

4. **CASE 14825:** (Continued from the June 7, 2012 Examiner Hearing.)  
***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.
  
5. **CASE 14869:** (continued and re-advertised)  
***Application of Mewbourne Oil Company for compulsory pooling and an unorthodox well location, Eddy County, New Mexico.*** Mewbourne Oil Company seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in the W/2 of Section 14, Township 26 South, Range 28 East, NMPM, and in the following manner: From the surface to the top of the Wolfcamp formation underlying the NE/4 NW/4 of Section 14 to form a standard 40 acre oil spacing and proration unit for all pools or formations developed on 40 acre spacing within that vertical extent; and the Wolfcamp formation underlying the W/2 of Section 14 to form a standard 320 acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent. The units are to be dedicated to the Delaware Ranch 14 CN Well No. 1, a horizontal well with a surface location 330 feet from the north line and 1650 feet from the west line, and a terminus 330 feet from the south line and 1650 feet from the west line, of Section 14. The location is unorthodox in the Wolfcamp formation. 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 6 miles northwest of the intersection of U.S. Highway 285 with the Texas state line.
  
6. **CASE 14877:** ***Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Mewbourne Oil Company seeks an order approving a 160.11-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of Lot 3, SE/4NW/4, and E/2SW/4 (the E/2W/2) of Section 5, Township 20 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the non-standard 160.11 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 West Draw 5 NC Well No. 1, a horizontal well with a surface location in the NE/4NW/4 of adjoining Section 8, and a terminus in Lot 3 of Section 5. 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 unit is located approximately 5 miles west-northwest of Seven Rivers, New Mexico.
  
7. **CASE 14840:** (Continued from the June 7, 2012 Examiner Hearing.)  
***Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit 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 Bone Spring formation comprised of the S/2 S/2 of Section 3, Township 20 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2 S/2 of Section 3 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 will be dedicated to the Sharps 3 Fed. Com. Well No. 2, a horizontal well with a surface location in the SE/4 SE/4, and a terminus in the SW/4 SW/4, of Section 3. 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 unit is located approximately 18 miles east-southeast of Lakewood, New Mexico.
  
8. **CASE 14857:** (Continued from the June 7, 2012 Examiner Hearing.)  
***Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Mewbourne Oil Company seeks an order approving an 160-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the W/2 W/2 of Section 35, Township 23 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Delaware formation underlying the SW/4 SW/4 of Section 35 to form a standard 40 acre oil spacing and proration unit, and (ii) the Delaware formation underlying the W/2W/2 of Section 35

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 units are to be dedicated to the Layla 35 MD Fee Com. Well No. 1, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the NW/4 NW/4, of Section 35. 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 2-1/2 miles north-northeast of Malaga, New Mexico.

9. ***CASE 14878: Application of Energen Resources Corporation for establishment of a Special Infill Well Development Area in portions of the Gavilan-Pictured Cliffs Pool, for exceptions from Rule 19.15.15.11, approval of unorthodox well locations and for downhole commingling, Rio Arriba County, New Mexico.*** Applicant seeks an order (1) Approving the establishment of a Special Infill Well Development Area in portions of the Gavilan-Pictured Cliffs Pool (77360) in Rio Arriba, County, New Mexico; (2) Providing for an exception to the well density development limitations applicable to the pool to allow two producing gas wells per 160-acre spacing unit throughout the Special Infill Well Development Area; (3) Authorizing recompletions of existing Mesaverde formation wells in the Pictured Cliffs formation and approving unorthodox well locations pursuant to Rule 19.15.15.13 for certain of those wells; (4) Authorizing the dual completions of new wells to be drilled to both formations; and (5) for downhole commingling. Energen proposes that the Special Infill Well Development Area be comprised of the following lands centered approximately 15 miles northwest of Lindrith, New Mexico:

Township 27 North, Range 3 West, NMPM

Section 11:	All
Section 13:	All
Section 14:	All
Section 15:	S/2
Section 22:	All
Section 23:	All
Section 24:	All
Section 25:	All
Section 26:	All
Section 27:	All
Section 35:	All
Section 36:	All

Township 26 North, Range 3 West, NMPM

Section 1:	All
Section 2:	All
Section 3:	E/2
Section 10:	E/2
Section 11:	All
Section 12:	All
Section 13:	All
Section 14:	E/2, NW/4
Section 23:	NE/4
Section 24:	All

10. ***CASE 14864: (Continued from the June 25, 2012 Examiner Hearing.)*** ***Application of Parallel Petroleum LLC for approval of a Unit Agreement, Eddy County, New Mexico.*** Applicant seeks approval of the High Hopes Exploratory Unit for all formations and geological structures from the surface to the base of the Mississippian Lime formation or 7,500 feet whichever is deeper in an area comprising 12,482.52 acres, more or less, of Federal, State of New Mexico and Fee Lands in all or portions of Sections 1-4, 8-11, 14-17, 20-22, 27-29 and 32-33, of Township 18 South, Range 21 East, NMPM which is located approximately 6 miles south southwest of Hope, New Mexico.

11. ***CASE 14870: (Continued from the June 25, 2012 Examiner Hearing.)*** ***Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the following described acreage in Section 23, Township 19 South, Range 25 East, NMPM:

(a) The SW/4NW/4 of Section 23 to form a standard 40-acre oil spacing and proration unit for any and all formations