

terminus in the SW/4 NW/4, of Section 12;

(c) The N/2 S/2, to be dedicated to the Picou Fed. Well No. 3, a horizontal well with a surface location in the NE/4 SE/4, and a terminus in the NW/4 SW/4, of Section 12; and

(d) The S/2 S/2, to be dedicated to the Picou Fed. Well No. 4, a horizontal well with a surface location in the SE/4 SE/4, and a terminus in the SW/4 SW/4, of Section 12.

Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the four non-standard spacing and proration units (project areas) for all pools or formations developed on 40 acre spacing within that vertical extent. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The units are located approximately 14 miles Southeast of Malaga, New Mexico.

14. **CASE 14583** (Continued and Readvertised) (Continued from the February 17, 2011 Examiner Hearing.)  
**Application of Farleigh Oil Properties for a compliance order against SWEPI LP and Shell Exploration and Production Company, Guadalupe County, New Mexico.** Applicant requests an order requiring SWEPI LP and Shell Exploration and Production Company to comply with Division reporting requirements, including, *inter alia*, NMAC 19.15.5.10.B, NMAC 19.15.7.10, and NMAC 19.15.7.16, and Forms C-105 and C-115, with respect to the following wells:

- (a) Latigo Ranch 2-34  
API No. 30-019-20136  
§34-11N-23E

Located approximately 8-1/2 miles North-Northwest of Cuervo, New Mexico

- (b) Latigo Ranch 3-5  
API No. 30-019-20137  
§5-10N-23E

Located approximately 9 miles Northwest of Cuervo, New Mexico

- (c) Latigo Ranch 3-3  
API No. 30-019-20138  
§3-10N-23E

Located approximately 7 miles Northwest of Cuervo, New Mexico

- (d) Webb 3-23  
API No. 30-019-20135  
§23-11N-23E

Located approximately 9-1/2 miles North-Northwest of Cuervo, New Mexico

- (e) Webb CD 1  
API 30-019-20134  
§25-11N-23E

Located approximately 8 miles North-Northwest of Cuervo, New Mexico.