

formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Grama Ridge-Wolfcamp Gas Pool and Undesignated East Grama Ridge-Morrow Gas Pool; and the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to the Grama Ridge 24 State Well No. 1, to be drilled at an orthodox location in the NW/4SE/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 10 miles west-southwest of Oil Center, New Mexico.

7. **CASE 14202:** (Continued from the October 30, 2008 Examiner Hearing.)
Application of Mewbourne Oil Company for an order authorizing the drilling of a well in the Potash Area, Eddy County, New Mexico. Applicant seeks an order approving the drilling of its proposed Parkway "26" State Com. Well No. 1 to an approximate depth of 11,800 feet to test the Morrow formation (Undesignated West Parkway-Morrow Gas Pool) within the Oil-Potash Area, at a location 875 feet from the North line and 660 feet from the West line (Unit D) of Section 26, Township 19 South, Range 29 East, NMPM, Eddy County, New Mexico. The W/2 of Section 26 will be dedicated to the well. Applicant also seeks approval of future oil and gas drilling in the W/2 of Section 26 without the necessity of going to hearing. The unit is located approximately 13-1/2 miles south-southwest of Loco Hills, New Mexico.

8. **CASE 14242:** (Continued from the November 13, 2008 Examiner Hearing.)
Application of Enervest Operating LLC to amend the Unit Agreement and the Unit Operating Agreement for the West Loco Hills Grayburg No. 4 Sand Unit, and for statutory unitization, Eddy County, New Mexico. Applicant seeks an order amending the Unit Agreement and Unit Operating Agreement, and statutorily unitizing all mineral interests in, the Grayburg formation in the previously approved West Loco Hills Grayburg No. 4 Sand Unit underlying 5307.73 acres of federal, state, and fee lands covering parts of Township 17 South, Range 29 East, Township 18 South, Range 29 East, and Township 18 South, Range 30 East, N.M.P.M., described in Commission Order No. R-2166. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978 §§70-7-1 *et seq.*, will be: The necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate. The unit area is centered approximately 6 miles southwest of Loco Hills, New Mexico.

9. **CASE 14243:** (Continued from the November 13, 2008 Examiner Hearing.)
Application of Enervest Operating LLC for expansion of the waterflood project for the West Loco Hills Grayburg No. 4 Sand Unit, Eddy County, New Mexico. Applicant seeks approval to expand the waterflood project in the West Loco Hills Grayburg No. 4 Sand Unit by the injection of water into the Grayburg formation into wells located on 5307.73 acres of federal, state, and fee lands covering parts of Township 17 South, Range 29 East, Township 18 South, Range 29 East, and Township 18 South, Range 30 East, N.M.P.M., described in Commission Order No. R-2166. The unit area is centered approximately 6 miles southwest of Loco Hills, New Mexico.

10. **CASE 14250:** ***Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico.*** Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the S/2N/2 of Section 22, Township 15 South, Range 31 East, NMPM, to form a non-standard 160-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing, and pooling all mineral interests in the lower Abo/Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Essex 22 State Com. Well No. 1H, a horizontal well to be drilled at a surface location 1980 feet from the north line and 330 feet from the east line, with a terminus 1980 feet from the north line and 330 feet from the west line, of Section 22. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost