

*Examiner Hearing – June 8, 2017*  
*Docket No. 21-17*  
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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 3.5 miles southeast of Loving, New Mexico.

3. **Case No. 15700:** *(Continued from the May 25, 2017 Examiner Hearing.)*

**Application of Caza Petroleum, LLC for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Caza Petroleum, LLC seeks an order approving a non-standard 281.10-acre spacing and proration unit in the Bone Spring formation comprised of Lot 4, SW/4 NW/4, and W/2 SW/4 (the W/2 W/2) of Section 5 and the W/2 NW/4 and NW/4 SW/4 of Section 8, Township 20 South, Range 35 East, NMPM, Lea County, New Mexico, and pooling all mineral interests in the Bone Spring formation underlying the non-standard unit. The non-standard unit is to be dedicated to applicant's **Eagleclaw 5 Fed. Well No. 1H**, to be horizontally drilled from a surface location in Lot 4 of Section 5 to a bottom hole location in the NW/4 SW/4 of Section 8. The producing interval will be orthodox. 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 Caza Operating, LLC as operator of the well, and a 200% charge for risk involved in drilling the well. The unit is located approximately 13 miles west-southwest of Monument, New Mexico.

4. **Case No. 15711:** **Application of Cimarex Energy Co. for a Non-Standard Oil Spacing and Proration Unit and Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order approving a non-standard oil spacing and proration unit comprised of the W/2 W/2 of Section 32, Township 16 South, Range 34 East and the W/2 W/2 of Section 5, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico, pooling all mineral interests in the Upper Pennsylvanian formation (Cisco/Canyon), underlying the non-standard unit. The unit will be dedicated to Applicant's proposed State LF 32-5 2H well to be drilled 330 feet from the north line and 715 feet from the west line of Section 32, Township 16 South, Range 34 East to a bottomhole location 330 feet from the south line and 480 feet from the west line of Section 5, Township 17 South, Range 34 East. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Applicant and Operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The well and lands are located approximately six miles southwest of Lovington, New Mexico.

5. **Case No. 15712:** **Application of Special Energy Corporation for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order (i) creating a 160-acre, non-standard oil spacing and proration unit (project area) comprised of the W/2 W/2 of Section 20, Township 12 South, Range 38 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the San Andres formation underlying this acreage. The project area is to be dedicated to applicant's **Decker #1-H well**, which will be horizontally drilled from a surface location in Unit M in Section 17, Township 12 South, Range 38 East to a bottom hole location in Unit M of Section 20, Township 12 South, Range 38 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Special Energy Corporation as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately 9 miles east of Tatum, New Mexico.

6. **Case No. 15713:** **Application of Special Energy Corporation for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Applicant seeks an order (i) creating a 160-acre, non-standard oil spacing and proration unit (project area) comprised of the W/2 E/2 of Section 31, Township 11 South, Range 38 East, NMPM, in Lea County, and (ii) pooling all mineral interests in the San Andres formation underlying this acreage. The project area is to be dedicated to applicant's **Jenna #1-H well**, which will be horizontally drilled from a surface location in Unit O in Section 30 to a bottom hole location in Unit O of Section 31, Township 11 South, Range 38 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Special Energy Corporation as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately nine miles east of Tatum, New Mexico.

7. **Case No. 15714:** **Application of Back Nine Properties LLC for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico.** Applicant seeks an order (i) creating a 320-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 of Section 6, Township 10 South, Range 28 East, NMPM, in Chaves County, and (ii) pooling all mineral interests in the San Andres formation underlying this acreage. The project area is to be dedicated to the **Bandon Dunes #2H well**, which will be horizontally drilled from a surface location in Unit P to a bottom hole location in Unit A of Section 6, Township 10 South, Range 28 East. The completed interval for the well will remain within the 330-foot standard offset required by the Division's rules. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost, the designation of Hadaway Consulting and Engineering, LLC as the operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The proposed project area is located approximately 24 miles east of Roswell, New Mexico.

8. **Case No. 15715:** **Application of Back Nine Properties LLC for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico.** Applicant seeks an order (i) creating a 320-acre, non-standard oil spacing and proration unit (project area) comprised of the E/2 of Section 18, Township 10 South, Range 29 East, NMPM, in Chaves County,