

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. 4, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/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 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.

19. **CASE 14627:** (Continued from the August 4, 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 N/2 S/2 of Section 5, 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 SW/4 of Section 5, 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 Big Iron Well No. 1, a horizontal well with a surface location in the NW/4 SW/4, and a terminus in the NE/4 SE/4, of Section 5. 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 North-Northwest of Lakewood, New Mexico.

20. **CASE 14628:** (Continued from the August 4, 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 S/2 S/2 of Section 5, 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 SW/4 SW/4 of Section 5, 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 Big Iron Well No. 2, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the SE/4 SE/4, of Section 5. 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 north-northwest of Lakewood, New Mexico.

21. **CASE 14655:** (Continued from the August 4, 2011 Examiner Hearing.)

Amended Application of Nearburg Producing Company for Designation of a Non-standard Spacing Unit, an Unorthodox Surface Location, Compulsory Pooling, and Cancellation of APD's Issued to Nadel and Gussman Permian, LLC, Eddy County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the N/2 N/2 of Section 7, Township 19 South Range 26 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Glorieta-Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Glorieta-Yeso formation underlying the N/2 N/2 of said Section 7 to be dedicated to its Glass "7" D-A No. 1-H Well to be drilled horizontally from an unorthodox surface location 760' from the North line and 100' from the East line of Section 12, Township 19 South, Range 25 East to a bottom hole location 760' from the North line and 330' from the East line of Section 7, in Township 19 South, Range 26 East, to a depth sufficient to test the Glorieta-Yeso formation. 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 Nearburg Producing Company as operator and a charge for risk involved in drilling the well. Applicant also seeks the cancellation of two APD's held by Nadel and Gussman Permian LLC for wells and non-standard units proposed for the E/2 W/2 and the E/2 E/2 of Section 7. The proposed well and lands are located approximately 4 miles Northwest of Lakewood, New Mexico.

22. **CASE 14656:** (Continued from the August 4, 2011 Examiner Hearing.)

Amended Application of Nearburg Producing Company for Designation of a Non-standard Spacing Unit, an Unorthodox Surface Location, Compulsory Pooling, and Cancellation of APD's Issued to Nadel and Gussman Permian, LLC, Eddy County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the S/2 N/2 of Section 7, Township 19 South Range 26 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Glorieta-Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Glorieta-Yeso formation underlying the S/2 N/2 of said Section 7 to be dedicated to its Glass "7" E-H No. 1-H Well to be drilled horizontally from an unorthodox surface location 2,080' from the North line and 100' from the East line of Section 12, Township 19 South, Range 25 East to a bottom hole location 2,080' from the North line and 330' from the East line of Section 7, in Township

19-South, Range 26 East, to a depth sufficient to test the Glorieta-Yeso formation. 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 Nearburg Producing Company as operator and a charge for risk involved in drilling the well. Applicant also seeks the cancellation of two APD's held by Nadel and Gussman Permian LLC for wells and non-standard units proposed for the E/2 W/2 and the E/2 E/2 of Section 7. The proposed well and lands are located approximately 4 miles northwest of Lakewood, New Mexico.

23. **CASE 14669:** (Continued from the August 4, 2011 Examiner Hearing.)

Application of COG Operating LLC for the creation of a new pools special pool rules and the contraction of certain Grayburg Jackson pools within the Dodd Federal Unit, Eddy County, New Mexico. Applicant seeks an order establishing a new pool within the Dodd Federal Unit that extends from the top of the Glorieta to the top of the Tubb formation. Within the new Yeso pool, Concho seeks special rules allowing for a depth bracket allowable of 300 barrels of oil per day and no limiting gas:oil ratio. Concho also seeks the contraction of the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres and the Grayburg Jackson Yeso within the Dodd Federal unit to extend from the top of the Seven Rivers formation to the top of the Glorieta formation. The pools are located approximately 12 miles East of Artesia, New Mexico and 17 miles west of Lovington, New Mexico.

24. **CASE 14670:** (Continued from the August 4, 2011 Examiner Hearing.)

Application of COG Operating LLC for the creation of a new pool, special pool rules and the contraction of the Grayburg Jackson pool within the Burch Keely Unit, Eddy County, New Mexico. Applicant seeks an order establishing a new pool within the Burch Keely Units that extends from the top of the Glorieta formation to a depth of 5,000 feet from the surface. Within the new Yeso pool, Concho seeks special rules allowing for a depth bracket allowable of 300 barrels of oil per day and no limiting gas:oil ratio. Concho also seeks the contraction of the Grayburg Jackson Seven Rivers-Queen-Grayburg-San Andres Pool within the Burch Keely unit to vertically extend from the top of the Seven Rivers formation to the top of the Glorieta formation. The pools are located approximately 12 miles East of Artesia, New Mexico and 17 miles West of Lovington, New Mexico.

25. **CASE 14629:** (Continued from the August 18, 2011 Examiner Hearing.)

Application of Blue Dolphin Production, LLC for Compulsory Pooling, Rio Arriba County, New Mexico. Applicant seeks an order for the compulsory pooling of all interests in all pools or formations developed on 40-acre spacing within the Mancos Shale formation underlying a non-standard oil well spacing and proration unit comprised of 21.0 ± acres located in the approximate E/2 SW/4 NE/4 of projected Section 27, Township 30 North, Range 1 East in Rio Arriba County, New Mexico. The unit will be dedicated to the following well to be drilled to the Greenhorn member of the undesignated Mancos Shale formation, (WC30N1E27):

Theis Greenhorn Test Well No. 1
1643' FNL and 1575' FEL (G)
Projected Section 27, T30N, R1E
Rio Arriba County, New Mexico

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 Applicant as operator and a charge for the risk involved in drilling the well. The well and lands are located approximately one-half mile South of Horse Lake, New Mexico.