

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 28, 2011

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

Docket Nos. 11-11 and 12-11 are tentatively set for May 12, 2011 and May 26, 2011. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B 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 8352 – No. 30
Case 14522 – No. 1
Case 14524 – No. 22
Case 14551 – No. 23
Case 14566 – No. 21
Case 14569 – No. 32
Case 14570 – No. 33
Case 14576 – No. 2
Case 14583 – No. 31
Case 14602 – No. 20
Case 14614 – No. 17
Case 14615 – No. 18
Case 14620 – No. 11
Case 14623 – No. 24
Case 14624 – No. 25
Case 14625 – No. 26
Case 14626 – No. 27
Case 14627 – No. 28
Case 14628 – No. 29
Case 14629 – No. 3
Case 14630 – No. 4
Case 14631 – No. 5
Case 14632 – No. 6
Case 14633 – No. 7
Case 14634 – No. 8
Case 14635 – No. 9
Case 14636 – No. 10
Case 14637 – No. 12
Case 14638 – No. 13
Case 14639 – No. 14
Case 14640 – No. 15
Case 14641 – No. 16
Case 14642 – No. 19

1. **CASE 14522:** (Continued from the April 14, 2011 Examiner Hearing.)
Application of Approach Operating, LLC for designation of a non-standard spacing unit, Rio Arriba County, New Mexico.
Applicant seeks an order approving the formation of a non-standard oil well spacing and proration unit comprised of 31.7 + acres located in the NW/4 SW/4 of projected Section 21, T28N, R4E in Rio Arriba County, New Mexico. The proposed non-standard unit will be dedicated to the following well to be drilled to the Mancos Shale formation, WC Tierra Amarilla Mancos Oil Pool (97767): Avella Sultemeier No. 2, API No. 30-39-30857, 1662' FSL and 6' FWL (L), Projected Section 21, T28N, R4E, Rio Arriba County, New Mexico. The well and lands are located approximately four miles South of Tierra Amarilla, New Mexico.
2. **CASE 14576:** (Continued from the April 14, 2011 Examiner Hearing.)
Application of Approach Operating, LLC for an unorthodox well location and non-standard oil spacing and proration unit, Rio Arriba County, New Mexico. Applicant seeks an order approving the unorthodox well location and non-standard oil well spacing and proration unit comprised of 52.0 ± acres located in the NW/4 NW/4 of projected Section 3, T27N, R4E in Rio Arriba County, New Mexico. The proposed non-standard unit will be dedicated to the following well to be drilled at an unorthodox well location to the

Mancos Shale formation, WC Tierra Amarilla Mancos Oil Pool (97767):

Montano No. 1 Well
API No. 30-39-30858
939' FNL and 207' FWL (D)
Projected Section 3, T27N, R4E
Rio Arriba County, New Mexico

The well and lands are located approximately 1.5 miles Northeast of Las Nutrias, New Mexico.

3. **CASE 14629: Application of Blue Dolphin Production, LLC for Compulsory Pooling, Rio Arriba County, New Mexico.** Applicant seeks an order for the compulsory pooling of all interests in all pools or formations developed on 40-acre spacing within the Mancos Shale formation underlying a non-standard oil well spacing and proration unit comprised of 21.0 ± acres located in the approximate E/2 SW/4 NE/4 of projected Section 27, Township 30 North, Range 1 East in Rio Arriba County, New Mexico. The unit will be dedicated to the following well to be drilled to the Greenhorn member of the undesignated Mancos Shale formation, (WC30N1E27):

Theis Greenhorn Test Well No. 1
1643' FNL and 1575' FEL (G)
Projected Section 27, T30N, R1E
Rio Arriba County, New Mexico

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 Applicant as operator and a charge for the risk involved in drilling the well. The well and lands are located approximately one-half mile South of Horse Lake, New Mexico.

4. **CASE 14630: Application of Lime Rock Resources A, L.P. for compulsory pooling and non-standard spacing and proration unit, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface of the earth to test the Cherry Canyon formation underlying the S/2 SW/4 of Section 10, Township 25 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Applicant proposes to horizontally drill its Shrike State Well No. 2 H to be located at a surface location of 400 FSL and 2590 FWL and bottom hole location of 400 FSL and 330 FWL of said Section 10. Applicant seeks to dedicate the S/2 SW/4 of Section 10 to the well to form a non-standard 80 acre spacing and proration unit for any formations and/or pools developed on 80 acre or less within the vertical extent, including the Cherry Canyon formation. The subject lands are located approximately 6 miles South of Malaga, New Mexico.
5. **CASE 14631: Application of Cimarex Energy Co. for a Non-Standard Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the four 40-acres spacing units within the E/2 E/2 of Section 33, Township 19 South, Range 32 East and designating the consolidated units as a 160-acre non-standard oil spacing and proration unit for a well locations in the Bone Springs formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interest in the Bone Springs formations, including the South Lusk-Bone Springs Pool (code 41460), underlying the E/2 E/2 of this section to be dedicated to its Southeast Lusk "33" Federal Com Well No. 2-H to be drilled horizontally from a surface location (Unit A) 530 feet FNL and 737 feet FEL to a bottom hole location (Unit P) 330 feet FSL and 660 feet FEL within this section and to a depth sufficient to test the Bone Springs formation. Also to be considered will be the costs of the drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. as the operator of the well a risk charge of 200% for the risk involved in this well. This unit is located approximately five miles Northeast of the intersection of US Highway 62/180 and State Highway 176, New Mexico.
6. **CASE 14632: Application of Cimarex Energy Co. for a Non-Standard Spacing and Proration Unit, an Unorthodox Surface Location and Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the four 40-acres spacing units within the W/2 E/2 of Section 33, Township 19 South, Range 32 East and designating the consolidated units as a 160-acre non-standard oil spacing and proration unit for a well locations in the Bone Springs formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interest in the Bone Springs formations, including the South Lusk-Bone Springs Pool (code 41460), underlying the W/2 E/2 of this section to be dedicated to its Southeast Lusk "33" Federal Com Well No. 3-H to be drilled horizontally from an unorthodox surface location (Unit B) 25 feet FNL and 2460 feet FEL to a bottom hole location (Unit O) 330 feet FSL and 1980 feet FEL within this section and to a depth sufficient to test the Bone Springs formation. Also to be considered will be the costs of the drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. as the operator of the well a risk charge of 200% for the risk involved in this well. This unit is located approximately five miles Northeast of the intersection of US Highway 62/180 and State Highway 176, New Mexico.
7. **CASE 14633: Application of Cimarex Energy Co. for a Non-Standard Spacing and Proration Unit, an Unorthodox Surface Location and Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the four 40-acres spacing units within the E/2 W/2 of Section 33, Township 19 South, Range 32 East and designating the consolidated units as a 160-acre non-standard oil spacing and proration unit for a well locations in the Bone Springs formation for Applicant's horizontal drilling project