Examiner Hearing – February 21, 2008 Docket No. 6-08 Page 2 of 7

These wells are located approximately 13 miles southwest of Lovington, in Lea County, New Mexico.

- Wallen Bass No. 002; N-21-20S-34E; API No. 30-025-26458
- Wallen Bass No. 004; O-21-20S-34E; API No. 30-025-26288

These wells are located approximately 10 miles southwest of Monument, New Mexico, Lea County.

2. <u>CASE 14077</u>: (Continued from the February 7, 2008 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a Compliance Order against Southwest Royalties, Inc. Applicant seeks an Order finding that operator is in violation of 19.15.4.201 NMAC as to eleven wells, requiring operator to bring the wells into compliance by a date certain, and authorizing the Division to forfeit the applicable financial assurance and plug the wells in the event of operator's non-compliance. The affected wells are:

Barr H State No. 001;	30-025-29825;	I-7-16S-33E
Bell Ramsay NCT D No. 001;	30-025-06214;	G-35-20S-37E
Eagle No. 001;	30-025-27568;	J-36-25S-36E
Humphreys No. 001;	30-025-09815;	N-25-25S-36E
Maralo Sholes B No. 002;	30-025-09806;	P-25-25S-36E
Mcmillan No. 001;	30-025-05511;	N-29-18S-37E
Parke Federal No. 001;	30-015-20597;	O-10-17S-30E
Parke Federal No. 003;	30-015-20612;	I-10-17S-30E
Sholes A No. 003;	30-025-09796;	I-24-25S-36E
Sholes B 25 No. 002;	30-025-09808;	B-25-25S-36E
Wright Federal Com No. 001;	30-015-21878;	N-29-18S-29E
	Bell Ramsay NCT D No. 001; Eagle No. 001; Humphreys No. 001; Maralo Sholes B No. 002; Mcmillan No. 001; Parke Federal No. 001; Parke Federal No. 003; Sholes A No. 003; Sholes B 25 No. 002;	Bell Ramsay NCT D No. 001; 30-025-06214; Eagle No. 001; 30-025-27568; Humphreys No. 001; 30-025-09815; Maralo Sholes B No. 002; 30-025-09806; Mcmillan No. 001; 30-025-05511; Parke Federal No. 001; 30-015-20597; Parke Federal No. 003; 30-015-20612; Sholes A No. 003; 30-025-09796;

The Barr H State No. 001 is located approximately 8 miles northeast of Maljamar, in Lea County, New Mexico. The Bell Ramsay NCT D No. 001 is located approximately 9 miles southwest of Hobbs, in Lea County, New Mexico.

The Eagle No. 001 is located approximately 3 miles west of Jal, in Lea County, New Mexico.

The Humphreys No. 001 is located approximately 4 miles southwest of Jal, in Lea County, New Mexico. The Maralo Sholes B No. 002 is located approximately 2 miles southwest of Jal, in Lea County, New Mexico. The Mcmillan No. 001 is located approximately 8 miles west of Hobbs, in Lea County, New Mexico. The Parke Federal No. 001 and Parke Federal No. 003 are located approximately 4 miles southeast of Loco Hills, in Eddy County, New Mexico.

The Sholes A No. 003 is located approximately 1 mile west of Jal, in Lea County, New Mexico. The Sholes B 25 No. 002 is located approximately 3 miles Northwest of Jal, in Lea County, New Mexico. The Wright Federal Com No. 001 is located approximately 8 miles southwest of Loco Hills, in Eddy County, New Mexico.

3. CASE 14079: (Continued from the February 7, 2008 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a Compliance Order against Americo Energy Resources, LLC. Applicant seeks an order finding operator in violation of 19.15.3.116 NMAC as to two wells; requiring operator to bring the wells into compliance with 19.15.3.116 by a date certain; and assessing penalties. The affected wells are:

- East Shugart Unit No. 015; API No. 30-015-05687; F-34-18S-31E
 East Shugart Unit No. 042; API No. 30-015-27670; A-34-18S-31E

The East Shugart Unit No. 015 well is located approximately 9 miles southwest of Maljamar, in Eddy County, New Mexico.

The East Shugart Unit No. 042 well is located approximately 7 miles southwest of Maljamar, in Eddy County, New Mexico.