## Examiner Hearing -October 13, 2011 Docket No. 30-11 Page 4 of 6

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 Dzilth-Na-O-Dith-Hle and approximately 30 miles Southeast of Bloomfield, New Mexico

- 12. <u>CASE 14727</u>: (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 Resign Energy Services I.P. for approval of a self-water di

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. <u>CASE 14625</u>: (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