

2. **CASE 14135:** *Application of the New Mexico Oil Conservation Division for a Compliance Order against Southwestern Inc.* The Applicant seeks an order finding that operator is in violation of the financial assurance requirements of Rule 19.15.3.101.C NMAC as to one well and requiring operator to post a financial assurance for the well in the correct amount, finding operator to be in violation of Order No. R-12909 because of its failure to complete the corrective action required by that order, and formally assessing the civil penalty imposed by that order. The affected well is: State VC #001, 30-025-03035, L-36-17S-35E. The well is located approximately eight miles west of Humble City in Lea County, New Mexico.
3. **CASE 14137:** *Application of the New Mexico Oil Conservation Division for a Compliance Order against Calvin F. Tennison.* The Applicant seeks an order requiring operator to return its wells to compliance with 19.15.3.101 NMAC, 19.15.13.1115 NMAC, 19.15.4.201 NMAC and 19.15.2.50 NMAC by a date certain; if operator fails to return the wells to compliance the Applicant seeks an order pursuant to NMSA 1978, Section 70-2-14(B) requiring operator to plug and abandon its wells by a date certain and authorizing the Division to plug said wells and forfeit the applicable financial assurance in the event of non-compliance. The wells at issue are: Gulf Federal #003, C-13-26S-29E, 30-015-25265; Hanagan State #001, G-8-25S-30E, 30-015-04746; Malaga Unit #001, F-7-24S-29E, 30-015-03701; Malaga Unit #002 4-7-24S-29E, 30-015-03702; Malaga Unit #002, G-7-24S-29E, 30-015-03699; Malaga Unit #003, K-7-24S-29E, 30-015-03695; R and B Fed #001 Y, D-17-25S-30E, 30-015-04753; Superior State #001, H-8-25S-30E, 30-015-04745; Superior State #002, I-8-25S-30E, 30-015-10181. The wells are located approximately 5-20 miles southeast of Loving in Eddy County, New Mexico.
4. **CASE 14118:** *(Continued from the May 15, 2008 Examiner Hearing.)*
Application of XTO Energy, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests to the Pictured Cliffs formation and the Basin Fruitland Coal-Gas Pool underlying both the NE/4 and the N/2 of Section 28, T29N, R11W, NMPM, San Juan County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool and forming a standard 160-acre gas spacing and proration unit for any production from the Pictured Cliffs formation, including but not limited to the Fulcher Kutz Pictured Cliffs Gas Pool. These units are to be dedicated its Masden Selby Well No. 2R (API# 30-045-pending) to be drilled at a standard location in Unit G of this section for downhole commingled production from the Basin Fruitland Coal Gas Pool and the Fulcher Kutz Pictured Cliffs Gas Pool. Also to be considered will be the costs of drilling and completion this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 1 mile East-Southeast from Bloomfield, New Mexico.
5. **CASE 13893:** *(Reopened)*
In the matter of Case 13893 being reopened pursuant to the provisions of Division Order No. R-12251-A, which order authorized Yates Petroleum Corporation to conduct a 3-year pilot study within a portion of the North Dagger Draw Upper Pennsylvanian Unit Area in Eddy County, New Mexico, to determine proper waterflood injection patterns. Yates Petroleum Corporation shall appear and present to the Division the results of the phase 1 testing, and advise the Division of the status of the 3-year pilot study.
6. **CASE 14099:** *(Continued and Readvertised) (Continued from the May 29, 2008 Examiner Hearing.)*
Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 2, S/2 NE/4, and SE/4 NW/4 (the S/2 N/2) of Section 19, Township 16 South, Range 29 East, NMPM, to form a non-standard 145.53-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 Lucky Wolf "19" State Com. Well No. 1H, a horizontal well to be drilled at a surface location 1980 feet from the North line and 10 feet from the West line, with a terminus 1980 feet from the North line and 330 feet from the East line, of Section 19. 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 12 miles northwest of Loco Hills, New Mexico.