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- 2ASE 14638: Application of OGX Resources LLC for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. OGX Resources LLC seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 E/2 of Section 22, Township 26 South, Range 28 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 Diamondback 22 State Com. Well No. 1, a horizontal well with a surface location in the NW/4 NE/4, and a terminus in the SW/4 SE/4, of Section 22. 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 3 miles Northwest of the intersection of U.S. Highway 285 with the Texas state line.
- 14. CASE 14639: Application of OGX Resources LLC for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. OGX Resources LLC seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 24, Township 26 South, Range 28 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 Momba 24 Fed. Well No. 1, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/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 unit is located approximately 2 miles North of the intersection of U.S. Highway 285 with the Texas state line.
- 15. CASE 14640: Application of Burnett Oil Co., Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SW/4 of Section 24, Township 17 South, Range 31 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the proposed Nosler Fed. Well No. 2, to be drilled at an orthodox location in the SW/4SW/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 unit is located approximately 9 miles East of Loco Hills, New Mexico.
- 16. <u>CASE 14641</u>: Application of Burnett Oil Co., Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SW/4 of Section 13, Township 17 South, Range 31 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the proposed Partition Fed. Well No. 1, to be drilled at an orthodox location in the SW/4SW/4 of Section 13. 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 9 miles East of Loco Hills, New Mexico.
- 17. CASE 14614: (Continued from the April 14, 2011 Examiner Hearing.)

 Application of Mewbourne Oil Company for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order creating a non-standard spacing unit comprised of the W/2 E/2 of Section 34, Township 19 South, Range 32 East, NMPM; and pooling all mineral interests in the Bone Spring formation in this non-standard spacing and proration unit which spacing unit will be the project area for its proposed Ocelot "34" Federal Com No. 1H well to be horizontally drilled from a surface location 475 feet from the North line and 1932 feet from the East line of said Section 34 and then in a southerly direction in the second sand interval of the Bone Spring formation, to a bottom hole terminus at a location 330 feet from the South line and 1980 feet from the East line of said Section 34. This well will penetrate the Bone Spring formation at location 475 feet from the North line and 1932 feet from the East line of Section 34. 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 Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 20 miles West of Hobbs, New Mexico.
- 18. CASE 176153 (Continued from the April 14, 2011 Examiner Hearing.)

 Application of Mewbourne Oil Company for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order creating a non-standard spacing unit comprised of the E/2 E/2 of Section 34, Township 19 South, Range 32 East, NMPM; and pooling all mineral interests in the Bone Spring formation in this non-standard spacing and proration unit which spacing unit will be the project area for its proposed Ocelot "34" Federal Com No. 2H well to be horizontally drilled from a surface location 840 feet from the North line and 400 feet from the East line of said Section 34 and then in a southerly direction in the second sand interval of the Bone Spring formation, to a bottom hole terminus at a location 330 feet from the South and East lines of said Section 34. This well will penetrate the Bone Spring formation at location 840 feet from the North line and 400 feet from the East line of Section 34. 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 Mewbourne Oil

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Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 20 miles West of Hobbs, New Mexico.

- 19. CASE 14642: Application of Black Hills Gas Resources, Inc. For The Creation Of The Jicarilla (Mancos Formation) Project Area, An Exception To The Special Rules And Regulations For The Basin-Mancos Gas Pool And To Rule 19.15.16 NMAC, Rio Arriba County, New Mexico. Applicant, in the above-styled cause seeks the creation of the Jicarilla (Mancos Formation) Project Area, an exception to the special rules and regulations for the Basin-Mancos Gas Pool and to Rule 19.15.16 NMAC. The proposed Jicarilla (Mancos Formation) Project Area is located in Township 30 North, Range 3 West and Township 29 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. Said area is located approximately 9 miles Northeast of Dulce, New Mexico.
- 20. <u>CASE 14602</u>: (Continued from the April 14, 2011 Examiner Hearing.)

Application of COG Operating, LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order: (1) creating a non-standard spacing unit comprised of the W/2 E/2 of Section 29 and the W/2 E/2 of Irregular Section 32, Township 26 South, Range 28 East, NMPM and (2) pooling all mineral interests in the Bone Spring formation in the non-standard spacing unit which will be the project area for the Honey Graham State Com No. 3H to be drilled from a surface location 330 feet from the North line and 1980 feet from the East line of Section 29 and a bottomhole location 330 feet from the South line and 2310 feet from the East line of 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 COG Operating, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles North of Malaga, New Mexico.

- 21. CASE 14566: (Continued and Readvertised) (Continued from the April 14, 2011 Examiner Hearing.)

 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.
- 22. <u>CASE 14524</u>: (Continued from the March 31, 2011 Examiner Hearing.)

 Application of Chi Operating, Inc. for an unorthodox well location, Eddy County, New Mexico. Applicant seeks an order approving an unorthodox location in the Delaware formation (Benson-Delaware Pool) for its proposed Munchkin Fed. Well No. 22, to be drilled at a surface location 750 feet from the North line and 1805 feet from the West line, to a bottomhole location 750 feet from the North line and 2620 feet from the West line, of Section 12, Township 19 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. The NE/4 NW/4 of Section 12 will be dedicated to the well. The well unit is located approximately 10 miles South-Southeast of Loco Hills, New Mexico.
- 23. CASE 14551: (Continued from the April 14, 2011 Examiner Hearing.)
 - Application of Nadel and Gussman Permian, L.L.C. for approval of four non-standard oil spacing and proration units and compulsory pooling, Eddy County, New Mexico. Nadel and Gussman Permian, L.L.C. seeks an order approving four 160-acre non-standard oil spacing and proration units (project areas) in the Bone Spring formation comprised of the following lands in Section 12, Township 26 South, Range 29 East, NMPM:
 - (a) The N/2 N/2, to be dedicated to the Picou Fed. Well No. 1, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the NW/4 NW/4, of Section 12;
 - (b) The S/2 N/2, to be dedicated to the Picou Fed. Well No. 2, a horizontal well with a surface location in the SE/4 NE/4, and a terminus in the SW/4 NW/4, of Section 12;
 - (c) The N/2 S/2, to be dedicated to the Picou Fed. Well No. 3, a horizontal well with a surface location in the NE/4 SE/4, and a terminus in the NW/4 SW/4, of Section 12; and
 - (d) The S/2 S/2, to be dedicated to the Picou Fed. Well No. 4, a horizontal well with a surface location in the SE/4 SE/4, and a terminus in the SW/4 SW/4, of Section 12.
 - Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the four non-standard spacing and proration units (project areas) for all pools or formations developed on 40 acre spacing within that vertical extent. Also to be considered will be the cost of drilling and completing the wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The units are located approximately 14 miles Southeast of Malaga, New Mexico.