

DOCKET: EXAMINER HEARING - THURSDAY – JUNE 24, 2010

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 23-10 and 24-10 are tentatively set for July 8, 2010 and July 22, 2010. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13 requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

Locator Key for Cases

Case 14438 – No. 7
Case 14462 – No. 8
Case 14474 – No. 4
Case 14476 – No. 6
Case 14494 – No. 1
Case 14495 – No. 2
Case 14496 – No. 3
Case 14497 – No. 5

1. **CASE 14494:** *Application of VPR Operating, LLC to establish a waterflood project in the Sawyer West Field in Lea County, New Mexico.* VPR Operating, LLC seeks an order approving a waterflood project for secondary recovery in the Slaughter zone in the San Andres formation in the NW/4, SW/4, and E/2 of the NW/4 and NE/4 of Section 27 and the N/2 of the N/2 and the S/2 of the N/2 and S/2 of Section 28, Township 9 South, Range 37 East, NMPM. VPR Operating, LLC seeks approval of the conversion of six producing wells to injection wells, a proposed maximum daily rate of injection into the Slaughter zone of 2,000 barrels of water per day per well, and a proposed maximum injection pressure per well of 1,500 psi. The shallowest perforation in a well that will be utilized for injection is 4,933 feet. The proposed waterflood project is located approximately nineteen (19) miles Northeast of Tatum, New Mexico.
2. **CASE 14495:** *Application of Torch Energy Services, Inc. for approval of a Unit Agreement, Roosevelt County, New Mexico.* Applicant seeks approval of the San Juan Mesa 4-30 Exploratory Unit from the surface to the base of the Fusselman-Montoya formation in an area comprising 9160 acres of State of New Mexico and Fee lands in Sections 1, 3, 9, 10, 11, 12, 14, 15, 16, 17, 20, 21, 22, 23, 26, 27, 28 and 29 in Township 4 South, Range 30 East, NMPM, which is located approximately 12 miles West of Elida, New Mexico.
3. **CASE 14496:** *Application of Mewbourne Oil Company for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.* Applicant in the above-styled cause seeks an order (1) creating a non-standard spacing unit comprised of the S/2 N/2 of Section 36, Township 19 South, Range 29 East, NMPM, and (2) pooling all mineral interests in the Bone Spring formation, Parkway-Bone Spring Pool, in this non-standard spacing and proration unit which spacing unit will be the project area for the Three Palms "36" State Com Well No. 2H to be horizontally drilled from a surface location 1980 feet from the North line and 330 feet from the East line (Unit H) and then in a westerly direction in the Bone Spring formation to a bottom hole terminus at a location 2270 feet from the North line and 330 feet from the West line (Unit E) of said Section 36. 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 Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10 miles Northeast of Carlsbad, New Mexico.
4. **CASE 14474:** *(Continued from the May 27, 2010 Examiner Hearing.)*
Application of Mewbourne Oil Company for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order (1) creating a non-standard spacing unit comprised of the N/2 N/2 of Section 36, Township 19 South, Range 29 East, NMPM, and (2) pooling all mineral interests in the Bone Spring formation, Parkway-Bone Spring Pool, in this non-standard spacing and proration unit which spacing unit will be the project area for the Three Palms "36" State Com Well No. 3-H to be horizontally drilled from a surface location 660 feet from the North line and 330 feet from the East line (Unit A) and then in a westerly direction in the Bone Spring formation to a bottom hole