

A. W/2 equivalent of Section 6 and the NW/4 equivalent of Section 7

(The additional well is proposed at a standard location in the NW/4 of Section 6);

B. SW/4 equivalent of Section 7 and W/2 equivalent of Section 18

(the additional well is proposed at a standard location in the NW/4 of Section 18); and

C. W/2 equivalent of Section 19 and the NW/4 equivalent of Section 30

(the additional well is proposed at a standard location in the NW/4 of Section 19).

Applicant also seeks authorization to simultaneously dedicate each of these units to the three coal gas wells located thereon. This area is located approximately 6.5 miles West of the Los Pinos arm of the Navajo Reservoir approximately 30.66 miles North of Aztec, New Mexico. Upon application of Koch Exploration Company, LLC, this case will be heard De Novo pursuant to the provisions of Rule 1221.

CASE NO. 13492: Rehearing

Application of Samson Resources Company, Kaiser-Francis Oil Company, and Mewbourne Oil Company for cancellation of two drilling permits and approval of a drilling permit, Lea County, New Mexico. Applicants seek an order canceling two drilling permits issued to Chesapeake Operating, Inc. covering (i) the S/2 of Section 4, Township 21 South, Range 35 East, and (ii) Lots 9-16 of said Section 4, and requiring the Division's Hobbs District office to approve a drilling permit filed by Mewbourne Oil Company covering Lots 9, 10, 15, 16, and the SE/4 of Section 4, to form a standard 320-acre gas spacing and proration unit in the South Osudo-Morrow Gas Pool. The units are located approximately 6-1/2 miles west of Oil Center, New Mexico.

CASE NO. 13493: Rehearing

Application of Chesapeake Permian, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of Irregular Section 4, Township 21 South, Range 35 East, forming a standard 320-acre gas spacing and proration unit for any production from any and all formations/pools developed on 320-acre gas spacing within that vertical extent, including but not limited to the South Osudo Morrow Pool. This unit is to be dedicated to its KF 4 State Well No. 1 (API #30-025-37129) that is being drilled at a standard well location in Unit X of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 6 miles west from Oil Center, New Mexico.

Upon application of Chesapeake Operating, Inc. and Chesapeake Permian, L.P., a rehearing of these cases will be held to take evidence and testimony on 1) why the Oil Conservation Commission should or should not uphold its establishment of a 640-acre proration unit in the southern two thirds of Section 4, Township 21 South, Range 35 East, NMPM, and 2) which entity should be the operator of the KF-4 Well and any future wells in the proration unit.