

20. **CASE 14290:** (Continued from the June 25, 2009 Examiner Hearing.)  
*Application of Williams Production Company, LLC for approval of an exception to the provisions of Rule 19.15.16, or in the alternative, a special rule for the Rosa Unit, that authorizes the use of the point where the directional wellbore penetrates the top of the producing interval within the pool as the penetration point for the directional wells in the Rosa Unit Area, San Juan and Rio Arriba Counties, New Mexico.* Applicant seeks the approval of an exception to the provisions of rule 19.15.16 to authorize the penetration point for directional wells in the Rosa Unit to be the point where the directional wellbore penetrates the top of the producing interval within the pool from which it is intended to produce, San Juan and Rio Arriba Counties, New Mexico. The Rosa Unit Area is comprised of the following lands located in San Juan and Rio Arriba, Counties, New Mexico:

**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.

21. **CASE 14335:** (Continued from the June 25, 2009 Examiner Hearing.)  
*Application of Williams Production Co., LLC for Pre-Approval of Non-Standard Locations in the Rosa Unit, San Juan and Rio Arriba Counties, New Mexico.* Applicant seeks pre-approval for non-standard locations in the Basin Fruitland Coal Gas Pool, Rosa Pictured Cliffs Pool, East Blanco Pictured Cliffs Pool, Carracas-Pictured Cliffs Pool, Blanco Mesaverde Pool, Cottonwood-Fruitland Sand Pool and the Basin Mancos Pool in the Rosa Unit in Township 32 North, Range 6 West, Township 31 North, Ranges 4, 5 and 6 West, NMPM, San Juan and Rio Arriba Counties. Said area is located approximately 9 miles Southeast of Arbolies, Colorado.
22. **CASE 14330:** (Continued from the June 25, 2009 Examiner Hearing.)  
*Application by Gandy Corporation for Authorization to Inject.* The Applicant has applied for a permit, and seeks approval, to reenter the existing Albacore 25 Com #1 Well (API 30-025-37054, located 130 feet FSL and 1350 feet FWL of Section 25, T16S R35E, Lea County, New Mexico) for the purpose of injecting saltwater disposal fluids into the Abo and Permo-Penn formations, at intervals from 8,900 to 11,000 feet. A hearing on this application is set before the Oil Conservation Division Hearing Examiner, at 1220 South St. Francis Drive, Santa Fe, NM 87505, on the 11th day of June 2009, beginning at 8:15 a.m.
23. **CASE 14173:** (Continued from the June 25, 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, E½SW¼, and SE¼ (the S½ equivalent) of Section 6, Township 24 South, Range 34 East, N.M.P.M., at an orthodox gas well location in the NE¼SE¼ (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.
24. **CASE 14311:** (Continued from the July 9, 2009 Examiner Hearing.)  
*Application of Nadel and Gussman Heyco L.L.C. for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the base of the Yates formation to the base of the Queen formation in four spacing and proration units located in the NW¼ of Section 28, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico to test any and all pools in these formations, which includes the Pearl-Queen Pool, as follows:  
A. NW¼ NW¼ to be dedicated to its Paloma Ridge 28 Federal Well No. 1 to be drilled at a standard location 330 feet from the North line and 660 feet from the West line of said Section to an approximate depth of 5050;

- B. SW/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 2 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5050;
- C. SE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 3 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5050;
- D. NE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 4 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5050;

Also to be considered will be the cost of drilling and completing these wells as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling these wells. Said area is located approximately 20 miles West of Hobbs, New Mexico.

25. **CASE 14322:** (Continued from the July 9, 2009 Examiner Hearing.)

**Application of Cimarex Energy Co. for compulsory pooling, Lea County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the Yates formation to the base of the Queen formation in three 40-acre spacing and proration units located in the NW/4 of Section 28, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico to test any and all pools in these formations:

- (a) SW/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 2 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5025;
- (b) SE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 3 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5025;
- (c) NE/4 NW/4 to be dedicated to its Paloma Ridge 28 Federal Well No. 4 to be drilled at a standard location to be drilled to an approximate total depth of approximately 5025;

Also to be considered will be the cost of drilling and completing these wells as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells and a charge for risk involved in drilling these wells. Said units are located approximately 20 miles West of Hobbs, New Mexico.

26. **CASE 14339:** (Continued from the July 9, 2009 Examiner Hearing.)

**Application of OGX Resources, LLC for approval of a salt water disposal well, Eddy County, New Mexico.** Applicant, OGX Resources, LLC, PO Box 953, Midland, Texas 79702, seeks approval to re-enter the Latham Federal Well No. 1 (API No. 30-015-22752) located 1980 feet from the South line and 1800 feet from the East line (Unit J) of Section 15, Township 25 South, Range 29 East, NMPM, Eddy County, New Mexico to dispose of produced water. Applicant proposes to inject into the Delaware formation at an approximate depth of 3306 feet to 4600 feet. The average and maximum injection rates will be 2000 and 4000 barrels of water per day and the average and maximum surface injection pressure is anticipated to be 661 psi and 1050 psi. Additional information may be obtained by contacting Ann Ritchie, OGX Resources, LLC at (432) 684-6381. Said well is located 14 miles Southeast of Lovington, New Mexico.

27. **CASE 14319:** (Continued from the July 9, 2009 Examiner Hearing.)

**Application of Texland Petroleum, L.P. for a Non-Standard Gas Spacing Unit and Non-Standard Gas Well Location, Lea County, New Mexico.** Applicant seeks approval of a non-standard 80-acre gas spacing unit in the Byers-Queen Gas Pool (73600) consisting of the S/2 SE/4 of Section 29, Township 18 South, Range 38 East, Lea County, New Mexico. Applicant proposes to dedicate this non-standard unit to its State 1-29 Well No. 5 (API No. 30-025-23173), which it requests approval to re-complete as a Queen gas well at a non-standard location 330 feet from the South line and 2218 feet from the West line (Unit O) of Section 29.