

October 27, 1989. The well is located approximately 4 miles east-northeast of the intersection of U.S. Highway 285 with the Texas state line.

17. **CASE 14977:** (Continued from the June 13, 2013 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 an 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation (South Culebra Bluff-Bone Spring Pool) comprised of the W/2 E/2 of Section 35, Township 23 South, Range 28 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the W/2 E/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 or 80 acre spacing within that vertical extent. The unit is to be dedicated to the Layla 35 OB Well No. 1, a horizontal well with a surface location 150 feet from the south line and 1980 feet from the east line, and a terminus 330 feet from the north line and 1980 feet from the east line, of Section 35. The location is unorthodox under the rules governing the South Culebra Bluff-Bone Spring Pool. 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 3 miles north-northeast of Malaga, New Mexico.

18. **CASE 14984:** (Continued from the June 27, 2013 Examiner Hearing.)

**Application of Mewbourne Oil Company for 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 Bone Spring formation comprised of the N/2 S/2 of Section 4, Township 20 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Bone Spring formation underlying the NE/4 SE/4 of Section 4 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the N/2 S/2 of Section 4 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 Burton 4 IL Fed. Com. Well No. 1H, a horizontal well with a surface location in the NE/4SE/4, and a terminus in the NW/4 SW/4, of Section 4. 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 15 miles east-southeast of Lakewood, New Mexico.

19. **CASE 15007:** (Continued from the June 27, 2013 Examiner Hearing)

**Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order pooling all mineral interests in the Wolfcamp formation underlying the W/2 of Section 23, Township 26 South, Range 27 East, NMPM, 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 unit is to be dedicated to the Owl Draw 23 DM Fed. Com. Well No. 1, a horizontal well with a surface location in the SW/4 SW/4 of adjoining Section 14, and a terminus 330 feet from the south line and 660 feet from the west line of Section 23. 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 13 miles south-southeast of Black River Village, New Mexico.

20. **CASE 14991:** (Continued from the June 27, 2013 Examiner Hearing.)

**Application of Mewbourne Company to abolish the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, Eddy County, New Mexico.** The South Culebra Bluff-Bone Spring Pool was created by Division Order R-6139, and currently includes the following acreage:

Township 22 South, Range 28 East, N.M.P.M.

Section 34: S/2

Section 35: W/2

Township 23 South, Range 28 East, N.M.P.M.

Section 2:	All
Section 11:	All
Sections 13-16:	All
Section 21:	NE/4
Section 22:	NE/4
Sections 23-27:	All
Section 28:	E/2

Township 23 South, Range 29 East, N.M.P.M.

Section 7:	SW/4
Section 18:	NW/4

Division Order R-6139 also established Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, providing for 80 acre spacing, wells to be located within 150 feet of the center of a quarter-quarter section or lot, and a depth bracket allowable of 222 barrels of oil per day. Applicant requests that the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool be abolished, so that the pool will be governed by the Division's statewide rules, with the exception that existing 80 acre well units be grandfathered in. The South Culebra Bluff-Bone Spring Pool is centered approximately 3 miles northeast of Loving, New Mexico.

**21. CASE 14995: (Continued from the June 27, 2013 Examiner Hearing.)**

***Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Lea County, New Mexico.***

Applicant seeks an order pooling all mineral interests from the surface to the top 200 feet of the Mississippian formation underlying the NW/4 NW/4 of Section 20, Township 17 South, Range 37 East, NMPM, 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, including the South Midway-Strawn Pool. The unit is to be dedicated to the West Lovington 20 Well No. 1, to be drilled at an orthodox oil well location in the NW/4 NW/4 of Section 20. 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 Nearburg Producing Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 4-1/2 miles northwest of Humble City, New Mexico.

**22. CASE 14996: (Continued from the June 27, 2013 Examiner Hearing.)**

***Application of Nearburg Exploration Company, L.L.C. for a non-standard oil spacing and proration unit, unorthodox oil well location, and compulsory pooling, Lea County, New Mexico.***

Applicant seeks an order approving a non-standard oil spacing and proration unit comprised of the S/2 NE/4 of Section 17, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico, approving an unorthodox oil well location, and pooling all mineral interests from the surface to the top 200 feet of the Mississippian formation underlying the non-standard unit. Applicant proposes to drill the Sapient 17 Well No. 1 at an unorthodox surface location 1641 feet from the north line and 1225 feet from the east line, and a bottom hole location 1691 feet from the north line and 1225 from the east line, of Section 17, to a depth sufficient to test the top 200 feet of the Mississippian formation, and will dedicate the S/2 NE/4 of Section 17 to the well. 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 Nearburg Producing Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 4-1/2 miles northwest of Humble City, New Mexico.