

an orthodox location in the SE/4 SE/4 of Section 20. 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 8 miles southwest of Monument, New Mexico.

12. **CASE 14104:** (Continued from the April 3, 2008 Examiner Hearing.)
Application of Trilogy Operating, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 SE/4 of Section 24, Township 19 South, Range 38 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, including the Undesignated South Nadine Yates-Seven Rivers Pool, Undesignated Northeast Nadine-San Andres Pool, East Nadine-Blaine Pool, and Nadine Drinkard-Abo Pool. The unit will be dedicated to the Allar Well No. 1, to be drilled at an orthodox oil well location in the SE/4 SE/4 of Section 24. 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 2 miles northeast of Nadine, New Mexico. APPLICANT REQUESTS THAT, IN THE ABSENCE OF OBJECTION, THIS MATTER BE TAKEN UNDER ADVISEMENT
13. **CASE 14113:** **Application of Yates Petroleum Corporation for approval of a Unit Agreement, Chaves County, New Mexico.** Applicant seeks approval of the Boomerang State Unit from the surface to the base of the Canyon formation in an area comprising 1920 acres of State of New Mexico and Fee lands in Sections 23, 25, 26, 35 and 36 in Township 8 South, Range 33 East, NMPM, which is located approximately 12 miles west-northwest of Crossroads, New Mexico.
14. **CASE 14114:** **Application of Chevron USA, Inc. for amendment of Division Order No. R-4442, as amended, to authorize a vertical expansion of the Vacuum Grayburg-San Andres Unit and Addition of New Wells for Injection of Carbon Dioxide, Lea County, New Mexico.** Applicant seeks approval of a vertical expansion of the unitized formation in its Vacuum Grayburg-San Andres Unit and to place additional wells on injection. Chevron proposes to inject carbon dioxide into the Grayburg and San Andres formation from a proposed depth of 3902 feet to 5020 feet in Sections 1 and 2 of Township 18 South, Range 34 East, NMPM. Applicant seeks to inject at a maximum rate of 1850 psi. The contact party for Chevron is Daniel Pequeno who may be contacted at 15 Smith Road, RM-2235, Midland, Texas 79707 or (432) 687-7461. Said unit is located approximately 22 miles northwest of Hobbs, New Mexico.
15. **CASE 14097:** (Continued from the April 3, 2008 Examiner Hearing.)
Application of Encore Operating, LP for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Atoka and Morrow formations underlying the E/2 of Section 28, Township 16 South, Range 34 East, NMPM, Lea County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320 acres, including but not necessarily limited to the Atoka and Morrow formations. Said units are to be dedicated to Applicant's proposed Encore 28 State Com No. 1 Well to be drilled from a surface location 860 feet from the North line and 660 feet from the East line of said Section 28. 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 Encore Operating, LP or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 12 miles southwest of Lovington, New Mexico.
16. **CASE 13942:** (Continued from the February 21, 2008 Examiner Hearing.)
Application of Encore Acquisition Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Morrow formation underlying the N/2 of Section 22, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant proposes to drill its Encore 22 State Com. Well No. 1 to be located at a standard gas well location 1730 feet from the North line and 1000 feet from the East line of said Section 22. Applicant seeks to dedicate the N/2 of Section 22 to the well to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Morrow 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 the applicant as operator of the well and a charge for risk involved in drilling said well. The subject lands are located approximately 3 miles east of Buckeye, New Mexico.

17. **CASE 14062:** *(Continued from the March 20, 2008 Examiner Hearing.)*
Application of Chesapeake Operating, Inc. for rescission of the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool, Eddy County, New Mexico. Applicant seeks rescission of the Special Rules and Regulations for the South Culebra Bluff-Bone Spring Pool to permit the pool to be developed under the current General Rule 104 for oil that provides for 40-acre spacing units with wells located no closer than 330 feet to any boundary of such unit. The South Culebra Bluff- Bone Spring Pool includes the following acreage in Eddy County, New Mexico: the S/2 of section 34 and the W/2 of section 35, Township 22 South, Range 28 East, NMPM; sections 2, 11, 13 through 16, the NE/4 of section 21, the NE/4 of section 22, sections 23 through 27, Township 23 South, Range 28 East, NMPM; SW/4 of section 7, the NW/4 of section 18, Township 23 South, Range 29 East, NMPM, Eddy County, New Mexico. Said pool is located less than a mile to the northeast and to the south of Loving, New Mexico.
18. **CASE 14100:** *(Continued from the March 20, 2008 Examiner Hearing.)*
Application of Chesapeake Operating, Inc. 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 Lost Tank 16 State Well No. 1 to test the Lower Brushy Canyon Formation, Lost Tank Delaware Pool within the Potash Area at a location 330 feet from the South and West lines (Unit M) of Section 16, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 8,700 to test the Lower Brushy Canyon formation. Said location is within the Potash Area and approximately 36.1 miles east of Eunice, New Mexico.
19. **CASE 14101:** *(Continued from the March 20, 2008 Examiner Hearing.)*
Application of Chesapeake Operating, Inc. 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 Lost Tank 16 State Well No. 4 to test the Lower Brushy Canyon Formation, Lost Tank Delaware Pool within the Potash Area at a location 330 feet from the North and West lines (Unit D) of Section 16, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 8,700 to test the Lower Brushy Canyon formation. Said location is within the Potash Area and approximately 36.1 miles east of Eunice, New Mexico.