

8. **CASE 14054:** (Continued from the January 24, 2008 Examiner Hearing.)  
**Application of the New Mexico Oil Conservation Division for a Compliance Order against Kimlar Oil Company.** The Applicant seeks an order finding operator in violation of 19.15.3.116 and 19.15.9.703 NMAC; requiring operator to bring the wells into compliance with 19.15.3.116 and 19.15.9.703 by a date certain; and assessing penalties. The affected wells are:
- Gourley Federal No. 003; API No. 30-015-22660; A-31-22S-28E
  - Gourley Federal No. 004; API No. 30-015-22661; J-31-22S-28E
- The wells are located approximately 9 miles southeast of Carlsbad, in Eddy County, New Mexico.
9. **CASE 14080: Application of Southern Union Gas Services, Ltd. for approval of an acid gas injection well, Lea County, New Mexico.** Applicant seeks approval to utilize its proposed Jal Plant AGI Well No. 1, to be drilled 1570 feet from the North line and 1050 feet from the West line in Unit E of Section 33, Township 24 South, Range 37 East, NMPM, to inject up to 7390 barrels of acid gas and produced water per day, at a maximum pressure of 1130 psi, into the San Andres Formation, at an approximate depth of 4350 feet to 5200 feet. SUGS may be contacted through its representative, Mr. Alberto Gutierrez, 500 Marquette Ave NW, Suite 1350, Albuquerque, New Mexico 87102 or (505) 842-8000. Said well is located approximately 3 ½ miles north of Jal, New Mexico.
10. **CASE 14081: Application of Yates Petroleum Corporation for approval of a Unit Agreement, Eddy County, New Mexico.** Applicant seeks approval of the Thurman Draw Exploratory Unit from the surface to the base of the Barnett Shale formation in an area comprising 5,780.38 acres of Federal, State of New Mexico and Fee lands in Sections 8, 9, 10, 15, 16, 17, 20, 21 and 22 in Township 26 South, Range 23 East, NMPM, which is located approximately 14 miles southwest of White's City, New Mexico.
11. **CASE 14060:** (Continued from the January 10, 2008 Examiner Hearing.)  
**Application of Yates 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 Mississippian formation in the following described spacing and proration units located in the E/2 of Section 2, Township 8 South, Range 26 East, N.M.P.M., Chaves County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing within this vertical extent including the North Foor Ranch-Pre-Permian Gas Pool and the Undesignated South Leslie Spring-Wolfcamp Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent including the Pecos Slope-Abo Gas Pool; and the NW/4 NE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent. Said unit is to be dedicated to its Value BCV State Com Well No. 2 which has been drilled at a location 660 feet from the North line and 1980 feet from the East line of Section 2, Township 8 South, Range 26 East, NMPM, Chaves County, New Mexico to an approximate depth of 5,675 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 Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 23 miles east of Roswell, New Mexico
12. **CASE 14082: Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the S/2 N/2 of Section 24, Township 16 South, Range 28 East, NMPM, to form a non-standard 160-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Cave Lake "24" Fed. Com. Well No. 3-H, a horizontal well to be drilled at a surface location 2260 feet from the North line and 330 feet from the West line, with a terminus 1980 feet from the North line and 330 feet from the East line, of Section 24. 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 unit is located approximately 10-1/2 miles northwest of Loco Hills, New Mexico.