

3. **CASE 14544: (Continued and Readvertised)** (Continued from the January 6, 2011 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.
  
4. **CASE 14590: Application of Devon Energy Production Company, L.P. to expand the Cotton Draw Unit, Eddy and Lea Counties, New Mexico.** Applicant seeks approval to expand the Cotton Draw Unit to include the W/2NW/4 of Section 25 and the N/2 of Section 26, Township 24 South, Range 31 East, NMPM. The unit area, as expanded, will contain 9784.52 acres, more or less, of state and federal lands in all or parts of Sections 25, 26, and 33-36 in Township 24 South, Range 31 East, NMPM, Sections 33 and 34 in Township 24 South, Range 32 East, NMPM, Sections 1-3 and 11-13 in Township 25 South, Range 31 East, NMPM, and Sections 3, 4, 7, 9, 10, 15, 16, 18, 20-22, 28, and 29 in Township 25 South, Range 32 East, NMPM. The unit area is centered approximately 22-1/2 miles East-Southeast of Malaga, New Mexico.
  
5. **CASE 14583: (Continued and Readvertised)**  
**Application of Farleigh Oil Properties for a compliance order against SWEPI LP and Shell Exploration and Production Company, Guadalupe County, New Mexico.** Applicant requests an order requiring SWEPI LP and Shell Exploration and Production Company to comply with Division reporting requirements, including, *inter alia*, NMAC 19.15.5.10.B, NMAC 19.15.7.10, and NMAC 19.15.7.16, and Forms C-105 and C-115, with respect to the following wells:
  - (a) Latigo Ranch 2-34  
 API No. 30-019-20136  
 §34-11N-23E  
 Located approximately 8-1/2 miles North-Northwest of Cuervo, New Mexico
  
  - (b) Latigo Ranch 3-5  
 API No. 30-019-20137  
 §5-10N-23E  
 Located approximately 9 miles Northwest of Cuervo, New Mexico
  
  - (c) Latigo Ranch 3-3  
 API No. 30-019-20138  
 §3-10N-23E  
 Located approximately 7 miles Northwest of Cuervo, New Mexico
  
  - (d) Webb 3-23  
 API No. 30-019-20135  
 §23-11N-23E  
 Located approximately 9-1/2 miles North-Northwest of Cuervo, New Mexico
  
  - (e) Webb CD 1  
 API 30-019-20134  
 §25-11N-23E  
 Located approximately 8 miles North-Northwest of Cuervo, New Mexico
  
6. **CASE 14566: (Continued and Readvertised)**  
**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 201.99-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 4 of Section 3 and Lots

1-4 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 1-4 of Section 4 to form a non-standard 201.99 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 4 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.

7. **CASE 14591:** *Application of Mack Energy Corporation for Approval of a Non-Standard Well Location, Chaves County, New Mexico.* Mack Energy Corporation has applied for approval of a non-standard oil well location for its proposed K2 State Well No. 1, to be drilled from an unorthodox surface location 180 feet from the North line and 330 feet from the East line (Unit A) of Section 36, Township 9 South, Range 29 East, in Chaves County, New Mexico, to a standard bottomhole location in the San Andres formation, 330 feet from the North and East lines of said section. This location is approximately 40 miles East/Northeast of Roswell, New Mexico.
8. **CASE 14592:** *Application of Mack Energy Corporation for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico.* Applicant in the above-styled cause seeks an order (1) creating a non-standard spacing unit comprised of the N/2 S/2 of Section 32, Township 14 South, Range 32 East, NMPM, and (2) pooling all mineral interests in the Lower Abo/Upper Wolfcamp formation (approximate depth from 8885 feet through 8965 feet) in this non-standard spacing and proration unit which spacing unit will be the project area for the Kite State Com Well No. 1 (API No. 30-025-39815) to be horizontally drilled from a surface location 2310 feet from the South line and 335 feet from the West line and then in a easterly direction as a wildcat well in the Lower Abo/Upper Wolfcamp formation to a bottom hole terminus at a location 2285 feet from the South line and 335 feet from the East line of said Section 32. 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 Mack Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 14 miles North of Maljamar, New Mexico.
9. **CASE 14593:** *(This case will be continued and readvertised for the February 3, 2011 Examiner Hearing.)*  
**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 Undesignated Lower Abo formation in an open hole interval from 8418 feet to 8530 feet, and through perforations in the Undesignated Wolfcamp formation and Undesignated Cisco formation from 8552 feet to 9766 feet. This well is located approximately 8 miles Northeast of Loco Hills, New Mexico.
10. **CASE 14565:** *(Continued from the December 2, 2010 Examiner Hearing.)*  
**Application of Mewbourne Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order approving an 80-acre non-standard oil spacing and proration unit (project area) in the Yeso formation comprised of the N/2 NW/4 of Section 10, Township 20 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Yeso formation underlying the NW/4 NW/4 of Section 10 to form a standard 40-acre oil spacing and proration unit, and (ii) the Yeso formation underlying the N/2 NW/4 of Section 10 to form a non-standard 80-acre oil 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.
11. **CASE 14569:** *(Continued from the January 6, 2011 Examiner Hearing.)*  
**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