DOCKET: EXAMINER HEARING - THURSDAY - JULY 22, 2010

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

Docket Nos. 26-10 and 27-10 are tentatively set for August 5, 2010 and August 19, 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 14393 - No. 1 Case 14489 - No. 2 Case 14500 - No. 12 Case 14501 - No. 13 Case 14507 – No. 3 Case 14508 - No. 4 Case 14509 - No. 5 Case 14510 - No. 6 Case 14511 - No. 7 Case 14512 - No. 8 Case 14513 - No. 9 Case 14514 - No. 10 Case 14515 - No. 11 Case 14516 - No. 14 Case 14517 - No. 15 Case 14518 – No. 16 Case 14519 - No. 17 Case 14520 - No. 18

1. <u>CASE 14393 (Reopened)</u>: (Continued from the May 13, 2010 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a compliance order against Marks & Garner Production Limited Company, Eddy County, New Mexico. Pursuant to the provisions of Division Order No. R-13197, Case 14393 is being reopened to determine the status of Marks & Garner's compliance with the terms of said order. At that time, Division examiners will receive evidence regarding the status of Marks and Garner's compliance with the terms and deadlines set by Order No. R-13197.

CASE-14489(Reopened): (Continued from the June 10, 2010 Examiner Hearing.)

2.

Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 24, Township 19 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 W/2 of Section 24 to form a non-standard 160 acre oil spacing and proration unit (project area) for any pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the East Lusk 24 Fed. Com. Well No. 1, a horizontal well to be drilled at a surface location 375 feet from the North line and 660 feet from the West line, with a terminus 330 feet from the South line and 660 feet from the West line, of Section 24. 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 28-1/2 miles West-Northwest of Monument, New Mexico.