

supervision, designation of applicant as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 2 miles south of Atoka, New Mexico.

8. **CASE 14788: Application of Caza Petroleum, Inc. for Approval of the Lennox State Exploratory Unit, Lea County, New Mexico.** Caza Petroleum, Inc. has applied for approval of the Lennox State Exploratory Unit, comprising: All of Section 32, the N/2 of Section 33, All of Section 34 and the N/2 of Section 35, Township 22 South, Range 35 East, NMPM in Lea County. Caza Petroleum is proposing to drill the pilot hole for the Lennox State Unit #1H, an upper 2nd Bone Spring sand horizontal test, at a legal surface location in the NW/4 NW/4 of Section 33, T22S, R35E. The Lennox State Unit #1H pilot hole will be drilled to an approximate depth of 11,400', into the top of the Wolfcamp formation. While several zones of interest will be penetrated vertically and evaluated for future development potential, the targeted reservoir for the horizontal leg of the Lennox State Unit #1H is the upper 2nd Bone Spring sand. The proposed lateral will traverse the N/2 N/2 of Section 33, T22S, R35E, beginning at a legal surface location in the NW/4 NW/4 of Section 33, T22S, R35E and reaching a final measured depth of approximately 15,400' at a legal bottom hole location in the NE/4 NE/4 of the same Section 33. While the pilot hole is projected to reach a TVD of 11,400', the TVD target for the lateral portion of the proposed test is approximately 10,150'. This location is located in central eastern Lea County, approximately 15 miles southwest of Eunice, New Mexico.
9. **CASE 14789: Application of Caza Petroleum, Inc. for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order: (1) creating a non-standard 160-acre oil spacing and proration unit in the Bone Spring formation, comprised of the W/2 E/2 of Section 27, Township 23 South, Range 27 East, N.M.P.M., Eddy County, New Mexico, which will be the project area for the Forehand Ranch 27 State Well No. 1-H, to be horizontally drilled from a surface location 252 feet from the North line and 1980 feet from the East line (Unit B), to a bottom-hole terminus at a location 330 feet from the South line and 1980 feet from the East line (Unit O) of said Section 27; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. The entire completed producing interval of the proposed well, from the penetration point to the bottom-hole location, will have standard locations within the producing area. 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 Caza Petroleum, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles west of Loving, New Mexico.
10. **~~CASE 14751:~~ (Continued from the December 15, 2011 Examiner Hearing.)**
Application of Mewbourne Oil Company 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 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.
11. **CASE 14790: Application of OXY USA, Inc. for authorization to conduct a pressure maintenance project in the Old Millman Ranch Bone Spring Pool through its Government AB No. 9 well, Eddy County, New Mexico.** Applicant seeks an order authorizing a pressure maintenance project in the Old Millman Ranch Bone Spring Pool through its Government AB No. 9 well, with a surface location 330 feet from the North line and 230 feet from the East line of Section 10, Township 20 South, Range 28 East, NMPM, Eddy County, New Mexico. Said well is located approximately 11 miles northeast of Carlsbad, New Mexico.
12. **CASE 14791: Application of COG Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the E/2 W/2 of Section 1, Township 19 South, Range 25 East, NMPM, and (2) pooling all mineral interests in the Glorieta-Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Clydesdale "1" Fee Well No. 2H, to be horizontally drilled from a surface location 150 feet from the South line and 1700 feet from the West line (Unit N) to a bottom hole location 330 feet from the North line and 1700 feet from the West line (Unit C) of Section 1. 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 17 miles North of Carlsbad, New Mexico.