15.4.201 NMAC as to 11 wells, requiring operator to bring the 11 wells into compliance with 19.15.4.201 NMAC by a date certain and authorizing the Division to plug said wells in the event of non-compliance. The affected wells are:

- Buffalo Unit # 007, B-34-18S-33E, 30-025-21604
- Buffalo Unit # 008, H-34-18S-33E, 30-025-21846
- Buffalo Unit # 010, A-34-18S-33E, 30-025-21957
- Buffalo Unit # 011, L-35-18S-33E, 30-025-22598
- Cockburn Federal #004, K-34-17S-33E, 30-025-01391
- Cockburn Federal #006, J-34-17S-33E, 30-025-01392

- Cockburn Federal #007, I-33-17S-33E, 30-025-01362
- Cockburn Federal #010, J-33-17S-33E, 30-025-21242
- Wallen Bass #002, N-21-20S-34E, 30-025-26458
- Wallen Bass #003, P-21-20S-34E, 30-025-25904
- Wallen Bass #004, N-21-20S-34E, 30-025-26288.

The wells are located in Lea County, New Mexico.

**CASE NO. 13887:** *Application of the New Mexico Oil Conservation Division for a Compliance Order against Salado Operating LLC.* The Applicant seeks an Order finding that operator is in violation of 19.15.4.201 NMAC as to six wells, requiring operator to bring the six wells into compliance with 19.15.4.201 NMAC by a date certain and authorizing the Division to plug said wells in the event of non-compliance. The affected wells are: East Henshaw Unit #001Y, 12-1-16S-30E, 30-015-05939; East Henshaw Unit #002, 15-1-16S-30E, 30-015-03813; East Henshaw Unit #002K, 11-1-16S-30E, 30-015-03808; East Henshaw Unit #004N, 14-1-16S-30E, 30-015-03815; East Henshaw Unit #004S, K-1-16S-30E, 30-015-03810; East Henshaw Unit #006M, M-1-16S-30E, 30-015-03816. The wells are located in Eddy County, New Mexico.

**CASE NO. 13864:** *Continued from the February 15, 2007 Examiner Hearing.*

*Application of Parallel Petroleum Corporation for compulsory pooling, Chaves County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation in the following described spacing and proration units located in the N/2 of Section 33, Township 15 South, Range 25 East, N.M.P.M., Chaves County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing. Said unit is to be dedicated to its Personally 1525-33 Well No. 1 to be drilled at an unorthodox surface location 760 feet from the North line and 147 feet from the East line of Section 32, Township 15 South, Range 25 East and will penetrate the top of the Wolfcamp formation at 760 feet from the North line and 660 feet from the West line and a bottomhole location 760 feet from the North line and 660 feet from the East line of Section 33, Township 15 South, Range 25 East, NMPM, Chaves County, New Mexico to an approximate depth of 4750 feet to test any and all formations from the surface to the base of the Wolfcamp formation. 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 Parallel Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 12 miles NW of Lake Arthur, New Mexico.

**CASE NO. 13888:** *Application of Burlington Resources Oil & Gas Company LP for approval of a Pilot Infill Well Project within the San Juan 27-5 Unit, Rio Arriba County, New Mexico.* Applicant seeks an order approving a pilot infill well project in Section 8, Township 27 North, Range 5 West, including directional wellbores and exceptions from Rule I. B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool and Rule II B. of the Special Rules and Regulations of the Basin- Dakota Gas Pool whereby 15 new producing and 2 pressure observation wells may be drilled within Section 8, Township 27 North, Range 5 West to determine proper well density and well locations requirements for Mesaverde and Dakota wells within this Unit, Rio Arriba County, New Mexico. These wells are located approximately 8 miles south of Gobernador, New Mexico.

**CASE NO. 13889:** *Application of Purvis Operating Co. for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the following described acreage in Section 7, Township 15 South, Range 35 East, NMPM, and in the following manner: The E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Morton-Atoka Gas Pool, Undesignated East Morton-Morrow Gas Pool, and Undesignated Morton-Mississippian Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent; and the NE/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the proposed Antelope Well No. 1, to be drilled at an orthodox gas well location in the NE/4 NE/4 of Section 7. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 8 miles northwest of Lovington, New Mexico.