

9. CASE 14593: (Continued from the February 3, 2011 Examiner Hearing.) *Amended Application of Chevron U.S.A., Inc. for approval of a salt water disposal well, Eddy County, New Mexico.* Applicant seeks approval to utilize its Skelly Unit No. 902 Well (API No. 30-015-29322), located 1650 feet from the North line and 990 feet from the West line (Unit E) of Section 15, Township 17 South, Range 31 East, NMPM, to inject up to 10,000 barrels of water per day, at a maximum pressure of 1684 psi, into the Lower Abo formation in an open-hole interval from 8418 feet to 8530 feet, into the Undesignated Wolfcamp formation in the perforated interval from 8552 feet to 9134 and into the Cisco formation in the perforated interval from 9700 feet to 9766 feet. This well is located approximately 8 miles Northeast of Loco Hills, New Mexico.
10. CASE 14607: *Application of Mewbourne Company for approval of a non-standard oil spacing and proration unit, an unorthodox oil well location, and compulsory pooling, Eddy County, New Mexico.* Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 S/2 of Section 30, Township 18 South, Range 30 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Bradley 30 Fed. Com. Well No. 1, a horizontal well with a surface location 1850 feet from the south line and 330 feet from the west line of Section 29, and a terminus 1980 feet from the south line and 330 feet from the west line of Section 30. The producing interval of the wellbore will be located wholly within the N½ S½ of Section 30. Applicant further seeks approval of the unorthodox location for the well in the Santo Nino-Bone Spring Pool. 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 7-1/2 miles South of Loco Hills, New Mexico.
11. CASE 14608: *Application of Mewbourne Oil Company to amend the Special Rules for the Santo Nino-Bone Spring Pool, Eddy County, New Mexico.* The Santo Nino-Bone Spring Pool was created by Division Order R-8546, and currently includes, or is projected to include, the following acreage:
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| <u>Township 18 South, Range 30 East, N.M.P.M.</u> |                 |
| Section 19:                                       | SE/4            |
| Section 29:                                       | W/2             |
| Section 30:                                       | W/2 and W/2SE/4 |
| Section 31:                                       | NE/4 and S/2    |
| Section 32:                                       | All             |
- The Special Rules for the Santo Nino-Bone Spring Pool provide for 80 acre spacing, wells to be located within 150 feet of the center of a quarter-quarter section or lot, and a depth bracket allowable of 310 barrels of oil per day. Applicant requests that the Special Rules for the Santo Nino-Bone Spring Pool be amended to allow wells to be located no closer than 330 feet to a quarter-quarter section line. All other provisions of the Special Rules will remain the same. The Santo Nino-Bone Spring Pool is centered approximately 8 miles South of Loco Hills, New Mexico.
12. CASE 14609: *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 Southeast Big Sinks-Bone Spring Pool, comprising all of Section 10, Township 26 South, Range 31 East, N.M.P.M., (b) granting applicant a discovery allowable, and (c) establishing special rules and regulations for the pool, including a gas:oil ratio of 5,000 cubic feet of gas for each barrel of oil produced. The discovery well for the pool is the Snapping 10 Fed. Well No. 1 (API No. 30-015-37899), a horizontal well drilled at a location 330 feet from the North line and 1980 feet from the East line, and a bottom hole location 330 feet from the South line and 1980 feet from the East line, of Section 10. 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 22 miles Southeast of Malaga, New Mexico.
13. ~~CASE 14610~~: *Application of Yates Petroleum Corporation for approval of a Unit Agreement, Lea County, New Mexico.* Applicant seeks approval of the Gambler State Exploratory Unit for all formations from the surface to the base of the Mississippian formation in an area comprising 1,920 acres, more or less, of State of New Mexico land situated in the W/2 of Section 28, all of Sections 29 and 32, and the W/2 of Section 33 of Township 11 South, Range 32 East, NMPM in Lea County. The Unit is located approximately 23 miles Northwest of Tatum, New Mexico.
14. CASE 13940: (Continued from the January 6, 2011 Examiner Hearing.) *Application of Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation and MYCO Industries, Inc. for an order directing Pride Energy Company to plug and abandon the State "X" Well No. 1, Lea County, New Mexico.* Applicants seek an order directing Pride Energy Company to plug and abandon the State "X" Well No. 1 (API No. 30-025-01838) located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 12, Township 12 South, Range 34 East, NMPM, Lea County, New Mexico. Said well and spacing unit are located approximately 12 miles west-northwest of Tatum, New Mexico.