Examiner Hearing -August 4, 2011 Docket No. 21-11 Page 6 of 8

- 26. CASE 14717: Application of COG Operating, LLC for a non-standard spacing and proration unit, a non-standard 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 W/2 E/2 of Section 24, Township 17 South, Range 31 East, NMPM, (2) non-standard location for the Puckett "24" Federal Well No. 6H and (3) pooling all mineral interests in the Glorieta-Yeso formation in the non-standard spacing unit which will be the project area for the Puckett "24" Federal Well No. 6H to be drilled from a surface location 75 feet from the South line and 1650 feet from the East line and a bottomhole location 330 feet from the North line and 1650 feet from the East line of Section 24. 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 of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 9 miles east of Loco Hills, New Mexico.
- 27. CASE 14718: Application of COG Operating, LLC for a non-standard spacing and proration unit, a non-standard 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 E/2 E/2 of Section 24, Township 17 South, Range 31 East, NMPM, (2) non-standard location for the Puckett "24" Federal Well No. 8H and (3) pooling all mineral interests in the Glorieta-Yeso formation in the non-standard spacing unit which will be the project area for the Puckett "24" Federal Well No. 8H to be drilled from a surface location 170 feet from the North line and 440 feet from the East line of Section 25 and a bottomhole location 330 feet from the North line and 330 feet from the East line of Section 24. 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 of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 9 miles east of Loco Hills, New Mexico.
- 28. CASE 14719: Application of Williams Production Company for simultaneous dedication, San Juan County, New Mexico.

 Applicant in the above-styled cause seeks authorization to simultaneously dedicate a standard 320-acre spacing unit comprised of the W/2 of Section 33, Township 32 North, Range 6 West, N.M.P.M., San Juan County, New Mexico in the Fruitland Coal formation to its proposed Rosa Unit Well No. 242A (API No. 30-045-31888) to be horizontally drilled from a surface location 1095 feet from the North line and 1932 feet from the West line to a proposed bottomhole location 1300 feet from the South line and 2546 feet from the West line and the existing Rosa Unit Well No. 242 (API No. 30-045-27420) vertically drilled from a surface location 790 feet from the West line and 2040 feet from the South of said Section 33. Said area is located approximately 9 miles southeast of Arbolies, New Mexico.
- 29. CASE 14655; (Continued from the June 9, 2011 Examiner Hearing.)

 Amended Application of Nearburg Producing Company for Designation of a Non-standard Spacing Unit, an Unorthodox Surface Location, Compulsory Pooling, and Cancellation of APD's Issued to Nadel and Gussman Permian, LLC, Eddy County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the N/2 N/2 of Section 7, Township 19 South Range 26 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Glorieta-Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Glorieta-Yeso formation underlying the N/2 N/2 of said Section 7 to be dedicated to its Glass "7" D-A No. 1-H Well to be drilled horizontally from an unorthodox surface location 760' from the North line and 100' from the East line of Section 12, Township 19 South, Range 25 East to a bottom hole location 760' from the North line and 330' from the East line of Section 7, in Township 19 South, Range 26 East, to a depth sufficient to test the Glorieta-Yeso formation. 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 Nearburg Producing Company as operator and a charge for risk involved in drilling the well. Applicant also seeks the cancellation of two APD's held by Nadel and Gussman Permian LLC for wells and non-standard units proposed for the E/2 W/2 and the E/2 E/2 of Section 7. The proposed well and lands are located approximately 4 miles Northwest of Lakewood, New Mexico.
- CASE 14656; (Continued from the June 9, 2011 Examiner Hearing.) 30. Amended Application of Nearburg Producing Company for Designation of a Non-standard Spacing Unit, an Unorthodox Surface Location, Compulsory Pooling, and Cancellation of APD's Issued to Nadel and Gussman Permian, LLC, Eddy County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the S/2 N/2 of Section 7, Township 19 South Range 26 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit for a well location in the Glorieta-Yeso formation for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Glorieta-Yeso formation underlying the S/2 N/2 of said Section 7 to be dedicated to its Glass "7" E-H No. 1-H Well to be drilled horizontally from an unorthodox surface location 2,080' from the North line and 100' from the East line of Section 12, Township 19 South, Range 25 East to a bottom hole location 2,080' from the North line and 330' from the East line of Section 7, in Township 19 South, Range 26 East, to a depth sufficient to test the Glorieta-Yeso formation. 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 Nearburg Producing Company as operator and a charge for risk involved in drilling the well. Applicant also seeks the cancellation of two APD's held by Nadel and Gussman Permian LLC for wells and non-standard units proposed for the E/2 W/2 and the E/2 E/2 of Section 7. The proposed well and lands are located approximately 4 miles northwest of Lakewood, New Mexico.