Examiner Hearing –March 15, 2012 Docket No. 8-12 Page 7 of 7

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 17 miles North of Carlsbad, New Mexico.

24. CASE 14726: Reopened (Continued from the February 16, 2012 Examiner Hearing.)

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 160-acre spacing and proration unit comprised of the E/2 E/2 of Section 6, Township 19 South, Range 26 East, NMPM, (2) approving a non-standard location for its proposed horizontal well, and (3) pooling all mineral interests in the Glorieta-Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Arabian "6" Fee Well No. 8H, to be horizontally drilled from a non-standard surface location 150 feet from the South line and 380 feet from the East line (Unit P) to a bottom hole location 330 feet from the North line and 380 feet from the East line (Unit A) of Section 6. 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 17 miles North of Carlsbad, New Mexico.