

4. **CASE 14957:** *(Continued from the February 21, 2013 Examiner Hearing.)*  
***Application of SM Energy Company for designation of a non-standard oil spacing and proration unit and for compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order consolidating the 40-acre spacing units within the S/2 S/2 of Section 36, Township 19 South Range 29 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Bone Spring formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Bone Spring formation underlying the S/2 S/2 of Section 36 to be dedicated to its Parkway "36" State No. 4H Well to be drilled horizontally from a surface location 660' from the South line and 440' from the West line (Unit M) to a bottom hole location 330' from the South line and 330' from the East line (Unit P) to a depth sufficient to test the Bone Spring formation, Parkway Bone Spring pool (49622). 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 SM Energy Company as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 7 miles west of Gatuna Canyon, New Mexico.
5. **CASE 14946:** *(Continued from the January 24, 2013 Examiner Hearing.)*  
***Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit, and unorthodox oil well location, and compulsory pooling, Eddy County, New Mexico.*** Devon Energy Production Company, L.P. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the W/2 E/2 of Section 13, Township 21 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the base of the Delaware formation underlying the W/2 E/2 of Section 13 to form a non-standard 160 acre oil spacing and proration unit (project area), and (ii) from the surface to the base of the Bone Spring formation underlying the NW/4 NE/4 of Section 13, for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Lone Tree 13 State Com. Well No. 4, a horizontal well to be drilled at a surface location 150 feet from the north line and 2390 feet from the east line, with a terminus in the SW/4 SE/4, of Section 13. Applicant further requests unorthodox location approval of the above well in the Bone Spring formation. 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 6-1/2 miles northeast of Carlsbad, New Mexico.
6. **CASE 14961:** ***Application of Devon Energy Production Company, L.P. for a non-standard oil spacing and proration unit, an unorthodox oil well location, and compulsory pooling, Eddy County, New Mexico.*** Devon Energy Production Company, L.P. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Delaware formation comprised of the E/2 E/2 of Section 13, Township 21 South, Range 27 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) in the Delaware formation underlying the E/2 E/2 of Section 13 to form a non-standard 160 acre oil spacing and proration unit (project area), and (ii) from the surface to the base of the Bone Spring formation underlying the NE/4 NE/4 of Section 13, for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Lone Tree Draw 13 State Com. Well No. 5, a horizontal well to be drilled at a surface location 150 feet from the north line and 990 feet from the east line, with a terminus in the SE/4 SE/4, of Section 13. Applicant further requests unorthodox location approval in the vertical portion of the above well from the surface to the base of the Bone Spring formation. 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 6-1/2 miles northeast of Carlsbad, New Mexico.
7. **CASE 14962:** ***Application of Marshall & Winston, Inc. for a non-standard oil spacing and proration unit, an unorthodox oil well location, and compulsory pooling, Lea County, New Mexico.*** Applicant seeks an order approving a 320-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 of Section 3, Township 19 South, Range 32 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the S/2 of Section 3 to form a

non-standard 320-acre oil spacing and proration unit (project area) for all pools or formations developed on 160 acre spacing within that vertical extent, including the East Lusk-Bone Spring Pool. The unit is to be dedicated to the TJG Fed. Com. 3 Well No. 1H, a horizontal well with a surface location 400 feet from the south line and 330 feet from the east line, and a terminus 400 feet from the south line and 330 feet from the west line, of Section 3. The surface and bottom hole locations are unorthodox under the special pool rules for the East Lusk-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 12 miles south of Maljamar, New Mexico.

8. **CASE 14959:** *(Continued from the February 21, 2013 Examiner Hearing.)*  
**Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico.** Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 W/2 of Section 24, Township 25 South, Range 32 East, NMPM, Lea County, New Mexico. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard unit (project area) for any pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Fuggles 24 Fed. Com. Well No. 1H, a horizontal well with a surface location in the NW/4 NW/4, and a terminus in the SW/4 SW/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, 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 26 miles west-southwest of Jal, New Mexico.
9. **CASE 14963:** **Application of WPX Energy Production LLC for a non-standard spacing and proration unit and compulsory pooling, Rio Arriba 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 N/2 N/2 of Section 11, Township 23 North, Range 7 West, NMPM, Rio Arriba County, and (2) pooling all mineral interests in the Mancos formation, Lybrook Gallup Pool, underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Lybrook 23-7-12 #101H well to be horizontally drilled from a surface location in the SW/4 NW/4 of Section 12 (Unit E), Township 23 North, Range 7 West, NMPM, to a standard bottom hole location in the NW/4 NW/4 (Unit D) of Section 11, Township 23 North, Range 7 West, NMPM. The entire completed interval for this well will be within the 330-foot standard offset in the N/2 N/2 of said Section 11, as required by the rules. 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 WPX Energy Production LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 12 miles east of Nageezi, New Mexico.
10. **CASE 14964:** **Application of ConocoPhillips Company for Re-Authorization of the Vacuum Glorieta East Unit Waterflood Project and to Qualify Said Project for the Recovered Oil Tax Rate Pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico.** Applicant seeks an order for: (1) re-authorization of the Vacuum Glorieta East Unit waterflood project that supersedes all previous orders relating to injection and waterflood operations in the Unit; (2) injection authorization retroactive to first injection for eleven wells within the Unitized Formation, from a depth of 5,838 feet to a depth of 6,235 feet, as defined in Order No. R-10017; (3) exception from the hearing requirements for the drilling or conversion of additional wells for injection in the Unit; (4) allowance that injection packers in all present and future injection wells in this waterflood project be set as close as practicably possible to the uppermost injection perforations or casing shoe within the Unitized Formation; and (5) qualification for the recovered oil tax rate for enhanced oil recovery projects pursuant to the New Mexico Enhanced Oil Recovery Act. The Applicant proposes a maximum injection rate of 3000 barrels per day at a maximum injection pressure of 1,200 pounds per square inch. The proposed re-authorization will allow for the establishment of uniform requirements throughout the field and a uniform baseline for future waterflood expansion. Said area is located approximately 10 miles south of Lovington, New Mexico.