

29. CASE 14804: (Continued from the March 29, 2012 Examiner Hearing)

Application of Nadel and Gussman Permian for approval of four 160-acre horizontal wellbore project areas, Eddy County, New Mexico. Nadel and Gussman Permian seeks an order, pursuant to Commission Order R-13499 that adopted amendments to Rule 19.15.14.8 NMAC and 19.15.16 NMAC, for approval of four non-standard horizontal wellbores project areas, each consisting of 160-acre, more or less, to be dedicated to any production from the Yeso Formations to be configured as follows:

- (1) Lawman 1-H (API #30-015-39874) consisting of the W/2SW/4 of Sec 12 and the W/2NW/4 of Sec 13, T19S, R25E,
- (2) Lawman 2-H (API #30-015-39875) consisting of the E/2SW/4 of Sec 12 and the E/2NW/4 of Sec 13, T19S, R25E,
- (3) Lawman 3-H (API #30-015-39876) consisting of the W/2SE/4 of Sec 12 and the W/2NE/4 of Sec 13, T19S, R25E,
- (4) Lawman 4-H (API #30-015-39877) consisting of the E/2SE/4 of Sec 12 and the E/2NE/4 of Sec 13, T19S, R25E,

The four project areas are located approximately 5 miles west-northwest of Lakewood, New Mexico.

30. CASE 14801: (Continued from the March 29, 2012 Examiner Hearing.)

Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit, an unorthodox oil well location, and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the W/2 W/2 of Section 13, Township 19 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the W/2 W/2 of Section 13 to form a non-standard 160 acre oil spacing and proration unit (project area), for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Wyatt Draw 13 MD Well No. 1, a horizontal well with an unorthodox surface location 250 feet from the north line and 350 feet from the west line of Section 24, Township 19 South, Range 25 East, NMPM, and a terminus at an orthodox location in the NW/4 NW/4 of Section 13. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for 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 5 miles west-northwest of Lakewood, New Mexico.

31. CASE 14812: (Continued from the April 12, 2012 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 160-acre, more or less, oil spacing and proration unit in the Yeso formation, comprised of the E/2 W/2 of Section 6, Township 19 South, Range 26 East, N.M.P.M., Eddy County, New Mexico; and (2) pooling all mineral interests in the Yeso 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 Arabian 6 Fee No. 2H well, to be horizontally drilled from a surface location 150 feet from the South line and 1700 feet from the West line of said Section 6 (Unit N) to a bottom-hole terminus at a location 330 feet from the North line and 1700 feet from the West line of said Section 6 (Unit C). The completed interval for this well will be within the 330-foot standard offset required by the rules. 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 COG Operating LLC as operator of the well, and a 200% charge for risk involved in drilling said well. Said area is located approximately 3 miles northwest of Lakewood, New Mexico.