

2. **CASE 14541:** (Continued from the September 16, 2010 Examiner Hearing.)  
**Application of Merrion Oil & Gas Corp. for compulsory pooling, San Juan County, New Mexico.** Applicant seeks an order pooling all noncommitted mineral interests and noncommitted working interest owners in the Fruitland Coal formation in the N/2 of Section 18, Township 29 North, Range 13 West, NMPM, to form a standard 250-acre gas spacing and proration unit for the Basin-Fruitland Coal Pool. The unit is to be dedicated to the Westland Park #1 and Westland Park #2 wells, to be drilled at orthodox locations in the N/2 of Section 18. Applicant further seeks an order pooling all noncommitted mineral interests and noncommitted working interest owners in the Pictured Cliffs formation in the NW/4 of Section 18, Township 29 North, Range 13 West, NMPM, to form a nonstandard 90-acre gas spacing and proration unit for the West Kutz-Pictured Cliffs Pool. The unit is to be dedicated to the Westland Park #1 well to be drilled at an unorthodox location in the NW/4 of Section 18. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Merrion Oil & Gas Corp. as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The units are located within the city limits of Farmington, New Mexico.
3. **CASE 14554:** **Application of Mewbourne Oil Company to abolish the Seven Rivers-Yeso Pool and the Cemetery-Yeso Pool and expand the North Seven Rivers Glorieta-Yeso Pool, and to establish special rules and regulations for the North Seven Rivers Glorieta-Yeso Pool, Eddy County, New Mexico.** Applicant seeks an order (i) abolishing the Seven Rivers-Yeso Pool, comprised of the NW/4 of Section 26, the E/2 of Section 27, and all of Section 34, Township 19 South, Range 25 East, NMPM, (ii) abolishing the Cemetery-Yeso Pool, comprised of the SE/4 of Section 11, Township 20 South, Range 25 East, NMPM, and (iii) expanding the North Seven Rivers Glorieta-Yeso to include the acreage in the abolished pools together with additional acreage, so that it will comprise the following lands:

**Township 19 South, Range 24 East, NMPM**

Section 36: SE/4

**Township 19 South, Range 25 East, NMPM**

Section 15: SW/4  
 Section 16: NE/4  
 Section 22: All  
 Section 23: S/2  
 Section 24: W/2  
 Section 26: W/2  
 Section 27: All  
 Section 31: SW/4  
 Section 34: All  
 Section 35: All  
 Section 36: NW/4

**Township 20 South, Range 25 East, NMPM**

Section 2: W/2  
 Section 3: SE/4  
 Section 4: S/2  
 Section 5: S/2  
 Section 7: NE/4  
 Section 9: All  
 Section 10: All  
 Section 11: SE/4  
 Section 14: W/2  
 Section 15: All  
 Section 22: NW/4

Applicant further seeks approval of special pool rules and regulations for the expanded North Seven Rivers Glorieta-Yeso Pool providing for a special depth bracket allowable of 240 barrels of oil per day for a standard 40 acre spacing unit. The expanded North Seven Rivers Glorieta-Yeso Pool is centered approximately 3 miles West-Northwest of Seven Rivers, New Mexico.

4. **CASE 14533:** (Continued from the September 16, 2010 Examiner Hearing.)  
**Application of Mewbourne Company for approval of a non-standard oil spacing and proration unit, an unorthodox oil well location, and compulsory pooling, Eddy County, New Mexico.** Mewbourne Oil Company seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 N/2

of Section 28, Township 18 South, Range 30 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 Bradley 28 Fed. Com. Well No. 2, a horizontal well with a surface location 1580 feet from the north line and 65 feet from the west line, and a terminus 1580 feet from the north line and 330 feet from the east line, of Section 28. Applicant further seeks approval of the unorthodox location for the well. 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 7 miles South of Loco Hills, New Mexico.

5. **CASE 14544:** (continued and readvertised)

***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.

6. **CASE 14546:** (Continued from the September 16, 2010 Examiner Hearing.)

***Application of Devon Energy Production Company, L.P. for approval of a pilot infill drilling project in the Pictured Cliffs formation in a portion of the Northeast Blanco Unit, and for special well location requirements, Rio Arriba and San Juan Counties, New Mexico.*** Applicant seeks approval to institute a pilot infill drilling project in the Pictured Cliffs formation in a portion of the Northeast Blanco Unit. Applicant further seeks to approval of two wells in a standard 160 acre gas spacing unit in the project area, and for special well location requirements within the Northeast Blanco Unit Pictured Cliffs Participating Area, which is within the proposed project area. The project area comprises all of Sections 6, 7, 18-20, and 30 in Township 31 North, Range 6 West, N.M.P.M., and all of Section 1, the N/2 of Section 10, and all of Sections 11-15, 22-27, and 34-36, Township 31 North, Range 7 West, N.M.P.M. The project area is centered approximately 12 miles Northeast of Archuleta, New Mexico.

7. **CASE 14438:** (Continued from the September 16, 2010 Examiner Hearing.)

***Application of Devon Energy Production Company, L.P. for pool creation, a discovery allowable, and special pool rules, Eddy County, New Mexico.*** Applicant seeks an order (a) creating a new pool for production of oil from the Bone Spring formation, to be named the Angell Ranch-Bone Spring Pool, comprising the NW/4 of Section 25, Township 19 South, Range 27 East, N.M.P.M., (b) granting applicant a discovery allowable, and (c) establishing special rules and regulations for the pool, including (i) spacing of 80 acres, (ii) wells to be located no closer than 330 feet to a quarter-quarter section line, and (iii) a gas:oil ratio of 10,000 cubic feet of gas for each barrel of oil produced. The discovery well for the pool is the Guardian 25 State Com. Well No. 1 (API No. 30-015-36577), which was drilled at a location 1980 feet from the north line and 1980 feet from the west line of Section 25. Applicant requests that the pool rules be made effective retroactive to the date of first Bone Spring production from the discovery well. The proposed pool is located approximately 7-1/2 miles East of Lakewood, New Mexico.

8. **CASE 14514:** (continued and readvertised)

***Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.*** Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 N/2 of Section 10, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 10, Township 26 South, Range 33 East, NMPM, and in the following manner: (i) from the surface to the top of the Bone Spring formation underlying the NW/4 NW/4 of Section 10, 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; (ii) the Bone Spring formation underlying the N/2 N/2 of Section 10 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; and (iii) the Wolfcamp formation underlying all of Section 10, to form a standard 640 acre gas spacing and proration unit for any formations and/or pools developed on 640 acre spacing within that vertical