

DOCKET: EXAMINER HEARING - THURSDAY – MARCH 21, 2013

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

Docket Nos. 11-13 and 12-13 are tentatively set for April 4, 2013 and April 18, 2013. 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 14883 – No. 21</i>
<i>Case 14911 – No. 16</i>
<i>Case 14936 – No. 10</i>
<i>Case 14946 – No. 6</i>
<i>Case 14951 – No. 11</i>
<i>Case 14952 – No. 12</i>
<i>Case 14953 – No. 13</i>
<i>Case 14954 – No. 14</i>
<i>Case 14956 – No. 1</i>
<i>Case 14957 – No. 2</i>
<i>Case 14961 – No. 7</i>
<i>Case 14962 – No. 22</i>
<i>Case 14963 – No. 19</i>
<i>Case 14965 – No. 3</i>
<i>Case 14966 – No. 4</i>
<i>Case 14967 – No. 5</i>
<i>Case 14968 – No. 8</i>
<i>Case 14969 – No. 9</i>
<i>Case 14970 – No. 15</i>
<i>Case 14971 – No. 17</i>
<i>Case 14972 – No. 18</i>
<i>Case 14973 – No. 20</i>

1. **CASE 14956:** (Continued from the March 7, 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 N/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 N/2 S/2 of Section 36 to be dedicated to its Parkway "36" State No. 3H Well to be drilled horizontally from a surface location 1750' from the South line and 330' from the West line (Unit L) to a bottom hole location 2150' from the South line and 330' from the East line (Unit I) 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.
2. **CASE 14957:** (Continued from the March 7, 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