15. CASE 14842: (Continued from the May 24, 2012 Examiner Hearing.)

Application of Cimarex Energy Co. 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/4NE/4 of Section 6, Township 19 South, Range 26 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Alabama 6 Fee Well No. 1, to be drilled at an orthodox 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 Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 5-1/2 miles south-southwest of Atoka, New Mexico.

- 16. CASE 14836: (Continued from the May 24, 2012 Examiner Hearing.)
 - Application of Nearburg Producing Company for Designation of a Non-standard Spacing Unit, a Non-standard Project Area an Unorthodox Surface Location and Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the S/2 SW/4 & SW/4 SE/4 of Section 34, Township 19 South Range 25 East, NMPM and designating the consolidated units as a 120-acre± non-standard oil spacing and proration unit in the Glorieta-Yeso formation, North Seven Rivers-Yeso pool (97565), for Applicant's non-standard horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Glorieta-Yeso formation underlying the S/2 SW/4 & SW/4 SE/4 of Section 34 to be dedicated to its Irami MO Fed Com No. 1-H Well to be drilled horizontally from a surface location 330' from the South line and 165' from the West line to a standard bottom hole location 330' from the South line and 1650' from the East line of Section 34, to a depth sufficient to test the Glorieta-Yeso formation. The Completed Interval of the well will be located within the Producing Area of the proposed Project 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 Nearburg Producing Company as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately one mile northwest of Seven Rivers, New Mexico.
- 17. CASE 14860: Application of COG Operating LLC for a non-standard spacing and proration unit 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 S/2 N/2 of Section 1, Township 19 South, Range 25 East, NMPM, Eddy County and (2) pooling all mineral interests in the Glorieta-Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Clydesdale 1 Fee No. 4H well, to be horizontally drilled from a surface location 2260 feet from the North line and 150 feet from the West line (Unit H) to a bottom hole location 2260 feet from the North line and 330 feet from the West line (Unit E) of Section 1. 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.
- 18. CASE 14861: Application of COG Operating LLC for a non-standard spacing and proration unit 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 9, Township 19 South, Range 26 East, NMPM, Eddy County, New Mexico (API #30-015-39779) and (2) pooling all mineral interests in the Glorieta-Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Stonewall 9 Fee No. 4H well, to be horizontally drilled from a surface location 150 feet from the North line and 1040 feet from the East line (Unit A) to a bottom hole location 330 feet from the South line and 1040 feet from the East line (Unit P) of Section 9. 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 12 miles south of Artesia, New Mexico.
- 19. CASE 14825: (Continued from the May 10, 2012 Examiner Hearing.)

 Application of Chesapeake Operating, Inc. for approval of an unorthodox well location, Eddy County, New Mexico. Applicant seeks an order approving an unorthodox well location for its Big Sinks 2-24-30 USA Well No. 1H (API No. 30-015-39246) located in Section 2, Township 24 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. The subject well is currently completed and awaiting production as a wildcat well in the Bone Spring

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formation at a total depth of 14,209 feet. The surface location and penetration point for this well is 1980 feet from the North line and 200 feet from the West line with a terminus location 1972 feet from the North line and 93 feet from the East line of Section 2. A frac plug is set at 14,200 feet and the perforations extend to 128 feet from the East line of Section 2. This well is located approximately 13 miles Southeast of Loving, New Mexico.

- 20. CASE 14846: (Continued from the May 24, 2012 Examiner Hearing.)
 - Application of Cimarex Energy Co. of Colorado 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 NE/4SE/4 of Section 1, Township 19 South, Range 25 East, NMPM, to form a standard oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Nebraska 1 Fee Well No. 1, to be drilled at an orthodox 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 6 miles south-southwest of Atoka, New Mexico.
- 21. <u>CASE 14847</u>: (Continued from the May 24, 2012 Examiner Hearing.)

 Application of Cimarex Energy Co. of Colorado 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 SE/4SE/4 of Section 1, Township 19 South, Range 25 East, NMPM, to form a standard oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit will be dedicated to the Nebraska 1 Fee Well No. 3, to be drilled at an orthodox 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 6 miles south-southwest of Atoka, New Mexico.
- 22. CASE 14582: (Re-opened) (Continued from the May 24, 2012 Examiner Hearing.)

 The Division will hear arguments on the Motion to Re-open filed by Nearburg Exploration Company, LLC in Case No. 14582, the application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. In the original case, Cimarex Energy Co. sought an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the E/2 E/2 of Section 23, Township 20 South, Range 34 East, NMPM. Applicant further sought the pooling of all mineral interests in the Bone Spring formation underlying the E/2 E/2 of Section 23 to form a non-standard 160-acre oil spacing and proration unit (project area) for any pools or formations developed on 40-acre spacing within that vertical extent. The unit was dedicated to the Lynch 23 Fed. Well No. 2, a horizontal well to be drilled at a surface location in the NE/4 NE/4, with a terminus in the SE/4 SE/4, of Section 23. The motion to reopen seeks to determine whether Cimarex can propose an additional well under the terms of Order No. R-13357, the order previously issued in this case. The unit is located approximately 16 miles West-Southwest of Monument, New Mexico.