4. CASE 14438: (Continued from the April 1, 2010 Examiner Hearing.)

Application of Devon Energy Production Company, L.P. for pool creation, a discovery allowable, and special pool rules, Eddy County, New Mexico. Applicant seeks an order (a) creating a new pool for production of oil from the Bone Spring formation, to be named the Angell Ranch-Bone Spring Pool, comprising the NW/4 of Section 25, Township 19 South, Range 27 East, N.M.P.M., (b) granting applicant a discovery allowable, and (c) establishing special rules and regulations for the pool, including (i) spacing of 80 acres, (ii) wells to be located no closer than 330 feet to a quarter-quarter section line, and (iii) a gas:oil ratio of 10,000 cubic feet of gas for each barrel of oil produced. The discovery well for the pool is the Guardian 25 State Com. Well No. 1 (API No. 30-015-36577), which was drilled at a location 1980 feet from the north line and 1980 feet from the west line of Section 25. Applicant requests that the pool rules be made effective retroactive to the date of first Bone Spring production from the discovery well. The proposed pool is located approximately 7-1/2 miles East of Lakewood, New Mexico.

- 5. <u>CASE 14466</u>: Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 S/2 of Section 35, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Bone Spring formation underlying the SW/4 SW/4 of Section 35 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the S/2 S/2 of Section 35 to form a non-standard 160 acre oil spacing and proration unit (project area). The units are to be dedicated to the Mallon 35 Fed. Well No. 4, a horizontal well to be drilled at a surface location 660 feet from the south line and 660 feet from the west line, with a terminus 660 feet from the south line and 510 feet from the east line, of Section 35. 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 15-1/2 miles West of Monument, New Mexico.
- 6. <u>CASE 14467</u>: Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 S/2 of Section 35, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Bone Spring formation underlying the NW/4 SW/4 of Section 35 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 35 to form a non-standard 160 acre oil spacing and proration unit (project area). The units are to be dedicated to the Mallon 35 Fed. Well No. 5, a horizontal well to be drilled at a surface location 1980 feet from the south line and 330 feet from the west line, with a terminus 1980 feet from the south line and 510 feet from the east line, of Section 35. 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 15-1/2 miles West of Monument, New Mexico.
- 7. **CASE** 14468: Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 N/2 of Section 35, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Bone Spring formation underlying the SW/4 NW/4 of Section 35 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the S/2 N/2 of Section 35 to form a non-standard 160 acre oil spacing and proration unit (project area). The units are to be dedicated to the Mallon 35 Fed. Well No. 6, a horizontal well to be drilled at a surface location 2310 feet from the north line and 330 feet from the west line, with a terminus 1980 feet from the north line and 510 feet from the east line, of Section 35. 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