

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 31, 2013

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 38-13 and 39-13 are tentatively set for November 14, 2013 and December 5, 2013. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued. A party who plans on using projection equipment at a hearing must contact Florene Davidson seven (7) business days prior to the hearing requesting the use of the projection equipment. Wireless internet is available; however, the party must provide its own laptop computer. The following cases will be heard by an Examiner.

| <i>Locator Key for Cases</i> | |
|------------------------------|----------------|
| <i>Case 15043</i> | <i>- No. 6</i> |
| <i>Case 15051</i> | <i>- No. 7</i> |
| <i>Case 15053</i> | <i>- No. 2</i> |
| <i>Case 15054</i> | <i>- No. 8</i> |
| <i>Case 15055</i> | <i>- No. 1</i> |
| <i>Case 15056</i> | <i>- No. 3</i> |
| <i>Case 15057</i> | <i>- No. 4</i> |
| <i>Case 15058</i> | <i>- No. 5</i> |

- CASE 15055:** *Application of Sundown Energy LP for Unit Approval, Lea County, New Mexico.* Applicant seeks an order pursuant to 19.15.20.14 NMAC approving its Reeves-Queen Waterflood Unit, the Unit Area of which is comprised of 520 acres \pm of State of New Mexico lands located in Lea County, New Mexico described as follows:

Township 18 South, Range 35 East, NMPM

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|-------------|-----------|
| Section 21: | SE/4 SE/4 |
| Section 22: | SW/4 |
| Section 27: | NW/4 |
| Section 28: | NE/4 |

The Unitized Formation for the Reeves-Queen Waterflood Unit is the Queen formation 100' above and 100' below the correlative interval as found in the Reeves State 21 (API #30-025-30514) Compensated Neutron-Litho Density Log from 4,430' - 4,490'. The Unit and lands are located approximately ten miles west of Hobbs, New Mexico.

- CASE 15053:** *(Continued from the October 17, 2013 Examiner Hearing.)*
Application of Mewbourne Oil Company for a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving an 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 S/2 of Section 17, Township 20 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2 S/2 of Section 17 to form a non-standard 160 acre oil spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit will be dedicated to the Glock 17 MP Fed. Well No. 1H, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the SE/4 SE/4, of Section 17. 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 17 miles east-southeast of Lakewood, New Mexico.