

DOCKET: EXAMINER HEARING - THURSDAY - JULY 21, 2011

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

Docket Nos. 21-11 and 22-11 are tentatively set for August 4, 2011 and August 18, 2011. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.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 at the applicant's request. The following cases will be heard by an Examiner.

Locator Key for Cases

Case 14627 – No. 24
Case 14628 – No. 25
Case 14658 – No. 22
Case 14659 – No. 13
Case 14668 – No. 4
Case 14669 – No. 20
Case 14670 – No. 21
Case 14672 – No. 23
Case 14673 – No. 18
Case 14674 – No. 19
Case 14678 – No. 14
Case 14679 – No. 15
Case 14680 – No. 16
Case 14681 – No. 17
Case 14688 – No. 1
Case 14689 – No. 2
Case 14690 – No. 3
Case 14691 – No. 5
Case 14692 – No. 6
Case 14693 – No. 7
Case 14694 – No. 8
Case 14695 – No. 9
Case 14696 – No. 10
Case 14697 – No. 11
Case 14698 – No. 12

1. ***CASE 14688: Application of Reliant Exploration & Production LLC for compulsory pooling, Harding County, New Mexico.*** Applicant seeks an order pooling all mineral interests within Section 7, T19N, R31E, NMPM, Harding County, New Mexico, forming a standard 160-acre gas spacing and proration unit for the Bravo Dome Carbon Dioxide Gas Pool. The unit in Section 7 is to be dedicated to Reliant's proposed 7-1-L well (API # 30-021-20516) to be drilled at a standard location in the NW/4 SW/4 of Section 7. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 24 miles Northeast of Mosquero, New Mexico.
2. ***CASE 14689: Application of XTO Energy Inc. to contract the Angels Peak-Gallup Associated Pool and Concomitantly extend the Basin-Mancos Pool, San Juan County, New Mexico.*** Applicant seeks an order contracting the Angels Peak-Gallup Associated Pool by the deletion of all of Sections 19, 20, 21 and 22, Township 27 North, Range 10 West, NMPM, and the concomitant extension of the Basin-Mancos Pool.
3. ***CASE 14690: Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.*** Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 N/2 of Section 17, Township 19 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Bone Spring formation underlying the NW/4 NW/4 of Section 17 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the N/2 N/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 units are to be dedicated to the Spyglass 17 Fed. Well No. 1, a horizontal well with a surface location in the

NW/4 NW/4, and a terminus in the NE/4 NE/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 units are located approximately 14 miles South-Southeast of Maljamar, New Mexico.

4. **CASE 14668:** (Continued from the June 23, 2011 Examiner Hearing.)
Application of Mewbourne Oil Company for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order: (1) creating a non-standard spacing unit comprised of the N/2 S/2 of Section 34, Township 18 South, Range 30 East, NMPM; and (2) 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 the Dorado "34" Federal Com Well No. 1H to be horizontally drilled from a surface location 1850 feet from the South line and 620 feet from the East line (Unit I) and then in an easterly direction in the Bone Spring formation to a bottom hole terminus at a location 1850 feet from the South line and 330 feet from the West line (Unit L) of said 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 8.5 miles South of Loco Hills, New Mexico.
5. **CASE 14691:** **Application of Burnett Oil Co., Inc. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from 4230 feet subsurface to the base of the Glorieta-Yeso formation underlying the SW/4 NW/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 Partition Fed. Well No. 3, to be drilled in the SW/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 unit is located approximately 9 miles East of Loco Hills, New Mexico.
6. **CASE 14692:** **Application of Cimarex Energy Co. 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 (Paddock-Blinebry) formation underlying the SW/4 SE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Mayaro 22 State Well Nos. 1, 2, 9, and 10, to be drilled at orthodox locations. 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 applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 14 miles East-Southeast of Artesia, New Mexico.
7. **CASE 14693:** **Application of Cimarex Energy Co. 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 (Paddock-Blinebry) formation underlying the NE/4 SE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Mayaro 22 State Well Nos. 3, 8, 11, and 16, to be drilled at orthodox locations. 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 applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 14 miles East-Southeast of Artesia, New Mexico.
8. **CASE 14694:** **Application of Cimarex Energy Co. 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 (Paddock-Blinebry) formation underlying the NW/4 SE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Mayaro 22 State Well Nos. 4, 7, 12, and 15, to be drilled at orthodox locations. 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 applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 14 miles East-Southeast of Artesia, New Mexico.
9. **CASE 14695:** **Application of Cimarex Energy Co. 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 (Paddock-Blinebry) formation underlying the SE/4 NE/4 of Section 22, Township 17 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Maracas 22 State Well Nos. 1, 4, 7, and 10, to be drilled at orthodox locations. Also to be