

CASE 12008: Continued from January 21, 1999, Examiner Hearing – This Case will be Continued to the March 18, Examiner Hearing.

Application of Robert E. Landreth for a determination of reasonable well costs, Lea County, New Mexico Applicant, as a mineral interest owner in the standard 320-acre gas spacing and proration unit comprising the S/2 of Section 29, Township 22 South, Range 34 East, seeks an order ascertaining the reasonableness of actual well costs for: (i) the Santa Fe Energy Resources, Inc. Gaucho Unit Well No. 2-Y (API No. 30-025-34026), located 1650 feet from the South line and 1725 feet from the West line (Unit K) of Section 29; and (ii) the plugged and abandoned Gaucho Unit Well No. 2 (API No. 30-025-33682), located 1650 feet from the South and West lines (Unit K) of Section 29. This 320-acre unit was the subject of compulsory pooling Order No. R-10764, dated February 14, 1997. This area is located approximately 20 miles west by south of Eunice, New Mexico.

CASE 11946: Continued from January 21, 1999, Examiner Hearing.

Application of Oil Conservation Division for an order requiring McKay Oil Corporation to properly plug eleven (11) wells, Chaves County, New Mexico. Applicant seeks an order requiring McKay Oil Corporation to properly plug the below-listed eleven (11) wells in Chaves County, New Mexico, authorizing the Division to plug said wells, and ordering a forfeiture of the plugging bond, if any. Said wells are located in an area approximately 30 miles north of Roswell, New Mexico.

West Fork Unit	# 1, Section 32, Township 4 South, Range 22 East, Unit C
Bonnie	# 1, Section 30, Township 5 South, Range 22 East, Unit O
Wolf State	# 1, Section 16, Township 6 South, Range 23 East, Unit J
Pipeline Com.	# 2, Section 26, Township 6 South, Range 22 East, Unit K
Macho State	# 1, Section 32, Township 6 South, Range 23 East, Unit G
Desert Rose	# 1, Section 12, Township 6 South, Range 22 East, Unit M
Inexico	# 2, Section 32, Township 5 South, Range 22 East, Unit J
Inexico	# 5, Section 33, Township 5 South, Range 22 East, Unit K
Inexico	# 7, Section 33, Township 5 South, Range 22 East, Unit J
Camp State	# 1, Section 25, Township 5 South, Range 22 East, Unit J
Aikman	# 1, Section 36, Township 5 South, Range 26 East, Unit P 1

In the matter of the hearing called by the Oil Conservation Division to amend 19 NMAC 15.C. 107.J and K. of its Rules and Regulations pertaining to tubing and casing sizes and to giving the Districts authority to grant administrative exceptions. Copies of the proposed rule changes will be circulated with the docket for the January 14, 1999 hearing.