

approving a non-standard oil spacing and proration unit comprised of the S/2 NE/4 of Section 17, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico, approving an unorthodox oil well location, and pooling all mineral interests from the surface to the top 200 feet of the Mississippian formation underlying the non-standard unit. Applicant proposes to drill the Sapient 17 Well No. 1 at an unorthodox surface location 1641 feet from the north line and 1225 feet from the east line, and a bottom hole location 1691 feet from the north line and 1225 from the east line, of Section 17, to a depth sufficient to test the top 200 feet of the Mississippian formation, and will dedicate the S/2 NE/4 of Section 17 to the well. 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 Nearburg Producing Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 4-1/2 miles northwest of Humble City, New Mexico.

11. **CASE 14997:** (Continued from the June 13, 2013 Examiner Hearing.)

Application of COG Operating LLC for designation of a non-standard spacing unit and for compulsory pooling, Lea County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the W/2 E/2 of Section 8, Township 24 South Range 32 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Delaware formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Delaware formation underlying the W/2 E/2 of Section 8 to be dedicated to its Bimini "8" Federal Com Well No. 2-H Well to be drilled horizontally from a surface location in the NW/4 NE/4 of Section 8 to a standard bottom hole location in the SW/4 SE/4 of Section 8 to a depth sufficient to test the Delaware formation, Mesaverde-Delaware Pool (96191). 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 COG Operating LLC as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 1.8 miles west of Cotton Place, New Mexico.