

CASE 14163: De Novo

Application of Merrion Oil and Gas, Corp. for compulsory pooling in San Juan County, New Mexico.

Merrion Oil and Gas, Corp. seeks an order pooling all unleased and uncommitted mineral interest and all uncommitted working interest owners in the Basin Fruitland Coal Pool in the N/2 of Section 18, Township

29N, Range 13W, NMPM, forming a non-standard 250 acre spacing unit for said Pool. The spacing unit will be dedicated to the drilling of the Westland Park 1 well in the NE/4 and the Westland Park 2 well in the NW/4.

Also to be considered will be the cost of drilling and completing both wells and the allocation of cost thereof, as well as the actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. This spacing unit is located inside the city limits of Farmington, New Mexico. Upon application of Western Refining Southwest, Inc., this case will be heard De Novo pursuant to the provisions of Division Rule 1221.

CASE 14106: De Novo

Application of the New Mexico Oil Conservation Division for a Compliance Order against Xeric Oil & Gas Corporation ("Xeric").

The Applicant seeks an Order finding that Operator Xeric is in violation of OCD Rule 101 as to 69 wells and Rule 201 &/or 1115 as to 80 wells, that such violations are knowing and willful, assessing an appropriate civil penalty and requiring Xeric to bring all such wells into full compliance with OCD Rules by a date certain. The Division further seeks authority to forfeit any associated financial assurances, and to plug and abandon the subject wells should the Operator fail to meet the deadline established by the Order. The subject wells are all located in Lea County. The Crosby Deep and Gregory Units are located approximately 2 miles South/Southeast of Jal; the Mesa Queen Unit is located approximately 4 miles North of Maljamar and 2 miles East of the Eddy County line; the South Pearl Queen, West Pearl Queen and East Pearl Queen Units are located between 12 and 20 miles Northwest of Eunice and 16 to 20 miles Southwest of Hobbs; and the Mexico U wells are located just Southwest of Hobbs (within 3 miles). The specific wells involved in this matter include the following:

Crosby Deep #001	30-025-23891
Crosby Deep #003	30-025-11870
East Pearl Queen Unit #084	30-025-30869
Gregory A #005	30-025-11884
Gregory A #007	30-025-11867
Gregory C #001	30-025-11865
Gregory El Paso Federal #004	30-025-11871
Mesa Queen Unit #006	30-025-00396
Mesa Queen Unit #015	30-025-20347
Mesa Queen Unit #025	30-025-23483
South Pearl Queen Unit #005	30-025-03328
South Pearl Queen Unit #008	30-025-03317
South Pearl Queen Unit #011	30-025-03325
South Pearl Queen Unit #016	30-025-03321
South Pearl Queen Unit #019	30-025-03319
South Pearl Queen Unit #021	30-025-03342
South Pearl Queen Unit #022	30-025-03341
West Pearl Queen Unit #167	30-025-23313
West Pearl Queen Unit #180	30-025-30868
West Pearl Queen Unit #130	30-025-03250
Crosby Deep #002	30-025-24287
Crosby Deep #004	30-025-25985
East Pearl Queen Unit #001	30-025-03189
East Pearl Queen Unit #004	30-025-03186
East Pearl Queen Unit #007	30-025-03183
East Pearl Queen Unit #008	30-025-03182