Examiner Hearing –June 10, 2010 Docket No. 20-10 Page 5 of 6

pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the East Lusk 24 Fed. Com. Well No. 1, a horizontal well to be drilled at a surface location 375 feet from the North line and 660 feet from the West line, with a terminus 330 feet from the South line and 660 feet from the West line, 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 28-1/2 miles West-Northwest of Monument, New Mexico.

14. CASE 14470: (Readvertised)

Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Cisco/Canyon formation underlying the W/2 of Section 33, Township 18 South, Range 27 East, 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 Undesignated East Red Lake-Upper Pennsylvanian Gas Pool. The unit is to be dedicated to the Kaiser Lake 33 Fed. Com. Well No. 1, to be drilled at an unorthodox gas well location in the NW/4 SW/4 of Section 33. 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 Nearburg Producing Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 7 miles Northeast of Lakewood, New Mexico.

- 15. CASE 14490: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the NW/4 SE/4 of Section 9, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico, to form a standard 40-acre spacing and proration unit for any and all formations and or pools developed on 40 acres below the base of the Unitized Formation of the Maljamar Grayburg Unit to the top of the Abo formation, including but not necessarily limited to the Blinebry and Paddock members of the Yeso formation, West Maljamar Yeso Pool. Said units are to be dedicated to Applicant's proposed Taylor D No. 2 Well to be drilled at a standard location 1650' from the South line and 1650' from the East line 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 charge for risk involved in drilling the well. The proposed well location is approximately 1/2 mile West of Maljamar, New Mexico.
- 16. CASE 14491: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the SW/4 NE/4 of Section 9, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico, to form a standard 40-acre spacing and proration unit for any and all formations and or pools developed on 40 acres below the base of the Unitized Formation of the Maljamar Grayburg Unit to the top of the Abo formation, including but not necessarily limited to the Blinebry and Paddock members of the Yeso formation, West Maljamar Yeso Pool. Said units are to be dedicated to Applicant's proposed Taylor D No. 3 Well to be drilled at a standard location 2210' from the North line and 1650' from the East line 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 charge for risk involved in drilling the well. The proposed well location is approximately 1/2 mile West of Maljamar, New Mexico.
- 17. <u>CASE 14492</u>: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the SE/4 NE/4 of Section 9, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico, to form a standard 40-acre spacing and proration unit for any and all formations and or pools developed on 40 acres below the base of the Unitized Formation of the Maljamar Grayburg Unit to the top of the Abo formation, including but not necessarily limited to the Blinebry and Paddock members of the Yeso formation, West Maljamar Yeso Pool. Said units are to be dedicated to Applicant's proposed Taylor D No. 4 Well to be drilled at a standard location 2120' from the North line and 475' from the East line 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 charge for risk involved in drilling the well. The proposed well location is approximately 1/2 mile West of Maljamar, New Mexico.
- 18. CASE 14493: Application of COG Operating LLC for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the NE/4 SE/4 of Section 9, Township 17 South, Range 32 East, NMPM, Lea County, New Mexico, to form a standard 40-acre spacing and proration unit for any and all formations and or pools developed on 40 acres below the base of the Unitized Formation of the Maljamar Grayburg Unit to the top of the Abo formation, including but not necessarily limited to the Blinebry and Paddock members of the Yeso formation, West Maljamar Yeso Pool. Said units are to be dedicated to Applicant's proposed Taylor D No. 5 Well to be drilled at a standard location 1650' from the South line and 330' from the East line of Section 9. Also to be considered will be the cost of

Examiner Hearing –June 10, 2010 Docket No. 20-10 Page 6 of 6

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 charge for risk involved in drilling the well. The proposed well location is approximately 1/2 mile West of Maljamar, New Mexico.

19. <u>CASE 14471</u>: (Readvertised)

Application of McElvain Oil & Gas Properties, Inc. for compulsory pooling, San Juan County, New Mexico. To: Fred A Mossman; Thriftway Marketing Corp.; Allred, McDaniel; and Kenworthy, JT; James Loya; Wilfred and Mary Ham; James Botkin; Janet Smith, Jt; Harold Kendrick; Larry Amsden; Charles Amsden Tierra 20th and Butler FRM, LLC; Paul D. Hermann; JC and Jennie Harris; Roy Stoddar; Judy Stoddar; Robert Islas; Delores Islas; Higgins Revocable Trust; Thomas and M. Patricia Harmon; Western Development Corporation; Margaret Lewis; Harold Lewis; Helen Powell; Claribel Jackson; F. Gary Paisley; A.R. Mortensen; W.W. Knutsen; Mabel Knutsen; Creighton C. Brown; Mozelle Brown; Adam Wagner; Jamie Wagner; Dean M and Maria Dell Schultz; and successors, assignors or devises: Applicant in the abovestyled cause seeks an order pooling all uncommitted mineral interests in all formations from the surface to the base of the Pictured Cliffs formation underlying the S/2 of Section 3, Township 29 North, Range 13 West, N.M.P.M., San Juan County, New Mexico, for all formations and/or pools developed on 320-acre spacing within this vertical extent including but not limited to the Basin-Fruitland Coal Gas Pool and for all formations and/or pools developed on 160-acre spacing within this vertical extent including but not limited to the Fulcher Kutz-Pictured Cliffs Gas Pool. This unit is to be dedicated to the Ruby Well No. 2, to be dual-completed at a location in the SE/4 of said Section 3 to test the Fruitland Coal formation and the Pictured Cliffs 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 applicant as operator of the well and the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located within the city limits of Farmington and Southwest of the Worley baseball complex, New Mexico.

20. CASE 14462: (Continued from the May 13, 2010 Examiner Hearing.)

Application of Yates Petroleum Corporation to rescind Administrative Order No. SWD-247, Eddy County, New Mexico. Applicant, in the above-styled cause seeks an order rescinding SWD-247 that authorizes the injection of produced water for disposal in the Bone Spring formation in the Dorstate Well No. 1 (API No. 30-015-23728) located in Unit H, 1980 feet from the North line and 660 feet from the East line of Section 27, Township 25 South, Range 28 East, NMPM, Eddy County, New Mexico. Said well is located approximately 8 miles South of Malaga, New Mexico.