Examiner Hearing – November 29, 2007 Docket No. 38-07 Page 3 of 8

- 5. <u>CASE 14025</u>: Application of Marbob Energy Corporation for an order authorizing the drilling of a well in the Potash Area, Lea County, New Mexico. Applicant seeks an order approving the drilling of its proposed Snyder 2K Fee Well No. 1 to test the Morrow formation, Undesignated Gem-Morrow Gas Pool within the Potash Area at a location 1980 feet from the South line and 660 feet from the East line (Unit I) of Section 1, Township 20 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 13,900 to test all formations from the surface to the base of the Morrow Formation. Said location is within the Potash Area and approximately 20 miles south southeast of Maljamar, New Mexico.
- 6. <u>CASE 14026</u>: Application of Marbob Energy Corporation for an order authorizing the drilling of a well in the Potash Area, Lea County, New Mexico. Applicant seeks an order approving the drilling of its proposed Magnum Pronto State Com Well No. 2 to test the Morrow Formation, Lusk-Morrow Gas Pool within the Potash Area at a location 1980 feet from the South and West lines (Unit K) of Section 32, Township 19 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 12,700 to test the Morrow formation. Said location is within the Potash Area and approximately 19 miles south southwest of Maljamar. New Mexico.
- 7. CASE 14027: Application of Chesapeake Operating, Inc. for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Devonian formation in certain spacing and proration units located in the N/2 of Section 21, Township 22 South, Range 36 East, N.M.P.M., Lea County, New Mexico. The above-referenced spacing unit will be dedicated to Chesapeake's Langley Greer Well No. 3H which will be drilled to test the Devonian formation, Langley-Devonian Gas Pool, from an unorthodox surface location 2440 feet from the South line and 660 feet from the West line, intersecting the Devonian formation at an unorthodox penetration point 2310 feet from the North and West lines, and to a standard bottomhole location 660 feet from the North and West lines of said Section 21. 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 Chesapeake Operating, Inc. as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10.1 miles Southwest of Eunice, New Mexico.
- 8. CASE 13891: (Reopened) (Continued from the October 18, 2007 Examiner Hearing.)

 Application of Petrohawk Energy Corporation for authorization to reactivate a waterflood project, Lea County, New Mexico. Applicant seeks approval of a waterflood project, including the reactivation of a previously approved waterflood (OCD Orders WFX-518 and WFX-530) in Sections 8 and 9, Township 22 South, Range 36 East, NMPM, to inject up to a total of 2000 barrels per day, at a maximum injection pressure of 750 psi, into the Queen Formation, at an approximate depth of 3790 feet to 3890 feet. The proposed waterflood involves the activation of five existing, temporarily plugged injection wells (State A/AC #61, #64, #65, #68, and #71). Petrohawk may be contacted through its representative, Mr. Alberto Gutierrez, 500 Marquette Ave., N.W., Suite 1350, Albuquerque, New Mexico 87102 or (505) 842-8000. These wells are located 5 miles southwest of Eunice, New Mexico.
- 9. <u>CASE 14016</u>: (Continued from the November 1, 2007 Examiner Hearing.)

 Application of ConocoPhillips for an exception to the well density requirements of the Basin-Dakota Gas Pool, Rio Arriba County, New Mexico. Applicant seeks an exception to the well density requirements of Rule II.B of the Special Rules and Regulations for the Basin-Dakota Gas Pool to permit it to produce the following 2 Dakota gas wells in the same quarter-quarter section (NW/4 SW/4) on a standard spacing and proration unit comprised of the W/2 of Section 24, Township 28 North, Range 7 West, NMPM:
 - (a) the San Juan 28-7 Unit Well No. 259 (API #30-039-21690) located 1450 feet from the South line and 790 feet from the West line (Unit L) of this section; and
 - (b) the San Juan 28-7 Unit Well No. 259G (API #30-039-21788) located 2370 feet from the South line and 225 feet from the West line (Unit L) of this section.

These wells are located approximately 8 miles southeast of Navajo City, New Mexico.