

spacing and proration unit (project area), for all pools or formations developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the Long Draw 10 DC Fed. Well No. 1, a horizontal well with a surface location in the NE/4 NE/4 of offsetting Section 9, and a terminus in the NE/4 NW/4 of Section 10. 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 3 miles West of Seven Rivers, New Mexico.

4. **CASE 14566:** *Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.* Cimarex Energy Co. of Colorado seeks an order approving a 161.53-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 4 of Section 3 and Lots 1-3 of Section 4, Township 19 South, Range 30 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying Lot 4 of Section 3 and Lots 1-3 of Section 4 to form a non-standard 161.53 acre oil spacing and proration unit (project area) for any pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Intrepid 3 Fed. Well No. 1, a horizontal well to be drilled at a surface location in Lot 3 of Section 3, with a terminus in Lot 3 of Section 4. 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 8-1/2 miles South of Loco Hills, New Mexico.
5. **CASE 14438:** *(Continued from the October 14, 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.
6. **CASE 14546:** *(Continued from the October 14, 2010 Examiner Hearing.)*
Application of Devon Energy Production Company, L.P. for approval of a pilot infill drilling project in the Pictured Cliffs formation in a portion of the Northeast Blanco Unit, and for special well location requirements, Rio Arriba and San Juan Counties, New Mexico. Applicant seeks approval to institute a pilot infill drilling project in the Pictured Cliffs formation in a portion of the Northeast Blanco Unit. Applicant further seeks to approval of two wells in a standard 160 acre gas spacing unit in the project area, and for special well location requirements within the Northeast Blanco Unit Pictured Cliffs Participating Area, which is within the proposed project area. The project area comprises all of Sections 6, 7, 18-20, and 30 in Township 31 North, Range 6 West, N.M.P.M., and all of Section 1, the N/2 of Section 10, and all of Sections 11-15, 22-27, and 34-36, Township 31 North, Range 7 West, N.M.P.M. The project area is centered approximately 12 miles Northeast of Archuleta, New Mexico.
7. **CASE 14544:** *(continued and readvertised). (Continued from the October 28, 2010 Examiner Hearing.)*
Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Devon Energy Production Company, L.P. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the N/2 NE/4 and NE/4 NW/4 of Section 24, Township 18 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Delaware formation underlying the N/2 NE/4 and NE/4 NW/4 of Section 24, and in the following manner: (i) the NE/4 NE/4 to form a standard 40 acre oil spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent; and (ii) the N/2 NE/4 and NE/4 NW/4 to form a non-standard 160 acre oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the New Mexico 24 Fed. Com. Well No. 3, a horizontal well to be drilled at a surface location in the NE/4 NE/4, with a terminus in the NE/4 NW/4, of Section 24. 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 12 miles Southeast of Maljamar, New Mexico.
8. **CASE 14567:** **Application of Endurance Resources, LLC for approval of a salt water disposal well, Lea County, New Mexico.** Applicant seeks approval to utilize its Marshall Well No. 2 (API No. 30-025-08359), located 1980 feet from the South line and 1910 feet from the West line of Section 19, Township 23 South, Range 33 East, NMPM, to inject up to 1000

barrels of water per day, at a maximum pressure of 600 psi, into the Delaware formation, (Ramsey Sand), Cruz-Delaware Pool, at an approximate depth of 5105 feet to 5180 feet. This well is located approximately 25 miles Southwest of Eunice, New Mexico.

9. **CASE 14568: Application of Endurance Resources, LLC for approval of a salt water disposal well, Lea County, New Mexico.** Applicant seeks approval to utilize its DL State Well No. 6 (API No. 30-025-28659), located 660 feet from the South line and 660 feet from the East line of Section 18, Township 23 South, Range 33 East, NMPM, to inject up to 1000 barrels of water per day, at a maximum pressure of 600 psi, into the Delaware formation (Ramsey Sand), Cruz-Delaware Pool, at an approximate depth of 5120 feet to 5132 feet. This well is located approximately 25 miles Southwest of Eunice, New Mexico.
10. **CASE 14569: Application of Devon Energy Production Company, L.P. for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the 40-acre spacing units within the N/2 N/2 of Section 15, Township 18 South Range 32 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Bone Spring formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Bone Spring formation underlying the N/2 N/2 of said Section 15 to be dedicated to its Shinnery 15 Federal No. 2-H Well to be drilled horizontally from a surface location 660' from the North line and 330' from the East line to a bottomhole location 660' from the North line and 330' from the West line to a depth sufficient to test the Bone Spring formation. 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 Devon Energy Production Company, L.P. as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately seven miles South of Maljamar, New Mexico.
11. **CASE 14570: Application of Devon Energy Production Company, L.P. for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Lea County, New Mexico.** Applicant seeks an order consolidating the 40-acre spacing units within the S/2 N/2 of Section 15, Township 18 South Range 32 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Bone Spring formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Bone Spring formation underlying the S/2 N/2 of said Section 15 to be dedicated to its Shinnery 15 Federal Com No. 3-H Well to be drilled horizontally from a surface location 1980' from the North line and 330' from the East line to a bottomhole location 1980' from the North line and 330' from the West line and to a depth sufficient to test the Bone Spring formation. 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 Devon Energy Production Company, L.P. as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately seven miles South of Maljamar, New Mexico.
12. **CASE 14571: Application of BC Operating, Inc. for Authorization to Inject Water for Lease Pressure Maintenance Operations and Designation of a Project Area, Lea County, New Mexico.** Applicant seeks approval to convert the following well for the injection of water for lease pressure maintenance operations in the San Andres Formation, Lovington Grayburg-San Andres Pool (40580) and designation of the E/2 NE/4 of Section 11 Township 17 South, Range 36 East NMPM Lea County, New Mexico as the project area for the pressure maintenance operations:

Angell Well No. 3

API No. 30-025-39690
1650' FNL and 660' FEL (Unit H)
Section 11
T-17-S, R-36-E, NMPM
Lea County, New Mexico

The well and lands are located approximately eight miles Southeast of Lovington, New Mexico.

13. **CASE 14572: In the matter of the application of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department upon its own motion for an order creating a certain pool in Guadalupe County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to show cause why such creation should not be made.**

CREATE the Cuervo Hill-Pennsylvanian Pool in Guadalupe County, New Mexico, to include therein: