

4. **CASE 14406:** *Application of Chesapeake Operating, Inc., for approval of a Unit Agreement, Eddy County, New Mexico.* Applicant seeks approval of the Forehand Ranches Exploratory Unit from the surface to the base of the Bone Spring formation in an area comprising 640 acres of State of New Mexico lands in Section 36 in Township 25 South, Range 26 East, NMPM, which is located approximately 10 miles South of Carlsbad, New Mexico.

5. **CASE 14282:** *(Continued from the December 3, 2009 Examiner Hearing.)*
Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the W/2 of Section 8, Township 29 North, Range 13 West, NMPM, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the Airport 29-13-8 Well No. 113, to be located at an orthodox location in the NW/4 NW/4 of Section 8. 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 1/2 mile West of Farmington, New Mexico.

6. **CASE 14407:** *Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico.* Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the N/2 S/2 of Section 20, Township 15 South, Range 31 East, NMPM, to form a non-standard 160.00-acre oil spacing and proration unit (project area), and pooling all mineral interests in the Abo/Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Valley Forge 20 State Com. Well No. 2, a horizontal well to be drilled at a surface location 1980 feet from the south line and 375 feet from the West line, with a terminus 1980 feet from the South line and 375 feet from the East line, 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 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 13 miles North-Northeast of Loco Hills, New Mexico.

7. **CASE 14408:** *Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico.* Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the S/2 S/2 of Section 20, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests from the surface to the base of the Abo/Wolfcamp formation underlying the S/2 S/2 of Section 20 to form a non-standard 160 acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Valley Forge 20 State Com. Well No. 1, a horizontal well to be drilled at a surface location 375 feet from the South line and 375 feet from the East line, with a terminus 375 feet from the South line and 375 feet from the west line, 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 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 units are located approximately 13 miles North-Northeast of Loco Hills, New Mexico.

8. **CASE 14372:** *(Continued from the December 3, 2009 Examiner Hearing.)*
Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico. Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of the N/2 N/2 of Section 20, Township 15 South, Range 31 East, NMPM, to form a non-standard 160-acre oil spacing and proration unit (project area), and pooling all mineral interests in the Abo/Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Valley Forge 20 State Com. Well No. 4, a horizontal well to be drilled at a surface location 375 feet from the North line and 375 feet from the East line, with a terminus 375 feet from the North line and 375 feet from the West line, 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 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 13-1/2 miles North-Northeast of Loco Hills, New Mexico.

9. **CASE 14409:** *Application of T.H. McElvain Oil & Gas Limited Partnership for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the following acreage in Section 31, Township 18 South, Range 34 East, N.M.P.M., Lea County, New Mexico: (i) Lot 3 (the NW¼ SW¼) to form a 38.03 acre oil spacing and proration unit for any formations and/or pools developed on 40 acre spacing within that vertical extent, including the Undesignated EK Yates-Seven Rivers-Queen Pool

and Undesignated EK-Delaware Pool; and (ii) Lots 3 and 4 the (W½ SW¼) to form a 76.12 acre oil spacing and proration unit for any formations and/or pools developed on 80 acre spacing within that vertical extent, including the EK-Bone Spring Pool. The unit is to be dedicated to the proposed McElvain Well No. 10, to be drilled at a location 2240 feet from South line and 990 feet from the West line of Section 31. 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 units are located approximately 9-1/2 miles South-Southwest of Oil Center, New Mexico.

10. **CASE 14410:** *Application of Nadel and Gussman Permian, L.L.C. for compulsory pooling, Chaves County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 20, Township 8 South, Range 33 East, NMPM, and in the following manner: The S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent; the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent; and the SE/4 SE/4 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 units are to be dedicated to the Mohawk State Well No. 1, to be drilled at 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 units are located approximately 12 miles West-Southwest of Milnesand, New Mexico.
11. **CASE 14353: (Amended and Readvertised)** *(Continued from the November 12, 2009 Examiner Hearing.) Application of Chi Energy, Inc. for approval of a secondary recovery project and to qualify the project for the Recovered Oil Tax Rate, Eddy County, New Mexico.* Applicant seeks approval to institute a waterflood project in the Brushy Canyon member of the Delaware formation (Benson-Delaware Pool) by the injection of water into nine wells located on federal lands covering parts of Sections 1, 11, and 12, Township 19 South, Range 30 East, N.M.P.M. Applicant further seeks to qualify the project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1-5). The project is centered approximately 10 miles South-Southeast of Loco Hills, New Mexico.
12. **CASE 14411:** *Application of Agua Sucia, LLC to reinstate Division Administrative Order SWD-559 for a salt water disposal well, Lea County, New Mexico.* Applicant seeks an order reinstating Division Administrative Order SWD-559 for a salt water disposal well, approving disposal into the Bone Spring formation in the Government E Well No. 1, located 610 feet from the South line and 1880 feet from the West line of Section 25, Township 19 South, Range 34 East, NMPM, at depths of 9716-10240 feet subsurface. The well is located approximately 15 miles West-Northwest of Oil Center, New Mexico.
13. **CASE 14412:** *Application of Reliant Exploration & Production LLC for cancellation of two permits to drill or in the alternative for compulsory pooling, Harding County, New Mexico.* Applicant seeks an order cancelling two permits to drill issued to Oxy USA, Inc. for the following carbon dioxide wells in Township 20 North, Range 31 East NMPM in Harding County, New Mexico; or alternatively, an order pooling two 640-acre spacing units all mineral interests within all of Section 2 and 11, T18N, R31E, NMPM, Harding County, New Mexico, forming a standard 640-acre gas spacing and proration units for the Bravo Dome Carbon Dioxide Gas Pool. The unit in Section 2 is to be dedicated to OXY USA Inc's Unit 2031 Well #021 (API # 30-021-20425) already drilled in Unit G. The unit in Section 11 is to be dedicated to OXY USA Inc's Unit 2031 Well #111 (API # 30-021-20426) already drilled in Unit G. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well. These units are located approximately 16 miles East-Northeast of the Mosquero, New Mexico.