

miles southwest of Nadine, New Mexico.

10. **CASE 14987:** *Application of Encana Oil Gas (USA) Inc. For Approval Of A Unit Agreement And An Exception To The Well Location Requirements Set Forth In The Special Rules For The Counselors Gallup-Dakota And Basin Mancos Gas Pools, Sandoval County, New Mexico.* Applicant seeks approval of its Gallo Canyon Federal Exploratory Unit consisting of 5,760 acres, more or less, of federal and state lands situated in all of Sections 22-27 and 34-36 of Township 23, North, Range 6 West, N.M.P.M., Sandoval County, New Mexico. The unitized interval includes all formations from one one-hundred (100) feet below the stratigraphic equivalent of the top of the Mancos Shale (base of the Mesa Verde Group) to the stratigraphic equivalent of the base of the Greenhorn Limestone Formation. Applicant also seeks exceptions to the well location requirements in the Special Rules for the Counselors Gallup-Dakota Pool and the Basin Mancos Gas Pool to allow for wells to be located anywhere within the Unit Area so long as the completed interval remains at least 330 feet from the outer boundary of the Unit Area. This area is located approximately 6 miles northwest of Lybrook, New Mexico.
  
11. **CASE 14962:** *(Continued from the May 2, 2013 Examiner Hearing.)* **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.