

acre, more or less, oil spacing and proration unit in the Bone Spring formation, comprised of Lot 4, Section 31, Township 18 South, Range 31 East, and Lots 4, 5, 6, and 7 in Section 6, Township 19 South, Range 31 East, N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation underlying this proposed non-standard spacing and proration unit. This proposed non-standard spacing and proration unit will be the project area for the Samantha 31-6 Federal Com. No. 1H, to be horizontally drilled from a standard surface location 990 feet from the South line and 450 feet from the West line of Lot 4 of said Section 31 to a bottom-hole terminus at a location 330 feet from the South line and 660 feet from the West line of Lot 7 of said Section 6. Also to be considered will be the cost of drilling and completing said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of OXY USA WTP Limited Partnership as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 18 miles southeast of Locohills, New Mexico.

17. **CASE 14825:** *Application of Chesapeake Operating, Inc. for approval of an unorthodox well location, Eddy County, New Mexico.* Applicant seeks an order approving an unorthodox well location for its Big Sinks 2-24-30 USA Well No. 1H (API No. 30-015-39246) located in Section 2, Township 24 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. The subject well is currently completed and awaiting production as a wildcat well in the Bone Spring formation at a total depth of 14,209 feet. The surface location and penetration point for this well is 1980 feet from the North line and 200 feet from the West line with a terminus location 1972 feet from the North line and 93 feet from the East line of Section 2. A frac plug is set at 14,200 feet and the perforations extend to 128 feet from the East line of Section 2. This well is located approximately 13 miles Southeast of Loving, New Mexico.
18. **CASE 14826:** *(This case will be continued to the May 10, 2012 Examiner Hearing.) Application of Nearburg Exploration Company, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.* Applicant seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the W/2 W/2 of Section 23, Township 20 South, Range 34 East, NMPM, and (2) pooling all mineral interests in all producing reservoirs within the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Laguna 23 Fed Com Well No. 2H, to be horizontally drilled from a surface location 330 feet from the South line and 660 feet from the West line (Unit M) to a bottom hole location 330 feet from the North line and 660 feet from the West line (Unit D) 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 Nearburg Exploration Company, LLC as operator of the well and unit and a 200% charge for risk involved in drilling said well. Said area is approximately 30 miles southwest of Hobbs, New Mexico.
19. **CASE 14827:** *Application of Three Rivers Operating Company, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.* Applicant seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the N/2 S/2 of Section 6, Township 19 South, Range 35 East, NMPM, Lea County, New Mexico; and (2) pooling all mineral interests in the Bone Spring formation, Scharb-Bone Spring Pool, underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Airstrip 6 State Well No. 2H well, to be horizontally drilled from a surface location 2171 feet from the South line and 665 feet from the West line (Unit L) to a bottom hole location 1980 feet from the South line and 510 feet from the East line (Unit I) of Section 6. 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 Three Rivers Operating Company, LLC as operator of the well and unit and a 200% charge for risk involved in drilling said well. Said area is approximately 8 miles south of Buckeye, New Mexico.
20. **CASE 14828:** *Application of Dugan Production Company for authorization to inject as part of a lease pressure maintenance project, Lea County, New Mexico.* Applicant seeks authorization to inject produced water in the San Adres, Sawyer formation through the Bilbrey 51 Well No. 1 (API 30-025-24321) located 660 feet from the North line and 660 feet from the East line of Section 23, Township 9 South, Range 37 East, NMPM; Lea County, New Mexico. The pressure maintenance project area is approximately 400 acres comprised of the E/2, W/2 SW/4 of said Section 23. The well and this project area is located approximately 15

miles east of Cross Roads, New Mexico.

21. **CASE 14807:** (Continued from the March 29, 2012 Examiner Hearing.)
Application of Burgundy Oil & Gas of New Mexico, Inc. for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Paddock formation, the Lovington Paddock Pool, in a standard 40-acre, more or less, oil spacing and proration unit comprised of Unit Letter M, Section 28, Township 16 South, Range 37 East, N.M.P.M., Lea County, New Mexico, which is to be dedicated to the Homestake No. 1 Well (API# 30-025-05343) at a standard oil well location 660 feet from the South and West lines of said Section. Also to be considered will be the cost of re-entering and attempting to restore production of said well, the allocation of these costs as well as the actual operating costs and charges for supervision, designation of Burgundy Oil & Gas of New Mexico, Inc. as operator of the well, and a 200% charge for risk involved in re-entry of said well. Said area is located approximately 5 miles southeast of Lovington, New Mexico.
22. **CASE 14808:** (Continued from the March 29, 2012 Examiner Hearing.)
Application of Legacy Reserves Operating LP for approval of a salt water disposal well, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order authorizing injection for purposes of salt water disposal in the Andrew Arnquist Estate No. 2 Well, at a surface location 330 feet from the North line and 330 feet from the East line of Section 29, Township 18 South, Range 26 East, N.M.P.M., Eddy County, New Mexico. The target injection formation is the Cisco Canyon formation at a depth of approximately 7,750 feet to 8,100 feet. Said well is located approximately 1.5 miles southwest of Dayton, New Mexico.
23. **CASE 14829:** ***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 W/2 W/2 of Section 3, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Lee 3 Fee Well No. 1H, to be horizontally drilled from a surface location 330 feet from the South line and 380 feet from the West line (Unit M) to a bottom hole location 330 feet from the North line and 380 feet from the West line (Unit D) of Section 3. 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 unit and a 200% charge for risk involved in drilling said well. Said area is approximately 6 miles northeast of Lakewood, New Mexico.
24. **CASE 14830:** ***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 31, Township 18 South, Range 26 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 Falabella "31" Fee Well No. 6H, to be horizontally drilled from a surface location 150 feet from the South line and 2260 feet from the West line (Unit N) to a bottom hole location 330 feet from the North line and 2260 feet from the West line (Unit C) of Section 31. 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.
25. **CASE 14831:** ***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 W/2 E/2 of Section 31, Township 18 South, Range 26 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 Falabella "31" Fee Well No. 7H, to be horizontally drilled from a surface location 150 feet from the South line and 1700 feet from the East line (Unit O) to a bottom hole location 330 feet from the North line and 1700 feet from the East line (Unit B) of Section 31. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as