

to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, 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 1/2 mile south of Halfway, New Mexico.

19. **CASE 14914:** (Re-opened)

Application of Celero Energy II, LP to re-open Case No. 14914 for statutory unitization, Chaves and Lea Counties, New Mexico. Applicant seeks an order statutorily unitizing all mineral interests in the Queen formation in the proposed North Caprock Celero Queen Unit underlying 2846.66 acres of state and fee lands covering all or parts of Section 36 of Township 12 South, Range 31 East, N.M.P.M., Sections 30-32 of Township 12 South, Range 32 East, N.M.P.M., and Sections 5-8, 13 South, Range 32 East, N.M.P.M. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978 §§70-7-1 *et seq.*, will be: The necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; the determination of credits and charges to be made among the working interest owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate. The unit area is centered approximately 12 miles south-southwest of Caprock, New Mexico.

20. **CASE 14915:** (Continued from the November 1, 2012 Examiner Hearing.)

Application of Celero Energy II, LP to institute a waterflood project and a tertiary recovery project for the North Caprock Celero Queen Unit Area, Chaves and Lea Counties, New Mexico. Applicant seeks approval to institute a waterflood project and a tertiary recovery project in the North Caprock Celero Queen Unit Area by the injection of water and carbon dioxide into the Queen formation in wells located on 2846.66 acres of state and fee lands covering all or parts of Section 36 of Township 12 South, Range 31 East, N.M.P.M., Sections 30-32 of Township 12 South, Range 32 East, N.M.P.M., and Sections 5-8, 13 South, Range 32 East, N.M.P.M. The unit area is centered approximately 12 miles south-southwest of Caprock, New Mexico.

21. **CASE 14888:** (Continued from the October 18, 2012 Examiner Hearing.)

Application of George Ross Ranch, LLC to revoke Administrative Order No. SWD-380, Eddy County, New Mexico. George Ross Ranch, LLC seeks to revoke Administrative Order No. SWD-380 which authorized Mallon Oil Company to complete its Amoco Federal Well No. 1 located in Unit Letter I of Section 27, Township 26 South, Range 29 East, in such a manner as to permit the injection of salt water for disposal purposes into the Delaware formation. This well is located north of the Pecos River Red Bluff Reservoir.

22. **CASE 14883:** (Continued from the November 1, 2012 Examiner Hearing.)

Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the E/2 W/2 of Section 24, Township 18 South, Range 26 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the non-standard 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 Super Chief Well No. 1, a horizontal well with a surface location in the SE/4 SW/4, and a terminus in the NE/4 NW/4, of Section 24. 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 4-1/2 miles southeast of Atoka, New Mexico.

23. **CASE 14936:** **Application of Devon Energy Production Company, L.P. for pool expansion and special pool rules, Eddy County, New Mexico.** Applicant seeks an order (a) expanding the Northwest Fenton-Delaware Pool to include the W/2 of Section 13 and the NE/4 of Section 14, Township 21 South, Range 27 East, NMPM, and (b) establishing special rules and regulations for the pool, including a special depth bracket allowable of 200 barrels of oil per day for a standard 40 acre oil spacing and proration unit. Applicant requests that the pool rules be made effective retroactive to the date of first Delaware production from the Lone Tree 14 State Com. Well No. 1, located in the SE/4NE/4 of Section 14, Township 21 South, Range 27 East, NMPM, or in the alternative that overproduction from said well be cancelled. The Northwest Fenton-Delaware Pool is centered approximately 7-1/2 miles northeast of Carlsbad, New Mexico.