

DOCKET: EXAMINER HEARING - THURSDAY - MAY 12, 2011

8:15 A.M. - 1220 South St. Francis
Santa Fe, New Mexico

Docket Nos. 13-11 and 14-11 are tentatively set for May 26, 2011 and June 9, 2011. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

Locator Key for Cases

Case 13940 – No. 14
Case 14524 – No. 9
Case 14551 – No. 10
Case 14566 – No. 8
Case 14620 – No. 5
Case 14627 – No. 11
Case 14628 – No. 12
Case 14640 – No. 6
Case 14641 – No. 7
Case 14642 – No. 13
Case 14643 – No. 1
Case 14644 – No. 2
Case 14645 – No. 3
Case 14646 – No. 4

1. ***CASE 14643: Application of Mewbourne Oil Company for approval of a non-standard oil spacing and proration unit, an unorthodox oil well location, and compulsory pooling, Eddy County, New Mexico.*** Mewbourne Oil Company seeks an order approving an 80-acre non-standard oil spacing and proration unit (project area) in the Glorieta-Yeso formation comprised of the W/2 SW/4 of Section 15, Township 20 South, Range 25 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Glorieta-Yeso formation underlying the non-standard spacing and proration unit (project area) for all pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Limousine 15 ML Well No. 1, a horizontal well with a surface location 245 feet from the north line and 370 feet from the west line of adjoining Section 22, and a terminus 2310 feet from the south line and 370 feet from the west line of Section 15. The producing interval of the well will be orthodox, although the well will penetrate the top of the Glorieta-Yeso formation at an unorthodox location in the SW/4 SW/4 of Section 15. Applicant seeks approval of the unorthodox location. 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 3-1/2 miles Southwest of Seven Rivers, New Mexico.
2. ***CASE 14644: Application of COG Operating, LLC for compulsory pooling, Eddy County, New Mexico.*** Applicant in the above-styled cause seeks an order pooling all uncommitted mineral interests in all formations from 650 feet to 5000 feet (TVD) underlying the SW/4 NW/4 of Section 30, Township 17 South, Range 28 East, NMPM, Eddy County, New Mexico for all formations and/or pools developed on 40-acre spacing within this vertical extent including but not limited to the Northeast Red Lake Glorieta Yeso Pool. This unit will be dedicated to the Maple State Well No. 11 to be drilled 1650 feet from the North line and 330 feet from the West line of Section 30 and its Maple State Well No. 12 to be drilled 2150 feet from the North line and 990 feet from the West line of Section 30. Also to be considered will be the cost of drilling and completing said wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of COG Operating, LLC as operator of the wells and a 200% charge for risk involved in drilling said wells. Said area is located approximately 12 miles East of Artesia, New Mexico.
3. ***CASE 14645: Application of Mewbourne Oil Company for a non-standard spacing and proration unit, unorthodox well location, and compulsory pooling, Eddy County, New Mexico.*** Applicant in the above-styled cause seeks an order (1) creating a non-standard spacing unit comprised of the SE/4 SW/4 of Section 24 and the E/2 NW/4 of Section 25, Township 19 South, Range 25 East, NMPM, which will be the horizontal well project area for the Wyatt Draw "24/25" NF Federal Com No. 1H Well to be horizontally drilled from a surface location 1650 feet from the South line and 2290 feet from the

West line of Section 24 and then in a southerly direction in the Yeso formation, to a bottom hole terminus at a location 2310 feet from the North line and 2290 feet from the West line of Section 25, both in Township 19 South, Range 25 East, (2) approving an unorthodox well location in the Yeso formation, and (3) pooling all mineral interests in the Yeso formation, North Seven Rivers, Glorieta, Yeso Pool, in this non-standard spacing and proration unit - horizontal well project area. The producing interval in the wellbore is within the well's "producing area." 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 Mewbourne Oil Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 6 miles north of Lakewood, New Mexico.

4. **CASE 14646:** *Application of Resaca Operating Co. for horizontal contraction of the Langlie Mattix Pool and vertical extension of the Jalmat Gas Pool within the Cooper Jal Unit, Lea County, New Mexico.* Applicant in the above-styled cause seeks an order contracting the horizontal boundaries of the Langlie Mattix Pool to exclude the acreage within the Cooper Jal Unit and extending the vertical limits in the Jalmat Gas Pool to include the Seven Rivers and Queen formations within the Unit. The Unit Area consists of the following lands:

TOWNSHIP 24 SOUTH, RANGE 36 EAST, NMPM

Section 13:	S/2
Section 14:	SE/4 SE/4
Section 23:	S/2 SE/4
Section 24:	All
Section 25:	N/2
Section 26:	E/2 NE/4

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 18:	All
Section 19:	W/2
Section 30:	NW/4

Said area is located approximately 5 miles North of Jal, New Mexico.

5. **CASE 14620:** *(Continued from the April 28, 20011 Examiner Hearing.)*
Application of Mewbourne Oil Company for approval of a water disposal well, Eddy County, New Mexico. Applicant seeks an order approving water disposal into the Upper Pennsylvanian zone (Cisco/Canyon formation) at a depth of 7685-7765 feet subsurface in the State B Well No. 2, located 660 feet from the north line and 660 feet from the west line of Section 33, Township 19 South, Range 25 East, NMPM. The well is located approximately 4-1/2 miles West-Northwest of Seven Rivers, New Mexico.
6. **CASE 14640:** *(Continued from the April 28, 20011 Examiner Hearing.)*
Application of Burnett Oil Co., Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SW/4 of Section 24, Township 17 South, Range 31 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the proposed Nosler Fed. Well No. 2, to be drilled at an orthodox location in the SW/4SW/4 of Section 24. 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 9 miles East of Loco Hills, New Mexico.
7. **CASE 14641:** *(Continued from the April 28, 20011 Examiner Hearing.)*
Application of Burnett Oil Co., Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SW/4 of Section 13, Township 17 South, Range 31 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the proposed Partition Fed. Well No. 1, to be drilled at an orthodox location in the SW/4SW/4 of Section 13. 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 9 miles East of Loco Hills, New Mexico.