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- 3. <u>CASE 15049</u>: Application of Mesquite SWD, Inc. for approval of a water disposal well, Eddy County, New Mexico. Applicant seeks an order approving disposal of produced water into the Siluro-Devonian formation at approximate depths of 13,850-14,900 feet subsurface in the Big Eddy Unit Well No. 6 (API No. 30-015-10620), to be re-entered at a location 1980 feet from the south line and 660 feet from the west line of Section 34, Township 19 South, Range 31 East, NMPM. The well is located approximately 16 miles south-southeast of Loco Hills, New Mexico.
- CASE 15050: (This case will be continued to the October 17, 2013 Examiner Hearing.) 4. Amended Application of WPX Energy Production, LLC for a non-standard spacing and proration unit, compulsory pooling, and approval of an unorthodox bottom hole location, Rio Arriba County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the S/2 S/2 of Section 32, Township 24 North, Range 7 West, N.M.P.M., Rio Arriba County, New Mexico; (2) pooling all mineral interests in the Mancos formation underlying this acreage to form a 160-acre spacing unit in this formation; and (3) approving an unorthodox bottom hole location in this S/2 S/2 project area. The subject well will be completed in the Mancos formation, Lybrook-Gallup Pool, which is subject to statewide spacing and setback requirements. The surface location for this well will be 396 feet from the South line and 303 feet from the West line (Unit M) and the bottom hole location will be 580 feet from the South line and 280 feet from the East line (Unit P) of said Section 32. Accordingly, the bottom hole for this well will be outside the 330-foot standard offset required by the Division's rules. 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 WPX Energy Production, LLC as operator of the well and a 200% charge for risk involved in drilling said well. This well is located approximately 2.5 miles Northwest of Lybrook, New Mexico.
- 5. <u>CASE 15051</u>: 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, 159.32-acre spacing and proration unit comprised of the E/2 E/2 of Section 3, Township 19 South, Range 26 East, NMPM, Eddy County, and (2) pooling all mineral interests in the Yeso formation, Dayton; Grayburg Pool, underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Lee "3" Fee 8H Well, which will be horizontally drilled from a surface location in the SE/4 SE/4 (Unit P) to a standard bottom hole location in the NE/4 NE/4 (Unit A) of Section 3. 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 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 4 miles North of Lakewood, New Mexico.
- 6. <u>CASE 15046</u>: (Continued from the September 19, 2013 Examiner Hearing.)

 Application of EnCana Oil & Gas (USA) for approval of unorthodox well locations, Sandoval County, New Mexico. Applicant in the above-styled cause seeks an order approving unorthodox well locations for its proposed Lybrook E27-2306 01H well and Lybrook E27-2306 03H well. These wells are to be located in the N/2 of Section 28, Township 23 North, Range 6 West, N.M.P.M., Sandoval County, New Mexico. The subject wells will be completed within 2 miles of the Counselors Gallup-Dakota Pool. The penetration point and bottom-hole locations for both of the proposed wells will be 330 feet from the East and West boundaries of the N/2 of Section 28. The Lybrook E27-2306 01H well will be 550 feet from the North line of Section 28. This location is unorthodox to the spacing unit to the West because this acreage is governed by the Division's Special Rules and Regulations adopted under Division Order R-7034 which provide for wells to be located no closer than 660 feet to the outer boundary of the spacing unit and no nearer than 1320 feet to the nearest well drilling to or capable of producing from the same pool. These wells are located approximately 1 mile Southwest of Counselor, New Mexico.