

Sections 32 through 36: All

The requested authorization will permit the access of more of the producing formation with the directional/horizontal portion of the wellbore resulting in more efficient production of these reserves thereby preventing waste and protecting correlative rights. This area is located approximately 9 miles Southeast of Arbolies, New Mexico.

17. **CASE 14316:** (Revised)

Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 1, NE/4 NW/4, and N/2 NE/4 (the N/2 N/2 equivalent) of Section 31, Township 16 South, Range 28 East, NMPM, to form a non-standard 162.68-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, and pooling all mineral interests in the Wolfcamp formation (Dog Canyon-Wolfcamp Pool) underlying the non-standard unit. The unit is to be dedicated to the Lucky Wolf "31" Fed. Com. Well No. 1, a horizontal well to be drilled at a surface location 330 feet from the North line and 150 feet from the West line of Section 31. The well will penetrate the Wolfcamp formation at an orthodox location 330 feet from the North line and approximately 330 feet from the West line, and have a terminus 330 feet from the North line and 330 feet from the East line, of Section 31. 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 11 miles east-northeast of Artesia, New Mexico.

18. **CASE 14317:** (Continued from the May 14, 2009 Examiner Hearing.)

Application of Enervest Operating LLC to amend the Unit Agreement for the West Loco Hills Grayburg No. 4 Sand Unit, and for statutory unitization, Eddy County, New Mexico. Applicant seeks an order amending the Unit Agreement, and statutorily unitizing all mineral and leasehold interests in the Grayburg formation, in the previously approved West Loco Hills Grayburg No. 4 Sand Unit underlying 5307.73 acres of state, federal, and fee lands covering all or parts of Section 36, Township 17 South, Range 29 East, NMPM, Sections 1-4, 9-13, and 15, Township 18 South, Range 29 East, NMPM, and Sections 7 and 18, Township 18 South, Range 30 East, NMPM. 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 joinder of all record title owners of state and federal leases within the Unit Area, and such other matters as may be necessary and appropriate. The unit area is centered approximately 6 miles southwest of Loco Hills, New Mexico.