CASE 14801: (Continued from the March 1, 2012 Examiner Hearing.)

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Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit, an unorthodox oil well location, 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 13, Township 19 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Yeso formation underlying the W/2 W/2 of Section 13 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 unit is to be dedicated to the Wyatt Draw 13 MD Well No. 1, a horizontal well with an unorthodox surface location 250 feet from the north line and 350 feet from the west line of Section 13. 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 5 miles west-northwest of Lakewood, New Mexico.

CASE 14806: Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit, an unorthodox oil well location, and compulsory pooling, Eddy County, New Mexico. Mewbourne Oil Company seeks an order approving a 158.39-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 4, SE/4 SW/4, and S/2 SE/4 (the the S/2 S/2) of Section 30, Township 18 South, Range 30 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 or 80 acre spacing within that vertical extent. The unit is to be dedicated to the Bradley 30 Fed. Com. Well No. 2, a horizontal well with a surface location 400 feet from the south line and 240 feet from the east line, and a terminus 400 feet from the south line and 330 feet from the west line, of Section 30. Applicant further seeks approval of the unorthodox location for the well in the Santo Nino-Bone Spring Pool. 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 7-1/2 miles south of Loco Hills, New Mexico.

<u>CASE 14802</u>: (Continued from the March 1, 2012 Examiner Hearing.)

Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 640-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of all Section 26, Township 20 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area). The unit is to be dedicated to:

(a) the Snoddy Fed. Well No. 20, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the NW/4 NW/4, of Section 26;

(b) the Snoddy Fed. Well No. 21, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the NW/4 SW/4, of Section 26;

(c) the Snoddy Fed. Well No. 22, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SW/4, of Section 26; and

(d) the Snoddy Fed. Well No. 23, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the SE/4 SE/4, of Section 26.

Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, 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 centered approximately 1/2 miles south of Halfway, New Mexico.