

7. **CASE 14741: Application of Cimarex Energy Co. of Colorado for a Non-Standard Spacing and Proration Unit and Compulsory Pooling, Eddy County, New Mexico.** Applicant seeks an order consolidating the four 40-acre spacing units within the E/2 W/2 of Section 32, Township 18 South, Range 31 East and designating the consolidated units as a 160-acre non-standard oil spacing and proration unit for a well locations in the Bone Springs formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Bone Springs formations, including the North Hackberry Bone Springs Pool (code 97056) underlying the E/2 W/2 of this section to be dedicated to its West Shurgart "32" State Com Well No. 2-H (API # 30-015-39214) to be drilled horizontally from a surface location (Unit C) 330 feet FNL and 2110 feet FWL to a bottom hole location (Unit N) 330 feet FSL and 1980 feet FWL within this section and to a depth sufficient to test the Bone Springs formation, NMPM, Eddy County, New Mexico. Also to be considered will be the costs of the drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. of Colorado as the operator of the well a risk charge of 200% for the risk involved in this well. This unit is located approximately eleven miles Southeast of Maljamar, New Mexico.
8. **CASE 14742: Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit 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 Yeso formation comprised of the W/2 W/2 of Section 21, Township 20 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Yeso formation underlying the SW/4 SW/4 of Section 21 to form a standard 40 acre oil spacing and proration unit, and (ii) the Yeso formation underlying the W/2 W/2 of Section 21 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 Pine Box 21 MD Fed. Com. Well No. 1, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the NW/4 NW/4, of Section 21. 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 5 miles southwest of Seven Rivers, New Mexico.
9. **CASE 14736: (Continued from the September 29, 2011 Examiner Hearing)**
Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit 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 N/2 N/2 of Section 11, Township 18 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests from the base of the Second Bone Spring Carbonate to the base of the Bone Spring formation underlying the N/2 N/2 of Section 11 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 Tamano 11 Fed. Com. Well No. 1, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the NW/4 NW/4, of Section 11. 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-southeast of Loco Hills, New Mexico.
10. **CASE 14743: Application of Endeavor Energy Resources, L.P. 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 E/2 E/2 of Section 15, Township 26 South, Range 33 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 15 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 unit is to be dedicated to the Red Bull "15" Fed. Com. Well No. 1, a horizontal well to be drilled with a surface location in the SE/4 SE/4, and a terminus in the NE/4 NE/4, of Section 15. 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 Endeavor Energy Resources, L.P. as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 20 miles west of Bennett, New Mexico.
11. **CASE 14734 (Readvertised): Application of Burlington Resources Oil & Gas Company LP ("Burlington") for Compulsory Pooling, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests in the Gallup formation underlying the SE/4 and Dakota formations underlying Lots 1 and 2, S/2 NE/4 and SE/4 (the E/2 equivalent) of Section 2, T25N, R9W, NMPM, San Juan County, New Mexico, forming a standard 320.39-acre gas spacing and proration unit for the Dakota formation spaced on 320-acre spacing and a standard 160-acre gas spacing and proration unit for the Gallup formation spaced on 160-acre spacing. These units are to be dedicated to its Huerfano Unit Com Well No. 311 (API # 30-045-35291) to be drilled and completed at a standard surface well location in Unit 1 and to downhole commingled wellbore for production from Dakota and Gallup formations. In addition, Burlington requests that the Division adopt cost

and production allocation procedures between the Gallup and Dakota, a COPAS accounting procedure with the annual COPAS overhead cost adjustment, payment default provisions and future proposed recompletions provisions. 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, pursuant to Commission Order R-11992, a 200% charge for the risk involved in this well. These spacing units are located approximately 1-1/2 miles East from Dzilh-Na-O-Dith-Hle and approximately 30 miles Southeast of Bloomfield, New Mexico

12. **CASE 14727:** (Continued from the September 1, 2011 Examiner Hearing)
Application of Williams Production Co., LLC for A Project Area For The Fruitland Coal Participating Area In The Rosa Unit, San Juan And Rio Arriba Counties, New Mexico. Applicant seeks designation of a Project Area for the Fruitland Coal Participating Area within the Rosa Unit excluding certain uncommitted acreage for a total of 30,759.78 acres to be dedicated to existing and future vertical and horizontal wells completed in the Fruitland Coal formation, Basin Fruitland Coal Gas Pool. Said area is located approximately 9 miles southeast of Arbolies, Colorado.

13. **CASE 14737:** (Continued from the September 29, 2011 Examiner Hearing)
Application of Basic Energy Services, L.P. for approval of a salt water disposal well, Eddy County, New Mexico. Applicant seeks an order proposing to convert to water disposal its F.M. Robinson Fed. Com Well No. 1, located 1825 feet from the south line, 2235 feet from the west line of Section 27, Township 17 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The disposal zones shall be at depths from 9,020 feet below the surface of the earth to 12,065 feet, and include the Cisco, Strawn, Atoka, Devonian and Silurian zones. The well is located approximately 3 miles southeast of Loco Hills, New Mexico.

14. **CASE 14623:** (Continued from the September 29, 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 159.36-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of Lots 1-4 of Section 7, 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 Lot 1 of Section 7, 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 Long Branch Well No. 1, a horizontal well with a surface location in Lot 1, and a terminus in Lot 4, of Section 7. 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 northwest of Lakewood New Mexico.

15. **CASE 14624:** (Continued from the September 29, 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 E/2 W/2 of Section 7, 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 NE/4 NW/4 of Section 7, 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 Long Branch Well No. 2, a horizontal well with a surface location in the NE/4 NW/4, and a terminus in the SE/4 SW/4, of Section 7. 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 northwest of Lakewood New Mexico.

16. **CASE 14625:** (Continued from the September 29, 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 W/2 E/2 of Section 7, 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 NE/4 of Section 7, 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 Long Branch Well No. 3, a horizontal well with a surface location in the NW/4 NE/4, and a terminus in the SW/4 SE/4, of Section 7. 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