

DOCKET: EXAMINER HEARING - THURSDAY – SEPTEMBER 20, 2012

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

Docket Nos. 32-12 and 33-12 are tentatively set for October 4, 2012 and October 18, 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 14548 – No. 12</i>
<i>Case 14554 – No. 3</i>
<i>Case 14883 – No. 4</i>
<i>Case 14887 – No. 8</i>
<i>Case 14889 – No. 10</i>
<i>Case 14898 – No. 1</i>
<i>Case 14899 – No. 2</i>
<i>Case 14900 – No. 5</i>
<i>Case 14901 – No. 6</i>
<i>Case 14902 – No. 7</i>
<i>Case 14903 – No. 9</i>
<i>Case 14904 – No. 11</i>

1. ***CASE 14898: Application of Celero Energy II, LP for approval of a unit agreement, Chaves and Lea Counties, New Mexico:*** Applicant seeks approval of the Unit Agreement for the North Caprock Celero Queen Unit Area, comprising 2886.66 acres of the state and fee lands described below:

Township 12 South, Range 31 East, N.M.P.M., Chaves County
Section 36: S/2 NE/4, SE/4SW/4, and SE/4

Township 12 South, Range 32 East, N.M.P.M., Lea County
Section 29: SW/4SW/4
Section 30: S/2SE/4
Section 31: Lots 3, 4, E/2, NE/4NW/4, and E/2SW/4
Section 32: SW/4NE/4, W/2, and NW/4SE/4

Township 13 South, Range 32 East, N.M.P.M., Lea County
Section 5: Lots 3, 4, SW/4NW/4, and NW/4SW/4
Section 6: Lots 1-7, S/2 NE/4, SE/4 NW/4, E/2 SW/4, and SE/4 (All)
Section 7: E/2 and E/2 W/2
Section 8: NW/4 NW/4, S/2 NW/4, and SW/4

The proposed unit area is centered approximately 12 miles south-southwest of Caprock, New Mexico.

2. ***CASE 14899: 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 a 158.34-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of Lot 2, SE/4 NW/4, and S/2 NE/4 (the S/2 N/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. 3, a horizontal well with a surface location in Lot 2, and a terminus in the SE/4 NE/4, of Section 30. 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 miles south of Loco Hills, New Mexico.