

TOWNSHIP 31 NORTH, RANGE 4 WEST, NMPM

Sections 1 through 31: All

TOWNSHIP 31 NORTH, RANGE 5 WEST, NMPM

Sections 3 through 36: All

TOWNSHIP 31 NORTH, RANGE 6 WEST, NMPM

Sections 1 through 5: All

Sections 8-17: All

Sections 21 through 26: All

TOWNSHIP 32 NORTH, RANGE 6 WEST, NMPM

Sections 32 through 36: All

The requested authorization will permit the access of more of the producing formation with the directional/horizontal portion of the wellbore resulting in more efficient production of these reserves thereby preventing waste and protecting correlative rights. This area is located approximately 9 miles Southeast of Arbolies, New Mexico.

12. **CASE 14173:** *(Continued from the March 19, 2009 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.

13. **CASE 14271:** *(Continued from the March 31, 2009 Examiner Hearing.)*
Application of Vanguard Permian, LLC for a non-standard gas spacing and proration unit and an unorthodox gas well location, Lea County, New Mexico. Applicant seeks an order approving a non-standard gas spacing and proration unit in the Queen formation (Byers-Queen Gas Pool) comprised of the N $\frac{1}{2}$ NE $\frac{1}{4}$ of Section 32, Township 18 South, Range 38 East, NMPM, and an unorthodox gas well location in the Queen formation for the State A Well No. 7, located 760 feet from the North line and 500 feet from the East line of Section 32. The well unit is located approximately 2-1/2 miles west-northwest of the intersection of State Highway 18 with U.S. Highway 62/180.

14. **CASE 14300:** *(Continued from the March 31, 2009 Examiner Hearing.)*
Application of Chesapeake Operating, Inc. for special rules and regulations for the Southwest Willow Lake Delaware Pool, Eddy County, New Mexico. Applicant seeks establishment of special rules and regulations for the Southwest Willow Lake Delaware Pool, including a special depth bracket allowable of 800 barrels of oil per day and a limiting gas: oil ratio of 2000 cubic feet of gas for each barrel of oil produced, effective January 1, 2009. The pool is located in Sections 3, 4, 9, 10 and 15 of Township 25 South, Range 28 East, NMPM, Eddy County. Said area is located approximately 3 miles