

Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 10 miles east of Lakewood, New Mexico.

**CASE NO. 13801:** *Continued from the November 9, 2006 Examiner Hearing.*

***Application of U. S. Enercorp, Ltd. for an unorthodox oil well location, Rio Arriba County, New Mexico.*** Applicant seeks an exception to Rule 4 (a) of the “Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool,” as promulgated by Division Order No. R-6469-B, as amended, for its proposed Almagre Arroyo “30” Well No. 1 to be drilled as a high angle directional well through the Mancos formation from a surface location 2605 feet from the South line and 2400 feet from the West line (Unit K) of Section 30, Township 24 North, Range 1 East, to an unorthodox subsurface oil well location 990 feet from the North and West lines (Lot 1/Unit D) of Section 30. All of Section 30 is to be dedicated to this well in order to form a standard 636.40-acre oil spacing and proration unit for the West Puerto Chiquito-Mancos Oil Pool (50440).

**CASE NO. 13800:** *Continued from the November 9, 2006 Examiner Hearing.*

***Application of Devon Energy Production Company, L. P. for an unorthodox gas well location, San Juan County, New Mexico.*** Applicant seeks an exception to Division Rule 104.C (3) for its Northeast Blanco Unit Well No. 233 (API No. 30-045-32800) drilled to and completed in the South Los Pinos Fruitland Sand-Pictured Cliffs Pool (80690) from a surface location 1400 feet from the North line and 1 foot from the West line (Unit E) of Section 23, Township 31 North, Range 7 West, which is located approximately seven (7) miles north-northeast of the Navajo Dam on the San Juan River at the Navajo Reservoir. Applicant will submit proper evidence at the hearing, pursuant to Division Rule 111.B (4), to adequately show which acreage will be dedicated to this well in order to form a standard 160-acre gas spacing unit, either: (i) the NW/4 of Section 23; or (ii) the NE/4 of Section 22, Township 31 North, Range 7 West.

**CASE NO. 13803:** *Continued from the November 9, 2006 Examiner Hearing.*

***Application of LCX Energy, LLC for Approval of a Unit Agreement, Eddy County, New Mexico.*** Applicant seeks approval of the Big Dog State Exploratory Unit comprised of 1920 acres of State of New Mexico lands described as follows:

**TOWNSHIP 18 SOUTH, RANGE 23 EAST, N.M.P.M**

Section 16: All  
Section 20: All  
Section 21: All

The proposed unit area is located approximately 2 miles east of Hope, New Mexico.

**CASE NO. 13827:** *Application of Mewbourne Oil Company for compulsory pooling and for revocation of a drilling permit, Eddy County, New Mexico.*

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described acreage in Section 29, Township 19 South, Range 28 East, NMPM: a.) E/2 to form a standard 320-acre spacing and proration unit (“the 320-acre Unit”) for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently include but are not necessarily limited to the Morrow formation, South Millman Morrow Gas Pool; and b.) SE/4 to form a standard 160-acre spacing and proration unit (“the 160-acre Unit”) for any and all formations and/or pools developed on 160-acre spacing within that vertical extent. Said units are to be dedicated to Applicant’s proposed Springfield “29” State Com No. 1 Well to be drilled at a standard 320-acre spacing and proration unit location 1650 feet from the South line and 660 feet from the East line of said Section 29. 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 Mewbourne Oil Company or its designee as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks the revocation of the drilling permit for the Cimarex Energy Co. of Colorado Fadaway Ridge “A” 29 State Com No. 1 in the NE/4 SE/4 of said Section 29. The proposed well location is approximately 6 miles east of Lake McMillan, New Mexico.

**CASE NO. 13828:** *Application of Energen Resources Corporation for an Amendment To Administrative Order NSL-3572(NSP) and for an Exception to Rule 4 of the Special Pool Rules for the Basin-Fruitland Coal Gas Pool for the Designation of a Non-standard Gas Spacing Unit, San Juan County, New Mexico.*

Applicant seeks an order under Division Rule 104 (D)(2) and Rule 6 of the Special Rules and Regulations for the Basin Fruitland Coal Gas Pool (Order No. R-8768, as amended) amending Administrative Order NSL-3572 (NSP) redesignating the nonstandard gas spacing and proration unit currently dedicated to the Florence Gas Com “H” Well No. 1 (API No. 30-045-28624) comprised of the following acreage: Township 30 North, Range 9 West, NMPM; Lots 1, 2, 3, 4, and E/2 W/2 of Section 30 and

consisting of 207.84 acres. Applicant proposes that the gas spacing and proration unit be redesignated to conform with the pre-existing Mesaverde formation spacing and proration comprised of the following lands: Township 30 North, Range 9 West, NMPM; Lots 3, 4, E/2 SW/4 of Section 30 and Lots 1, 2, 3, 4, E/2 W/2 of Section 31 and consisting of 308.56 acres, ±. The subject lands are located approximately four miles north of Blanco, New Mexico.

**CASE NO. 13787: Continued from the October 26, 2006 Examiner Hearing.**

***Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit, compulsory pooling, and an unorthodox oil well location, Lea County, New Mexico.*** Applicant seeks an order approving a non-standard 80-acre oil spacing and proration unit in the Devonian formation (North Knowles-Devonian Pool) comprised of the SE/4 NE/4 and NE/4 SE/4 of Section 14, Township 16 South, Range 38 East, NMPM, and pooling all mineral interests in said unit. The unit is to be dedicated to the Lawrence Well No. 1Y, to be re-entered at an unorthodox surface location 2531 feet from the North line and 630 feet from the East line of Section 14, with an estimated unorthodox bottom hole location 2531 feet from the North line and 660 feet from the East line of Section 14, and applicant further seeks approval of said locations. Also to be considered will be the cost of re-entering, 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 re-entering, drilling, and completing the well. The unit is located approximately 6-1/2 miles north-northeast of Knowles, New Mexico.

**CASE NO. 13816: Continued from the November 9, 2006 Examiner Hearing.**

***Application of Black Hills Exploration & Production, Inc. for the creation of the Jicarilla Apache Tribal Lands Production Area and the adoption of Special Pool Rules and Regulations therefor in the Pictured Cliffs formation, East-Blanco Pictured Cliffs Pool, and the Tertiary formation, Cabresto Canyon-Tertiary Pool, Rio Arriba County, New Mexico.*** Applicant seeks the creation of the Jicarilla Apache Tribal Lands Production Area to be comprised of the following lands located in Rio Arriba County, New Mexico:

**TOWNSHIP 30 NORTH, RANGE 3 WEST, NMPM**

Sections 4 through 9:	All
Sections 15 through 22:	All
Sections 26 through 35:	All

**TOWNSHIP 31 NORTH, RANGE 3 WEST, NMPM**

Section 32:	S/2
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**TOWNSHIP 29 NORTH, RANGE 3 WEST, NMPM**

Sections 3 through 10:	All
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Applicant also seeks the adoption of Special Rules and Regulations for the Jicarilla Apache Tribal Lands Production Area that provide for increased well density within each standard 160-acre spacing and proration unit from the current maximum of one well as provided by Division General Rule 104.C, to a maximum of two wells (80-acre infill wells) per 160-acre gas spacing and proration unit and for special well location requirements. This area is located approximately 4 miles to 6 miles Southwest of Burns, New Mexico.

**CASE 13829: In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting, and extending certain pools in Chaves and Eddy Counties, New Mexico.**

(a) CREATE a new pool in Eddy County, New Mexico for the production of oil from the Seven Rivers, Queen, Grayburg, San Andres, Glorieta and Yeso (Paddock) formations and designated as the Grayburg Jackson-Seven Rivers-Queen-Grayburg-San Andres-Glorieta-Yeso (Paddock) Pool (**Pool Code 97558**). The pool is being created in order to correct nomenclature to include deleted acreage from the Grayburg Jackson-Seven Rivers-Queen-Grayburg-San Andres Pool (**Pool Code 28509**). Said pool would comprise:

**TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM**

Section 15:	W/2 SW/4
Section 16:	All
Section 21:	All