

PRELIMINARY DOCKET: COMMISSION MEETING –THURSDAY – NOVEMBER 4, 2010

9:00 A.M. – Porter Hall
1220 South St. Francis
Santa Fe, New Mexico

Land Commissioner, Patrick H. Lyons, may designate Jami Bailey as his representative for this meeting, or may participate himself.

Notice: The minutes of the October 7, 2010 Commission Meeting will be adopted.

Notice: During this meeting, the Commission may conduct a closed executive session during which it will deliberate in connection with an administrative adjudicatory proceeding pending before the Commission or consult with Commission counsel under the attorney-client privilege concerning threatened or pending litigation in which the Commission is or may become a participant.

Locator Key for Cases

Case 10693 – No. 7
Case 11724 – No. 8
Case 11954 – No. 9
Case 11987 – No. 10
Case 12276 – No. 11
Case 12277 – No. 12
Case 13048 – No. 13
Case 14411 – No. 4
Case 14418 – No. 2
Case 14472 – No. 5
Case 14480 – No. 3
Case 14521 – No. 1
Case 14547 – No. 6

1. **CASE 14521:** (Reopened)
Application of Williams Production Co. LLC for approval of a closed loop system for the Rosa SWD Well No. 2 and for in-place burial of drilling wastes at another well location, Rio Arriba County, New Mexico. This case is being reopened for the purpose of adopting a substitute order.

2. **CASE 14418:** *De Novo* (Continued from the September 9, 2010 Commission Meeting.)
Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy 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 21, Township 19 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Bone Spring formation underlying (i) the NW/4 NW/4 of Section 21 to form a standard 40 acre oil spacing and proration unit, and (ii) the W/2 W/2 of Section 21 to form a non-standard 160 acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Penny Pincher 21 Fed. Well No. 1, a horizontal well to be drilled at an orthodox surface location in the NW/4 NW/4, with a terminus at an orthodox location in the SW/4 SW/4, of Section 21. 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 Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 13 miles South-Southeast of Loco Hills, New Mexico. Upon application of Lynx Petroleum Consultants, Inc., this case will be heard De Novo pursuant to the provisions of Division Rule 19.15.4.23.

3. **CASE 14480:** *Reopened*
Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy 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 E/2 W/2 of Section 21, Township 19 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Bone Spring formation underlying (i) the NE/4 NW/4 of Section 21 to form a standard 40 acre oil spacing and proration unit, and (ii) the E/2 W/2 of Section 21 to form a non-standard 160 acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Penny