

CASE 12795: Continued from February 7, 2002, Examiner Hearing.

Application of Chaparral Energy, Inc. for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.C (3) for its existing Crosby Deep Well No. 1 (API No. 30-025-23891), to be recompleted up-hole into the Devonian formation at an unorthodox gas well location 330 feet from the South line and 1980 feet from the West line (Unit N) of Section 28, Township 25 South, Range 37 East. The SW/4 of Section 28 is to be dedicated to this well in order to form a standard 160-acre gas spacing and proration unit for the Crosby-Devonian Gas Pool. This unit is located approximately two miles east of Jal, New Mexico.

CASE 12823: Application of the New Mexico Oil Conservation Division for an Order Requiring M & G Oil, Inc. to Properly Plug Four (4) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by M & G Oil Inc. or Its Surety, and Ordering a Forfeiture of Applicable Plugging Bond; Lea County, New Mexico. The Applicant seeks an order requiring M & G Oil, Inc., the operator of Four (4) inactive wells in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator or its sureties fails to do so, forfeiting Operator's plugging bond, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

Operator	Well Name	API No.	Location
M & G Oil Inc.	State K No. 1	30-025-22241	O-02-10S-33E
M & G Oil Inc.	Santa Fe No. 1	30-025-04980	C-30-09S-37E
M & G Oil Inc.	Morton Federal No. 2	30-025-23339	F-12-09S-35E
M & G Oil Inc.	Walker 686 Ltd. No. 1	30-025-03561	7-06-09S-36E

CASE 12824: Application of the New Mexico Oil Conservation Division for an Order Requiring Cecil Lee's Company to Properly Plug Two (2) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Cecil Lee's Company or Its Surety, and Ordering a Forfeiture of Applicable Plugging Bond; Lea County, New Mexico. The Applicant seeks an order requiring Cecil Lee's Company, the operator of Two (2) inactive wells in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator or its sureties fails to do so, forfeiting Operator's plugging bond, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

Operator	Well Name	API No.	Location
Cecil Lee's Company	Landreth State No. 1	30-025-25595	M-15-10S-36E
Cecil Lee's Company	Crossroad Devonian Unit No. 1	30-025-20735	O-16-10S-36E

CASE 12825: Application of the New Mexico Oil Conservation Division for an Order Requiring Leigh Operating Company to Properly Plug Two (2) Wells, Imposing Civil Penalties in Event of Failure to Comply, Authorizing the Division to Plug Said Wells in Default of Compliance by Leigh Operating Company or Its Surety, and Ordering a Forfeiture of Applicable Plugging Bonds; Lea County, New Mexico. The Applicant seeks an order requiring Leigh Operating Company, the operator of Two (2) inactive wells in Lea County, New Mexico, to properly plug and abandon the same, imposing civil penalties in event of failure to comply, authorizing the Division to plug said wells if the operator or its sureties fails to do so, forfeiting Operator's plugging bond, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

Examiner Hearing – February 21, 2002
Docket No. 06-02
Page 18 of 19

Operator	Well Name	API No.	Location
Leigh Operating Co.	Caudill State No. 1	30-025-27461	K-26-15S-36E
Leigh Operating Co.	Caudill State No. 2	30-025-27637	B-26-15S-36E

CASE 12771-A: Continued from November 15, 2001, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Operators to Bring Forty-Six (46) Wells into Compliance with Rule 201.B, and Assessing Appropriate Civil Penalties; Lea and Roosevelt Counties, New Mexico. The Applicant seeks an order requiring the operators of 46 inactive wells located in Lea and Roosevelt Counties, New Mexico, to bring said wells into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof. The affected wells are the following:

<u>OPERATOR</u>	<u>WELL NAME AND NO.</u>	<u>API #</u>	<u>ULSTR</u>	<u>CO.</u>
PRONGHORN MANAGEMENT CORP	FOWLER B #001	30-025-28197	K-06-19S-38E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #003	30-025-11182	B-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #004	30-025-11183	F-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #005	30-025-21401	K-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	JENNINGS FEDERAL #004	30-025-25149	K-14-24S-32E	Lea
PRONGHORN MANAGEMENT CORP	MARSHALL #001	30-025-08358	4-19-23S-33E	Lea
PRONGHORN MANAGEMENT CORP	MARSHALL #005	30-025-25000	F-19-23S-33E	Lea
PRONGHORN MANAGEMENT CORP	NEW MEXICO BZ STATE NCT 5 #003	30-025-03523	E-29-21S-35E	Lea
PRONGHORN MANAGEMENT CORP	NEW MEXICO BZ STATE NCT 5 #004	30-025-03524	F-29-21S-35E	Lea
PRONGHORN MANAGEMENT CORP	NEW MEXICO BZ STATE NCT 5 #005	30-025-32362	D-29-21S-35E	Lea
PRONGHORN MANAGEMENT CORP	NEW MEXICO DL STATE #006	30-025-28659	P-18-23S-33E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #001	30-025-03734	13-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #002	30-025-03735	12-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #003	30-025-03736	14-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	STATE T #004	30-025-03737	11-06-16S-36E	Lea
PRONGHORN MANAGEMENT CORP	GILA 4 DEEP #001	30-025-30872	G-04-25S-33E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #006	30-025-21478	F-21-24S-37E	Lea
PRONGHORN MANAGEMENT CORP	J F BLACK #007	30-025-21479	C-21-24S-37E	Lea
SABA ENERGY OF TEXAS INC	SAN SIMON 5 STATE #002	30-025-28480	G-05-22S-35E	Lea
SABA ENERGY OF TEXAS INC	FERN GUYE #001	30-025-34488	M-05-13S-36E	Lea
SANTA FE ENERGY OPERATING PARTNERS, L. P.	WHITE SWAN 9 FEDERAL #003	30-025-32301	J-09-22S-32E	Lea
SMITH & MARRS INC	AMERICAN EAGLE #001	30-025-27163	M-22-26S-36E	Lea
SMITH & MARRS INC	CHRISITE #001	30-025-22991	A-19-11S-33E	Lea
SMITH & MARRS INC	LEA KN STATE #002	30-025-21070	B-17-17S-37E	Lea
SMITH & MARRS INC	SHULTS #002	30-025-05020	P-13-12S-37E	Lea
SMITH & MARRS INC	STATE HTA #001	30-025-21329	B-36-12S-33E	Lea
SMITH & MARRS INC	AZTEC STATE COM #003	30-025-27575	4-18-16S-37E	Lea