

Application of the Oil Conservation Division for an order requiring I. T. Properties to properly plug one well, Eddy County, New Mexico. Applicant seeks an order requiring I. T. Properties to appear and show cause why one (1) well located in Section 23, Township 19 South, Range 28 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12460:

Application of the Oil Conservation Division for an order requiring Stephens & Johnson Operating Co. to properly plug two wells, Eddy County, New Mexico. Applicant seeks an order requiring Stephens & Johnson Operating Co. to appear and show cause why two (2) wells located in Sections 12 and 13, Township 19 South, Range 28 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

Examiner Hearing – October 5, 2000

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CASE 12439: Continued from September 21, 2000 Examiner Hearing.

Application of Arch Petroleum Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from 7100 feet subsurface to the base of the Ellenburger formation underlying the SW/4 SE/4 of Section 27, Township 23 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Teague (Simpson) Pool. The unit is to be dedicated to applicant's E.C. Hill "A" Well No. 7, to be drilled at a location 540 feet from the South line and 1850 feet from the East line of Section 27. 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 charge for the risk involved in drilling and completing the well. The unit is located approximately 11 ½ miles south of Eunice, New Mexico.

CASE 12501: **Application of Santa Fe Snyder Corporation for pool creation and special pool rules, Eddy County, New Mexico.** Applicant seeks the creation of the North Hackberry-Bone Spring Pool, covering the SE/4 of Section 6, Township 19 South, Range 31 East, and the promulgation of Special Pool Rules for the North Hackberry-Bone Spring Pool, including provisions for 160-acre spacing, special well location requirements, and a gas:oil ratio of 30,000 cubic feet of gas for each barrel of oil produced. The proposed pool is centered approximately 10 miles southeast of Loco Hills, New Mexico.

CASE 12502: In the matter of the hearing called by the New Mexico Oil Conservation Division on its own motion to amend Division Order No. R-5878, as amended. The Division seeks to further amend its "*Special Rules for Applications for Wellhead Price Ceiling Category Determinations*", as promulgated by Division Order No. R-5878, as amended, as necessary in order to comply with the Federal Energy Regulatory Commission's Order No. 616, which reinstates wellhead determination procedures for Section 107 gas that qualifies for a federal tax credit under Section 29 of the Internal Revenue Code.

CASE 12503: **Application of the Oil Conservation Division for an order requiring Adams Oil & Gas Producers to properly plug six wells, Lea County, New Mexico.** Applicant seeks an order requiring Adams Oil & Gas Producers to appear and show cause why six (6) wells located in Sections 6, 7, 17, 33, Townships 23 and 24 South, Ranges 33 and 36 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12456: Continued from July 13, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring Strata Production Company to properly plug one well, Eddy County, New Mexico. Applicant seeks an order requiring Strata Production Company to appear and show cause why one (1) well located in Section 32, Township 19 South, Range 29 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12459: Continued from July 13, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring I. T. Properties to properly plug one well, Eddy County, New Mexico. Applicant seeks an order requiring I. T. Properties to appear and show cause why one (1) well located in Section 23, Township 19 South, Range 28 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12457: Continued from July 27, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring Jack J. Grynberg to properly plug five wells, Chaves County, New Mexico. Applicant seeks an order requiring Jack J. Grynberg to appear and show cause why five (5) wells located in Sections 16 and 32, Township 5 South, Range 24 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

of Section 23. 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 of the well and a charge for risk involved in drilling said well. Said area is located approximately 16 miles west of Hobbs, New Mexico.

CASE 12459: ~~Continued from October 5, 2000, Examiner Hearing.~~

Application of the Oil Conservation Division for an order requiring I. T. Properties to properly plug one well, Eddy County, New Mexico. Applicant seeks an order requiring I. T. Properties to appear and show cause why one (1) well located in Section 23, Township 19 South, Range 28 East, should not be plugged and abandoned in accordance with a Division-approved plugging program.

Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The*

Absence of Objection, This Case Will be Taken Under Advisement. Upon application of I.T. Properties, this case will be heard De Novo pursuant to the provisions of Rule 1220.

CASE 12457: Continued from October 5, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring Jack J. Grynberg to properly plug five wells, Chaves County, New Mexico. Applicant seeks an order requiring Jack J. Grynberg to appear and show cause why five (5) wells located in Sections 16 and 32, Township 5 South, Range 24 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12458: Continued from November 16, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring D. W. Berry to properly plug one well in Chaves County and one well in Eddy County, New Mexico. Applicant seeks an order requiring D. W. Berry to appear and show cause why one (1) well located in Section 8, Townships 17 South, Range 28 East, and one (1) well located in Section 2, Township 15 South, Range 29 East, Chaves County, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12475: Continued from November 16, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring COM-TEK Resources, Inc./North Lea Joint Venture to properly plug four wells, Lea County, New Mexico. Applicant seeks an order requiring COM-TEK Resources, Inc./North Lea Joint Venture to appear and show cause why five (5) wells located in Sections 17 and 12, Township 9 South, Ranges 34 and 35 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a