

within that vertical extent. The unit is to be dedicated to the Peacekeeper 25 State Com. Well No. 3, a horizontal well with a surface location in the SW/4 SW/4, and a terminus in the NW/4 NW/4, of Section 25. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, actual operating costs and charges for supervision, designation of Chi Operating, Inc. as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 18-1/2 mile east of Lakewood, New Mexico.

10. **CASE 14940:** (Continued from the December 13, 2012 Examiner Hearing.)

Application of Nearburg Exploration Company, LLC for a non-standard spacing and proration unit and compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard 160-acre spacing and proration unit comprised of the E/2 W/2 of Section 23, Township 20 South, Range 34 East, NMPM, and (2) pooling all mineral interests in all producing reservoirs within the Bone Spring formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Laguna 23 Fed Com Well No. 1H, to be horizontally drilled from a surface location 330 feet from the South line and 1980 feet from the West line (Unit N) to a bottom hole location 330 feet from the North line and 1980 feet from the West line (Unit C) of Section 23. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Nearburg Exploration Company, LLC as operator of the well and unit and a 200% charge for risk involved in drilling said well. Said area is approximately 30 miles southwest of Hobbs, New Mexico.

11. **CASE 14941:** (Continued from the December 13, 2012 Examiner Hearing.)

Application of Mewbourne Oil Company for 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 N/2 N/2 of Section 15, Township 18 South, Range 31 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 NE/4 NE/4 of Section 15 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the N/2 N/2 of Section 15 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 Tamano 15 AD Fed. Com. Well No. 1, a horizontal well with a surface location in the NE/4 NE/4, and a terminus in the NW/4 NW/4, of Section 15. 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 8 miles east-southeast of Loco Hills, New Mexico.

12. **CASE 14942:** (Continued from the December 13, 2012 Examiner Hearing.)

Application of Celero Energy II, LP to expand the waterflood project and tertiary recovery project for the Rock Queen Unit, and to qualify the expanded project for the recovered oil tax rate, Chaves and Lea Counties, New Mexico. Applicant seeks approval to expand the waterflood project and tertiary recovery project for the Rock Queen Unit by the injection of water and carbon dioxide into the Queen formation into wells located on 4939.77 acres of federal, state, and fee lands covering all or parts of Sections 22-27 and 34-36 of Township 13 South, Range 31 East, N.M.P.M., and Sections 19, 30, and 31 of Township 13 South, Range 32 East, N.M.P.M. Applicant further seeks to qualify the expanded enhanced recovery project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1-5). The unit area is centered approximately 17 miles south-southwest of Caprock, New Mexico.

13. **CASE 14883:** (Continued from the November 29, 2012 Examiner Hearing.)

Application of Nadel and Gussman Permian, L.L.C. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the E/2 W/2 of Section 24, Township 18 South, Range 26 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the non-standard 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 Super Chief Well No. 1, a horizontal well with a surface location in the SE/4 SW/4, and a terminus in the NE/4 NW/4, of Section 24. 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 4-1/2 miles southeast of Atoka, New Mexico.

14. **CASE 14888:** (Continued from the November 29, 2012 Examiner Hearing.)

Application of George Ross Ranch, LLC to revoke Administrative Order No. SWD-380, Eddy County, New Mexico. George Ross Ranch, LLC seeks to revoke Administrative Order No. SWD-380 which authorized Mallon Oil Company to complete its Amoco Federal Well No. 1 located in Unit Letter I of Section 27, Township 26 South, Range 29 East, in such a manner as to permit the injection of salt water for disposal purposes into the Delaware formation. This well is located north of the Pecos River Red Bluff Reservoir.