

**DOCKET: EXAMINER HEARING - THURSDAY – MARCH 29, 2012**

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

Docket Nos. 11-12 and 12-12 are tentatively set for April 12, 2012 and April 26, 2012. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13.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. The following cases will be heard by an Examiner.

<i>Locator Key for Cases</i>
<i>Case 14687 – No. 9</i>
<i>Case 14745 – No. 10</i>
<i>Case 14746 – No. 1</i>
<i>Case 14775 – No. 6</i>
<i>Case 14795 – No. 11</i>
<i>Case 14801 – No. 3</i>
<i>Case 14802 – No. 5</i>
<i>Case 14804 – No. 2</i>
<i>Case 14806 – No. 4</i>
<i>Case 14807 – No. 7</i>
<i>Case 14808 – No. 8</i>

1. **CASE 14746:** (Continued from the March 1, 2012 Examiner Hearing.)  
***Application of Strata Production Company for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Strata Production Company seeks an order approving a 320-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the SE/4 of Section 14, E/2 NE/4 of Section 23, and W/2 NW/4 of Section 24, Township 23 South, Range 30 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Delaware formation underlying the SE/4 of Section 14, E/2 NE/4 of Section 23, and W/2 NE/4 of Section 24 to form a non-standard 320 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 Sandy Fed. Well No. 2, a horizontal well with a surface location in the SW/4 NW/4 of Section 24, and a terminus in the NW/4 SE/4 of Section 14. 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 15 miles east of Loving, New Mexico.
  
2. **CASE 14804:** ***Application of Nadel and Gussman Permian for approval of four 160-acre horizontal wellbore project areas, Eddy County, New Mexico.*** Nadel and Gussman Permian seeks an order, pursuant to Commission Order R-13499 that adopted amendments to Rule 19.15.14.8 NMAC and 19.15.16 NMAC, for approval of four non-standard horizontal wellbores project areas, each consisting of 160-acre, more or less, to be dedicated to any production from the Yeso Formations to be configured as follows:
  - (1) Lawman 1-H (API #30-015-39874) consisting of the W/2SW/4 of Sec 12 and the W/2NW/4 of Sec 13, T19S, R25E;
  - (2) Lawman 2-H (API #30-015-39875) consisting of the E/2SW/4 of Sec 12 and the E/2NW/4 of Sec 13, T19S, R25E;
  - (3) Lawman 3-H (API #30-015-39876) consisting of the W/2SE/4 of Sec 12 and the W/2NE/4 of Sec 13, T19S, R25E;
  - (4) Lawman 4-H (API #30-015-39877) consisting of the E/2SE/4 of Sec 12 and the E/2NE/4 of Sec 13, T19S, R25E;
 The four project areas are located approximately 5 miles west-northwest of Lakewood, New Mexico.