

These wells are located approximately 11 miles west of Loco Hills, in Eddy County, New Mexico.

10. **CASE 14014:** (Continued from the November 1, 2007 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a Compliance Order against Lothian Oil Texas I, Inc. The Applicant seeks an order finding that operator knowingly and willfully violated 19.15.13.1115 NMAC and NMSA 1978, Section 70-2-31(B)(2) by filing false C-115 monthly production reports for the Bedingfield Federal No. 001 well since October 1, 2005 or in the alternative finding that operator knowingly and willfully violated 19.15.4.201 NMAC as to the Bedingfield Federal No. 001; finding that operator knowingly and willfully violated 19.15.3.103 NMAC as to the Square Lake 12 Unit No. 111 well; imposing penalties; requiring operator to return both wells to compliance by a date certain; authorizing the Division to plug the Bedingfield Federal No. 001 well if operator fails to return that well to compliance by the deadline set in the order; and for such other relief as the Director deems appropriate. The affected wells are the Bedingfield Federal No. 001 well, API No. 30-015-02835, J-1-17S-29E, and the Square Lake 12 Unit No. 111 well, API No. 30-015-04108, G-7-17S-37E. Both wells are located approximately five miles northeast of Loco Hills in Eddy County, New Mexico.

11. **CASE 13990:** (Continued from the December 13, 2007 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a Compliance Order. The Applicant seeks an order finding that Pogo Producing Company knowingly and willfully violated Rule 104, Order R-12366, Rule 1115.A, NMSA 1978, Section 70-2-31(B) and NMSA 1978, Section 70-2-31(D) and imposing penalties for those violations, requiring the operator to file corrected reports, requiring operator to plug and abandon a well, and for such other relief as the Director deems appropriate. The affected well is the Resler B #001, 30-025-36573, Unit Letter J, Section 20, Township 23 South, Range 37 East, in Lea County, New Mexico. The well is located less than five miles north of Teaque.

12. **CASE 14041:** (Continued from the December 13, 2007 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a Compliance Order against MARKS AND GARNER PRODUCTION LTD. CO.. The Applicant seeks an order finding that operator is in violation of 19.15.4.201 NMAC as to twenty-three (23) wells, or, alternatively, that Operator is in violation of 19.15.13.1115 NMAC; requiring operator to plug and abandon the twenty-three (23) wells by a date certain and/or to file any delinquent production reports relating to the subject wells by a date certain, thus bringing them into compliance with 19.15.4.201 and 19.15.13.1115 NMAC, and authorizing the division to plug said wells in the event of non-compliance. The twenty-three (23) affected wells are:

30-025-08154 BRADLEY FEDERAL #001, 30-025-08156 BRADLEY FEDERAL #003, 30-015-02897 CAVE POOL UNIT #027, 30-015-02915 CAVE POOL UNIT #036, 30-025-23551 CITIES SERVICE STATE #001, 30-025-27992 COQUINA STATE #001, 30-025-08163 ERNEST FEDERAL #001, 30-025-28655 GRAHAM FEDERAL #003, 30-025-08149 JENNINGS FEDERAL #002, 30-025-24979 JULIA CULP #001, 30-025-02703 WM SNYDER #001, 30-015-24732 THEOS STATE #001, 30-025-28767 KEMNITZ 17 STATE #001, 30-025-28484 LEA/UA/STATE #001, 30-015-02787 LEVERS #003Y, 30-025-21291 NORTHEAST MALAJMAR UNIT #001, 30-015-25059 RED TWELVE FEDERAL #002, 30-015-25090 RED TWELVE LEVERS FED #008Q, 30-015-25152 RED TWELVE LEVERS FED #012, 30-015-24989 RED TWELVE STATE #003, 30-015-25055 RED TWELVE STATE #006, 30-015-02888 STATE #001, 30-015-02889 STATE #002

State Wells #001 and #002, Cave Pool Units #27 and #36, Theos State #001, Levers #003Y, Red Twelve Federal #002, Red Twelve Levers Federal #012 and #008Q, and Red Twelve State #003 and #006 are all located in Eddy County, New Mexico, approximately sixteen (16) miles East of Artesia. The remainder of the subject wells are located in Lea County, New Mexico, with three wells (the Julia Culp #001, Wm Snyder #001 and Cities Service State #001) being located Northwest of Lovington, two (the Northeast Malajmar Unit #001 and Kemnitz 17 State #001) being located Northeast of Malajmar, and the remainder being located Southwest of Hobbs.

13. **CASE 14016:** (Continued from the December 13, 2007 Examiner Hearing.)

Application of ConocoPhillips for an exception to the well density requirements of the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico. Applicant seeks an exception to the well density requirements of Rule

II.B of the Special Rules and Regulations for the Basin-Dakota Gas Pool to permit it to produce the following 2 Dakota gas wells in the same quarter-quarter section (NW/4 SW/4) on a standard spacing and proration unit comprised of the W/2 of Section 24, Township 28 North, Range 7 West, NMPM:

(a) the San Juan 28-7 Unit Well No. 259 (API #30-039-21690) located 1450 feet from the South line and 790 feet from the West line (Unit L) of this section; and

(b) the San Juan 28-7 Unit Well No. 259G (API #30-039-21788) located 2370 feet from the South line and 225 feet from the West line (Unit L) of this section.

These wells are located approximately 8 miles southeast of Navajo City, New Mexico.

14. **CASE 14017:** (Continued from the December 13, 2007 Examiner Hearing.)

Application of ConocoPhillips for an exception to the well density requirements of the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico. Applicant seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit it to produce the following 2 Mesaverde gas wells in the same quarter-quarter section (SW/4 NE/4) on a standard spacing and proration unit comprised of the E/2 of Section 34, Township 29 North, Range 5 West, NMPM:

(a) the San Juan 29-5 Unit Well No. 34 (API #30-039-075150) located 1425 feet from the North line and 2080 feet from the East line (Unit G) of this section; and

(b) the San Juan 29-5 Unit Well No. 34R (API #30-039-21788) located 2450 feet from the North line and 1850 feet from the East line (Unit G) of this section.

These wells are located approximately 4 miles southeast of Gobernador Camp, New Mexico.

15. **CASE 14018:** (Continued from the December 13, 2007 Examiner Hearing.)

Application of ConocoPhillips for an exception to the well density requirements of the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico. Applicant seeks an exception to the well density requirements of Rule I.B of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit it to produce the following 2 Mesaverde gas wells in the same quarter-quarter section (NW/4 NE/4) on a standard spacing and proration unit comprised of the E/2 of Section 34, Township 28 North, Range 7 West, NMPM:

(a) the San Juan 28-7 Unit Well No. 225F (API #30-039-66940) located 740 feet from the North line and 2170 feet from the East line (Unit B) of this section; and

(b) the San Juan 28-7 Unit Well No. 91 (API #30-039-07270) located 900 feet from the North line and 1460 feet from the East line (Unit B) of this section.

These wells are located approximately 9-1/2 miles southeast of Navajo City, New Mexico.

16. **CASE 14025:** Re-advertised

Application of Marbob Energy Corporation for an order authorizing the drilling of a well in the Potash Area, Lea County, New Mexico. Applicant seeks an order approving the drilling of its proposed Snyder 2K Fee Well No. 1 to test the Morrow formation, Undesignated Gem-Morrow Gas Pool within the Potash Area at a location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 1, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 13,900 to test all formations from the surface to the base of the Morrow formation. Said location is within the Potash Area and approximately 20 miles south southeast of Maljamar, New Mexico.

17. **CASE 14056:** ***Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests from 5,000 feet to the base of the Morrow formation in certain spacing and proration units located in the N/2 of Section 6, Township 17 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. Said pooled units are to be dedicated to Marbob's Six Pack Federal well, and will be drilled to test the Morrow formation, Wildcat-Morrow Pool, from a standard surface location 1980 feet from the North line and 1980 feet from the West line in the SE/4 NW/4 (Unit F) of Section 6