DOCKET: EXAMINER HEARING - THURSDAY - August 5, 2010

8:15 A.M. - 1220 South St. Francis Santa Fe, New-Mexico

Docket Nos. 28-10 and 29-10 are tentatively set for August 19, 2010 and September 2, 2010. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 19.15.4.13 requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

Locator Key for Cases

Case 14438 – No. 5

Case 14499 – No. 1

Case 14504 – No. 7

Case 14505 – No. 8

Case 14506 – No. 3

Case 14512 – No. 10

Case 14514 – No. 11

Case 14515 – No. 12

Case 14522 – No. 2

Case 14523 – No. 4

Case 14525 – No. 9

1. <u>CASE 14499</u>: (Continued from the July 8, 2010 Examiner Hearing.) (This case will be continued to the September 2, 2010 Examiner Hearing.)

Application of Cimarex Energy Company of Colorado for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order consolidating the 40-acre spacing units within the W/2 W/2 of Section 11, Township 19 South Range 29 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit in the Bone Spring formation (Turkey Track-Bone Spring Pool) for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Bone Spring formation underlying the W/2 W/2 of said Section 11 to be dedicated to its Parkway "11" State Com No. 1-H well to be drilled horizontally from a surface location 990' from the North line and 660' from the West line to a bottom hole location 330' from the South line and 660' from the West line to a depth sufficient to test the Bone Spring 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 Cimarex Energy Company of Colorado as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 10 miles Southeast of Loco Hills, New Mexico.

- 2. <u>CASE 14522</u>: Application of Approach Operating, LLC for designation of a non-standard spacing unit, Rio Arriba County, New Mexico. Applicant seeks an order approving the formation of a non-standard oil well spacing and proration unit comprised of 31.7 + acres located in the NW/4 SW/4 of projected Section 21, T28N, R4E in Rio Arriba County, New Mexico. The proposed non-standard unit will be dedicated to the following well to be drilled to the Mancos Shale formation, WC Tierra Amarilla Mancos Oil Pool (97767): Avella Sultemeier No. 2, API No. 30-39-30857, 1662' FSL and 6' FWL (L), Projected Section 21, T28N, R4E, Rio Arriba County, New Mexico. The well and lands are located approximately four miles South of Tierra Amarilla, New Mexico.
- 3. CASE 14506: Continued from the July 8, 2010 Examiner Hearing.)

 Application of Chesapeake Operating, Inc. for approval of an unorthodox well location for its Skeen "21" State Well No. 1H to be drilled as a horizontal wellbore in Section 21, Township 26 South, Range 28 East, N.M.P.M., Eddy County, New Mexico. Applicant seeks approval of an unorthodox well location for its Skeen "21" State Well Federal No. 1H. This well is located in Section 21, Township 26 South, Range 28 East, N.M.P.M., to be drilled 250 feet from the North line and 2310 feet from the West line to a bottomhole location 330 feet from the South line and 2310 feet from the West line of Section 21, Eddy County, New Mexico A 160-acre project area has been dedicated to this horizontal well comprised of the E/2 W/2 of Section 21. Said area is located approximately 13 miles North of Malaga.