

acre oil or gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent, including the Undesignated Lusk-Strawn Pool; and the NW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated West Lusk-Yates Pool, Undesignated Hackberry-Delaware Pool, and Undesignated Hackberry-Bone Spring Pool. The units are to be dedicated to the Acme "15" Fed. Com. Well No. 1, to be drilled at an orthodox location in the NW/4 SE/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 12 miles southeast of Loco Hills, New Mexico.

4. **CASE 14162:** (Continued from the December 18, 2008 Examiner Hearing.)
Application of Merrion Oil and Gas, Corp. for compulsory pooling in San Juan County, New Mexico. Merrion Oil and Gas, Corp. seeks an order pooling all unleased and uncommitted mineral interest and all uncommitted working interest owners in the Basin Fruitland Coal Pool in the W/2 of Section 9, Township 29N, Range 13W, NMPM, forming a standard 320 acre spacing unit for said Pool. The spacing unit will be dedicated to the drilling of the Glade Park 1 well in the NW/4 and the Glade Park 2 well in the SW/4. Also to be considered will be the cost of drilling and completing both wells and the allocation of cost thereof, as well as the actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. This spacing unit is located inside the city limits of Farmington, New Mexico.
5. **CASE 14173:** (Continued from the December 18, 2008 Examiner Hearing.)
Application of Kaiser-Francis Oil Company for an exception to Division Rule 104.C(2), Lea County, New Mexico. Applicant seeks an exception to Division Rule 104.C(2) to drill and produce its Bell Lake Unit Well No. 33 as an infill well in an existing 318.38 acre gas spacing unit in the South Bell Lake-Morrow Gas Pool comprising Lots 6, 7, E $\frac{1}{2}$ SW $\frac{1}{4}$, and SE $\frac{1}{4}$ (the S $\frac{1}{2}$ equivalent) of Section 6, Township 24 South, Range 34 East, N.M.P.M., at an orthodox gas well location in the NE $\frac{1}{4}$ SE $\frac{1}{4}$ (Unit I) of Section 6. Applicant further seeks to simultaneously dedicate production from the South Bell Lake-Morrow Gas Pool in Section 6 to the Bell Lake Unit Well No. 33 and to Kaiser-Francis Oil Company's existing Bell Lake Unit Well No. 26, located 1650 feet from the south line and 660 feet from the east line (Unit I) of Section 6. The two wells shall not produce concurrently from the same Morrow sands. The well unit is located approximately 23 miles southwest of Oil Center, New Mexico.
6. **CASE 14249:** (Continued from the December 4, 2008 Examiner Hearing.)
Application of Marbob Energy Corporation for a non-standard spacing and proration unit and compulsory pooling, Chaves County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard spacing unit comprised of the S/2 N/2 of Section 23, Township 15 South, Range 31 East, NMPM, and (2) pooling all mineral interests in the Wolfcamp formation in this non-standard spacing and proration unit which spacing unit will be the project area for the Hoptoit State Com Well No. 3 (API No. 30-005-27992) to be horizontally drilled from a surface location 1980 feet from the North line and 330 feet from the East line (Unit H) and then in a westerly direction as a wildcat well in the Wolfcamp formation to a bottom hole terminus at a location 1980 feet from the North line and 330 feet from the West line (Unit E) of said 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 Marbob Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 30 miles east of Hagerman, New Mexico.
7. **CASE 14221:** (Continued from the December 4, 2008 Examiner Hearing.)
Application of Chesapeake Energy Corporation for cancellation of certain permits to drill ("APDs") issued to Marbob Energy Corp, Chaves County, New Mexico. Applicant seeks an order cancelling the Division's approval of the following application for permit to drill ("APD") issued to Marbob Energy Corp for the Hoptoit State Com #3 Well (API # 30-005-27992), a horizontal wellbore with a surface location in Unit H of Section 23, T15S, R31E, Chaves County and to be dedication to a non-standard 160-acre spacing unit consisting of the S/2N/2 of this section. This unit is located approximately 30 miles east of Hagerman, New Mexico.