

CASE 13421: *Continued from March 17, 2005, Examiner Hearing*

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Morrow in the E/2 of Section 23, Township 23 South, Range 26 East, in the following described spacing and proration units: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the South Carlsbad-Morrow Gas Pool, the Undesignated North Black River-Atoka Gas Pool, the Undesignated Frontier Hills-Strawn Gas Pool, the Undesignated South Carlsbad-Canyon Gas Pool, the Undesignated South Carlsbad-Upper Pennsylvanian Gas Pool, and the Undesignated South Yarrow-Bone Spring Gas Pool; the SE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 SE/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent which includes but is not limited to the Undesignated Dark Canyon-Delaware Pool. Said units are to be dedicated to applicant's proposed Black River Federal Com Well No. 1 to be drilled and completed at a standard gas well location 660 feet from the South and East lines (Unit P) of said Section 23. Also to be considered will be the cost of drilling and completing said well, the allocation of the cost thereof, actual operating costs and charges for supervision, the designation of Mewbourne Oil Company as operator of the well, and a charge for risk involved in drilling said well. Said area is located approximately 3 miles south of the Carlsbad Municipal Airport, Carlsbad, New Mexico.

CASE 13471: *Application of RB Operating Company for directional drilling and an unorthodox surface and subsurface location and simultaneous dedication, Eddy County, New Mexico.* Applicant seeks an order authorizing to directionally drill its Carrasco "14" Well No. 6 from an unorthodox surface location, 1400 feet from the North line and 800 feet from the East line to an unorthodox subsurface oil well location 1400 feet from the North line and 1250 feet from the East line (Unit H) Section 14, Township 23 South, Range 28 East and to simultaneously dedicate it along with the Carrasco "14" Well No. 3, (API 30-015-26350) a producing oil well located 1980 feet from the North line and 560 feet from the East line (Unit H) Section 14, Township 23 South, Range 28 East to a standard 40-acre oil spacing unit consisting of Unit H of this section. This spacing unit is subject to the East Loving-Brushy Canyon Pool and is located approximately 3 miles east of Loving, New Mexico.

CASE 13472: *Application of RB Operating Company for an unorthodox oil well location and simultaneous dedication, Eddy County, New Mexico.* Applicant seek an order authorizing the drilling and production of its South Culebra Bluff "23" Well No. 17 at an unorthodox oil well location 2440 feet from the South line and 1500 feet from the West line (Unit K) Section 23, Township 23 South, Range 28 East and to simultaneously dedicate it along with the South Culebra Bluff "23" Well No. 1 (API 30-015-25841) a producing oil well located 1830 feet from the South line and 1980 feet from the West line (Unit K) Section 23, Township 23 South, Range 28 East to a standard 40-acre oil spacing unit consisting of Unit K of this section. This spacing unit is subject to the East Loving-Brushy Canyon Pool and is located approximately 3 miles east of Loving, New Mexico.

CASE 13473: *Application of RB Operating Company for a centralized facility with a common tank battery including surface commingling and off-lease measurement and storage, Eddy County, New Mexico.* Applicant seeks an order granting an exception to Rule 303.A(2) and, in accordance with Rule 303.B (4), approving a centralized facility with a common tank battery including surface commingling and off-lease storage and measurement of oil production for its SCB 3-B Tank Battery for the following described wells/leases with diverse ownership within the N/2 of Section 23, Township 23 South, Range 28 East:

| <u>Location</u> | <u>Well Name</u> | <u>API Number</u> |
|-----------------|---------------------------------------|-------------------|
| Unit D | South Culebra Bluff "23" Well No. 5 | 30-015-26294 |
| Unit E | South Culebra Bluff "23" Well No. 4 | 30-015-26285 |
| Unit F | South Culebra Bluff "23" Well No. 13 | 30-015-30164 |
| Unit F | Donaldson Com A Well No. 1 | 30-015-22404 |
| Unit G | South Culebra Bluff Unit Well No. 1-B | 30-015-22320 |
| Unit G | South Culebra Bluff Unit Well No. 3 | 30-015-22700 |
| Unit H | South Culebra Bluff "23" Well No. 15 | 30-015-33783 |

which shall be stored and measured at its centralized facility located in Unit G of this section. The applicant further seeks the adoption of an administrative procedure for the expansion of this facility including the addition of other wells and production from other pools. This facility is located approximately 2.5 miles northeast of Loving, New Mexico.