

proration unit in the Glorieta-Yeso formation, Seven Rivers-Yeso pool (55670), for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Glorieta-Yeso formation underlying the E/2 E/2 of Section 26 to be dedicated to its Morris-Boyd 26 No. 1-H Well to be drilled horizontally from a standard surface location 330' from the South line and 660' from the East line to a standard bottom hole location 330' from the North line and 660' from the East line of Section 26, to a depth sufficient to test the Glorieta-Yeso formation. 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 Nearburg Producing Company as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 4 miles West of Lakewood, New Mexico.

4. **CASE 14653:** (Continued from the May 26, 2011 Examiner Hearing.)

Application of Energen Resources Corporation for Compulsory Pooling and an Unorthodox Surface Location, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in the Fruitland Coal formation, (Basin-Fruitland Coal Gas Pool) underlying lots 5, 6, 7, 8 and the S/2 S/2 of irregular Section 8, Township 32 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, forming a 274.08 acre ± spacing and proration unit to be dedicated to the Carracas 8 B Well No. 16-H. Pursuant to the provisions of Order No. R-13119, the well will be directionally drilled from an unorthodox surface location 2095 feet from the South line and 119 feet from the West line in adjoining Section 9, penetrating the Fruitland Coal formation at a point 1400 feet from the South line and 400 feet from the East line of Section 8, with a standard bottom hole location 1400 feet from the South line and 760 feet from the West line of Section 8, Township 32 North, Range 4 West, NMPM, 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 Energen Resources Corporation as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 6 miles South of Arboles, Colorado

5. **CASE 14666: Application of Basic Energy Services for Authorization to Inject, Eddy County, New Mexico.** Applicant seeks an order authorizing the injection of salt water into the Delaware, Bell Canyon and Cherry Canyon formations (40380) in the following proposed well:

Belco State No. 2 SWD
API No. 30-015-25433
2310' FNL & 1980' FWL (Unit F)
Section 20
T-23-S, R-28-E, NMPM
Eddy County, New Mexico

The subject well will be drilled to a proposed total depth of approximately 5,930' and will be utilized for injection of water through a closed system into the Delaware, Bell Canyon and Cherry Canyon formations (top: 2,454'; base: 5,865') with an injection interval within the approximate depths of 2,540' to 5,865' through perforations from 5,846' to 5,865'. Injection operations through the well will be conducted at an anticipated average daily injection pressure of 600 psi (surface) with a maximum surface injection pressure of 1,000 psi or as permitted by the Division. Applicant proposes injection of water at average daily rates of approximately 1,500 bbls and at maximum daily rates of approximately 3,400 bbls. The lands and well are located approximately 1 mile Northwest of Loving, New Mexico.

6. **CASE 14651:** (Continued from the June 9, 2011 Examiner Hearing.)

Application of Occidental Permian LP for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order: (1) creating a non-standard spacing unit comprised of the W/2 W/2 of Section, Township 19 South, Range 32 East, NMPM and (2) pooling all mineral interests in the Bone Spring formation in the non-standard spacing unit which will be the project area for the Fecta 33 Fed Com No. 1H to be drilled from a surface location 330 feet from the North line and 990 feet from the West line and a bottomhole location 330 feet from the South line and 660 feet from the West line of Section 33. 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 Occidental Permian LP as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles Northeast of US Highway 62/180 and State Highway 176, New Mexico.

7. **CASE 14652:** (Continued from the June 9, 2011 Examiner Hearing.)

Application of Occidental Permian LP for a non-standard spacing and proration unit, compulsory pooling and non-standard location, Lea County, New Mexico. Applicant in the above-styled cause seeks an order: (1) creating a non-standard spacing unit comprised of the E/2 W/2 of Section, Township 19 South, Range 32 East, NMPM and (2) pooling all mineral interests in the Bone Spring formation in the non-standard spacing unit which will be the project area for the Fecta 33 Fed Com No. 2H to be drilled from a surface location 141 feet from the North line and 2347 feet from the West line and a bottomhole location 330 feet from the South line and 1980 feet from the West line of Section 33. 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 Occidental Permian LP as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northeast of US Highway 62/180 and State Highway 176, New Mexico. and 1980 feet from the West line of Section 33. 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 Occidental Permian LP as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northeast of US Highway 62/180 and State Highway 176, New Mexico.

8. **CASE 14667: Application of Williams Production Co., LLC for A Project Area For The Mancos Participating Area In The Rosa Unit, San Juan And Rio Arriba Counties, New Mexico.** Applicant seeks designation of a Project Area for the Mancos Participating Area within the Rosa Unit excluding certain uncommitted acreage for a total of 23,958.1 acres to be dedicated to existing and future vertical and horizontal wells completed in the Mancos formation, Basin Mancos Gas Pool. Said area is located approximately 9 miles Southeast of Arbolies, Colorado.
9. **CASE 14668: Application of Mewbourne Oil Company for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order: (1) creating a non-standard spacing unit comprised of the N/2 S/2 of Section 34, Township 18 South, Range 30 East, NMPM; and (2) pooling all mineral interests in the Bone Spring formation in this non-standard spacing and proration unit which spacing unit will be the project area for the Dorado “34” Federal Com Well No. 1H to be horizontally drilled from a surface location 1850 feet from the South line and 620 feet from the East line (Unit I) and then in an easterly direction in the Bone Spring formation to a bottom hole terminus at a location 1850 feet from the South line and 330 feet from the West line (Unit L) of said Section 34. 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 Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 8.5 miles South of Loco Hills, New Mexico.
10. **CASE 14602: (Continued from the May 26, 2011 Examiner Hearing.)**
Application of COG Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order: (1) creating a non-standard spacing unit comprised of the W/2 E/2 of Section 29 and the W/2 E/2 of Irregular Section 32, Township 26 South, Range 28 East, NMPM and (2) pooling all mineral interests in the Bone Spring formation in the non-standard spacing unit which will be the project area for the Honey Graham State Com No. 3H to be drilled from a surface location 330 feet from the North line and 1980 feet from the East line of Section 29 and a bottomhole location 330 feet from the South line and 2310 feet from the East line of Section 32. 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 COG Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles North of Malaga, New Mexico.
11. **CASE 14669: Application of COG Operating LLC for the creation of a new pools special pool rules and the contraction of certain Grayburg Jackson pools within the Dodd Federal Unit, Eddy County, New Mexico.** Applicant seeks an order establishing a new pool within the Dodd Federal Unit that extends from the top of the Glorieta to the top of the Tubb formation. Within the new Yeso pool, Concho seeks special rules allowing for a depth bracket allowable of 300 barrels of oil per day and no limiting gas:oil ratio. Concho also seeks the contraction of the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres and the Grayburg Jackson Yeso within the Dodd Federal unit to extend from the top of the Seven Rivers formation to the top of the Glorieta formation. The pools are located approximately 12 miles East of Artesia, New Mexico and 17 miles west of Lovington, New Mexico.
12. **CASE 14670: Application of COG Operating LLC for the creation of a new pool, special pool rules and the contraction of the Grayburg Jackson pool within the Burch Keely Unit, Eddy County, New Mexico.** Applicant seeks an order establishing a new pool within the Burch Keely Units that extends from the top of the Glorieta formation to a depth of 5,000 feet from the surface. Within the new Yeso pool, Concho seeks special rules allowing for a depth bracket allowable of 300 barrels of oil per day and no limiting gas:oil ratio. Concho also seeks the contraction of the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool within the Burch Keely unit to vertically extend from the top of the Seven Rivers formation to the top of the Glorieta formation. The pools are located approximately 12 miles East of Artesia, New Mexico and 17 miles West of Lovington, New Mexico.
13. **CASE 14642: (Continued from the June 9, 2011 Examiner Hearing.)**
Application of Black Hills Gas Resources, Inc. For The Creation Of The Jicarilla (Mancos Formation) Project Area, An Exception To The Special Rules And Regulations For The Basin-Mancos Gas Pool And To Rule 19.15.16 NMAC, Rio Arriba County, New Mexico. Applicant, in the above-styled cause seeks the creation of the Jicarilla (Mancos Formation) Project Area, an exception to the special rules and regulations for the Basin-Mancos Gas Pool and to Rule 19.15.16 NMAC. The proposed Jicarilla (Mancos Formation) Project Area is located in Township 30 North, Range 3 West and Township 29 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. Said area is located approximately 9 miles Northeast of Dulce, New Mexico.
14. **CASE 14671: (This case will be continued and readvertised for the July 7, 2011 Examiner Hearing.)**
Application of Apache Corporation for approval of a unit agreement, Lea County, New Mexico: Applicant seeks approval of the Unit Agreement for the South Pacific State Exploratory Unit Area, comprising 1920 acres of state lands covering all or part of Sections 5, 8, 9, and 17, Township 12 South, Range 36 East, NMPM. The proposed unit area is centered approximately 2 miles