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- 4. CASE 14892: 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 an 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 N/2 of Section 4, Township 20 South, Range 29 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Bone Spring formation underlying the SE/4 NE/4 of Section 4 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the S/2 N/2 of Section 4 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 Burton 4 Fed. Com. Well No. 4, a horizontal well with a surface location in the SE/4 NE/4, and a terminus in the SW/4 NW/4, of Section 4. 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-southeast of Lakewood, New Mexico.
- 5. <u>CASE 14554</u>: (Re-opened)(Continued and re-advertised)

Application of Mewbourne Company to re-open Case 14554 to make the special rules and regulations for the North Seven Rivers Glorieta-Yeso Pool permanent, and to expand the pool, Eddy County, New Mexico. Division Order No. R-13350 (i) abolished the Seven Rivers-Yeso Pool and the Cemetery-Yeso Pool, and (ii) expanded the North Seven Rivers Glorieta-Yeso Pool to include the acreage in the abolished pools and additional acreage, so that it comprised the following lands:

Township 19 South, Range 24 East, NMPM

Section 36:

SE/4

Township 19 South, Range 25 East, NMPM

Section 15: SW/4 Section 16: NE/4 Section 22: All Section 23: S/2 Section 24: W/2 Section 26: W/2 Section 27: All: SW/4 Section 31: Section 34: All Section 35: All Section 36: NW/4

Township 20 South, Range 25 East, NMPM

Section 2: W/2 Section 3: All Section 4: S/2 Section 5: S/2 Section 7: NE/4 Section 9: All Section 10: All Section 11: SE/4 Section 14: W/2 Section 15: All NW/4 Section 22:

The order also approved special pool rules and regulations for the expanded North Seven Rivers Glorieta-Yeso Pool providing for a special depth bracket allowable of 240 barrels of oil per day for a standard 40 acre spacing unit. Applicant requests that the special rules and regulations for the North Seven Rivers Glorieta-Yeso Pool be made permanent effective retroactive to January 18, 2012.

In addition, applicant requests that the pool be expanded to include the following acreage:

Township 19 South, Range 25 East, NMPM

Section 16:

SE/4

Section 31:

SE/4

Township 20 South, Range 25 East, NMPM

Section 11:

SW/4

The North Seven Rivers Glorieta-Yeso Pool is centered approximately 3 miles west-northwest of Seven Rivers, New Mexico.