

bottomhole location 660' from the North line and 330' from the West line to a depth sufficient to test the Bone Spring 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 Devon Energy Production Company, L.P. as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately seven miles South of Maljamar, New Mexico.

12. **CASE 14570:** (Continued from the January 6, 2011 Examiner Hearing.)
Application of Devon Energy Production Company, L.P. for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the S/2 N/2 of Section 15, Township 18 South Range 32 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Bone Spring formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Bone Spring formation underlying the S/2 N/2 of said Section 15 to be dedicated to its West Shinnery 15 Federal Com No. 3-H Well to be drilled horizontally from a surface location 1980' from the North line and 330' from the East line to a bottomhole location 1980' from the North line and 330' from the West line and to a depth sufficient to test the Bone Spring 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 Cimarex Energy Co. as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately seven miles South of Maljamar, New Mexico.
13. **CASE 8352:** (Reopened) (Continued from the December 16, 2010 Examiner Hearing.)
Application of OXY USA, Inc. to reopen Case No. 8352 to contract the West Bravo Dome Carbon Dioxide Gas Area to exclude acreage in the Bravo Dome Carbon Dioxide Gas Unit and for the adoption of permanent Special Rules and Regulations for the acreage excluded from the West Bravo Dome Carbon Dioxide Gas Area including provisions for 160-acre spacing units, Harding County, New Mexico. Applicant seeks to reopen Case No. 8352 to contract the West Bravo Dome Carbon Dioxide Gas Area to exclude the following acreage in the Bravo Dome Carbon Dioxide Gas Unit ("Bravo Dome Temporary Spacing area"):

Township 18 North, Range 30 East, NMPM

| | |
|-------------------|--------------------------------------|
| Sections 1 and 2: | All |
| Section 3: | E/2 E/2, SW/4 SE/4 |
| Section 10: | E/2 NE/4 |
| Section 11: | N/2 |
| Sections 12 – 14: | All |
| Section 23: | E/2, E/2 W/2 |
| Section 24: | All |
| Section 25: | E/2, E/2 W/2, W/2 NW/4, NW/4 SW/4 |
| Section 26: | NE/4, E/2 NW/4, N/2 S/2 |
| Section 36: | All |

Township 18 North, Range 31 East, NMPM

Sections 1- 36: All

Township 19 North, Range 29 East, NMPM

Section 1: NE/4, E/2 NW/4

Township 19 North, Range 30 East, NMPM

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|-------------------------|----------------------------------------------------|
| Section 20: | W/2 NE/4, S/2 SE/4 |
| Sections 21 through 28: | All |
| Section 29: | NE/4 |
| Section 32: | NE/4 NE/4 |
| Section 33: | NW/4, W/2 NE/4, NE/4 NE/4, NW/4 SE/4, NE/4 SW/4 |
| Section 34: | N/2, E/2 SE/4 |
| Sections 35 and 36: | All |

Township 19 North, Range 31 East, NMPM

Sections 19 – 36: All

Applicant also seeks the adoption of permanent Special Rules and Regulations for the Bravo Dome Temporary Spacing Area that include provisions for 160-acre spacing and proration units. The West Bravo Dome Carbon Dioxide Gas Unit area is located approximately 15 to 17 miles East-Northeast of Mosquero, New Mexico.

14. CASE 14551: *(Continued from the January 6, 2011 Examiner Hearing.)*

Application of Nadel and Gussman Permian, L.L.C. for approval of four non-standard oil spacing and proration units and compulsory pooling, Eddy County, New Mexico. Nadel and Gussman Permian, L.L.C. seeks an order approving four 160-acre non-standard oil spacing and proration units (project areas) in the Bone Spring formation comprised of the following lands in Section 12, Township 26 South, Range 29 East, NMPM:

- (a) The N/2 N/2, to be dedicated to the Picou Fed. Well No. 1, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the NW/4 NW/4, of Section 12;
- (b) The S/2 N/2, to be dedicated to the Picou Fed. Well No. 2, a horizontal well with a surface location in the SE/4 NE/4, and a 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.