## Examiner Hearing -May 26, 2011 **Docket No. 13-11** Page 6 of 7

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.

#### 23. CASE 14627: (Continued from the May 12, 2011 Examiner Hearing.)

Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the N/2 S/2 of Section 5, Township 19 South, Range 26 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Glorieta-Yeso formation in the NW/4 SW/4 of Section 5, and (ii) the Glorieta-Yeso 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 units are to be dedicated to the Big Iron Well No. 1, a horizontal well-with a surface location in the NW/4 SW/4, and a terminus in the NE/4 SE/4, of Section 5. 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 4 miles North-Northwest of Lakewood, New Mexico.

#### CASE 14628: (Continued from the May 12, 2011 Examiner Hearing.) 24.

Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the S/2 S/2 of Section 5, Township 19 South, Range 26 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Glorieta-Yeso formation in the SW/4 SW/4 of Section 5, and (ii) the Glorieta-Yeso 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 units are to be dedicated to the Big Iron Well No. 2, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the SE/4 SE/4, of Section 5. 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 4 miles north-northwest of Lakewood, New Mexico.

#### 25. CASE:8352: (Reopened) (Continued from the April 28, 2011 Examiner Hearing.)

Application of OXY USA, Inc. to reopen Case No. 8352 to contract the West Bravo Dome Carbon Dioxide Gas Area to exclude acreage in the Bravo Dome Carbon Dioxide Gas Unit and for the adoption of permanent Special Rules and Regulations for the acreage excluded from the West Bravo Dome Carbon Dioxide Gas Area including provisions for 160-acre spacing units, Harding County, New Mexico. Applicant seeks to reopen Case No. 8352 to contract the West Bravo Dome Carbon Dioxide Gas Area to exclude the following acreage in the Bravo Dome Carbon Dioxide Gas Unit ("Bravo Dome Temporary Spacing area"):

## Township 18 North, Range 30 East, NMPM

Sections 1 and 2: All Section 3: E/2 E/2, SW/4 SE/4 Section 10: E/2 NE/4

Section11: N/2 Sections 12 – 14: All

E/2, E/2 W/2 Section 23:

Section 24: All

Section 25: E/2, E/2 W/2, W/2 NW/4,

NW/4 SW/4

Section 26: NE/4, E/2 NW/4, N/2 S/2

Section 36: All

### Township 18 North, Range 31 East, NMPM All

Sections 1-36:

### Township 19 North, Range 29 East, NMPM

Section 1: NE/4, E/2 NW/4

## Township 19 North, Range 30 East, NMPM

Section 20: W/2 NE/4, S/2 SE/4

Sections 21 through 28: All Section 29: NE/4 NE/4 NE/4 Section 32:

Section 33: NW/4, W/2 NE/4, NE/4 NE/4,

NW/4 SE/4, NE/4 SW/4

Section 34: N/2, E/2 SE/4

Sections 35 and 36: All

# Examiner Hearing -May 26, 2011 Docket No. 13-11 Page 7 of 7

## Township 19 North, Range 31 East, NMPM

Sections 19 - 36:

All

Applicant also seeks the adoption of permanent Special Rules and Regulations for the Bravo Dome Temporary Spacing Area that include provisions for 160-acre spacing and proration units. The West Bravo Dome Carbon Dioxide Gas Unit area is located approximately 15 to 17 miles East-Northeast of Mosquero, New Mexico.

26. <u>CASE 14583</u>: (Continued and Readvertised) (Continued from the April 28, 2011 Examiner Hearing.)

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.