Examiner Hearing –May 13, 2010 Docket No. 17-10 Page 5 of 6

of Loco Hills, New Mexico.

- 16. <u>CASE 14472</u>: Application of COG Operating, LLC for Cancellation of Operator's Authority and Termination of Spacing Units, Yeso Energy, Inc. Dow "B" 28 Federal Well No. 1, Eddy County, New Mexico. Applicant seeks an order cancelling the authority of Yeso Energy, Inc. as operator of the Dow "B" 28 Federal Well No. 1 and terminating all spacing and proration units at any time dedicated to the well. These include the S/2 (Cedar Lake Morrow-East, Wildcat Cedar Lake Mississippian, and Cedar Lake Morrow pools) and the SE/4 SE/4 (Cedar Lake Devonian pool) in Section 28, Township 17 South, Range 31 East, NMPM, Eddy County. The well is located approximately four miles South of Maljamar, New Mexico and is more particularly described as follows: Dow "B" 28 Federal Well No. 1, API No. 30-015-28676, 1028' FSL & 1227' FEL (Unit P) Section 28, T-17-S, R-31-E, NMPM, Eddy County, New Mexico.
- 17. CASE 14466: (Continued from the April 29, 2010 Examiner Hearing.)

Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 S/2 of Section 35, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Bone Spring formation underlying the SW/4 SW/4 of Section 35 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the S/2 S/2 of Section 35 to form a non-standard 160 acre oil spacing and proration unit (project area). The units are to be dedicated to the Mallon 35 Fed. Well No. 4, a horizontal well to be drilled at a surface location 660 feet from the south line and 660 feet from the west line, with a terminus 660 feet from the south line and 510 feet from the east line, of Section 35. 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 15-1/2 miles West of Monument, New Mexico.

- 18. CASE 14467: (Continued from the April 29, 2010 Examiner Hearing.)
 - Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 S/2 of Section 35, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Bone Spring formation underlying the NW/4 SW/4 of Section 35 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the N/2 S/2 of Section 35 to form a non-standard 160 acre oil spacing and proration unit (project area). The units are to be dedicated to the Mallon 35 Fed. Well No. 5, a horizontal well to be drilled at a surface location 1980 feet from the south line and 330 feet from the west line, with a terminus 1980 feet from the south line and 510 feet from the east line, of Section 35. 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 15-1/2 miles West of Monument, New Mexico.
- 19. CASE 14468: (Continued from the April 29, 2010 Examiner Hearing.)

Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 N/2 of Section 35, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Bone Spring formation underlying the SW/4 NW/4 of Section 35 to form a standard 40 acre oil spacing and proration unit, and (ii) the Bone Spring formation underlying the S/2 N/2 of Section 35 to form a non-standard 160 acre oil spacing and proration unit (project area). The units are to be dedicated to the Mallon 35 Fed. Well No. 6, a horizontal well to be drilled at a surface location 2310 feet from the north line and 330 feet from the west line, with a terminus 1980 feet from the north line and 510 feet from the east line, of Section 35. Also to be considered will be the cost of drilling and completing the well and