<u>CASE 13311</u>: Application of Chesapeake Permian, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Seven Rivers formation underlying the NE/4 SW/4 of Section 13, Township 19 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Tonto (Seven Rivers) Pool. This unit is to be dedicated to its La Rica "13" Federal Well No. 3 that is to be drilled at a standard well location in Unit K of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 26 miles west of Hobbs, New Mexico.

CASE 13312: Application of Chesapeake Permian, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Seven Rivers formation underlying the SE/4 SW/4 of Section 13, Township 19 South, Range 33 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Tonto (Seven Rivers) Pool. This unit is to be dedicated to its La Rica "13" Federal Well No. 2 that is to be drilled at a standard well location in Unit N of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 26 miles west of Hobbs, New Mexico.

CASE 13313: Application of RB Operating Company for Approval of a Salt Water Disposal Well, Eddy County, New Mexico. Applicant seeks approval to utilize its Candelario "24" Well No. 1 SWD (API No. 30-015-26536) located 660 feet from the North line and 660 feet from the West line, Unit D, Section 24, Township 23 South, Range 28 East, to dispose of produced water into the Cherry Canyon formation of the Delaware Mountain Group through perforations from 4,304 feet to 4,656 feet. This well is located near the town of Loving, New Mexico.

CASE 13292: Continued from July 8, 2004, Examiner Hearing

Application of Platinum Exploration, Inc. for Approval of a Salt Water Disposal Well, Lea County, New Mexico. Applicant seeks approval to utilize its Huber State Well No. 1 (API No. 30-025-27290) located 330 feet from the North line and 1150 feet from the East line, Section 5, Township 16 South, Range 38 East, to dispose of produced water into the Devonian formation from an openhole depth of 13,300 feet to 13,600 feet. This well is located approximately 16 miles east of Lovington, New Mexico, near the Texas state line.

<u>CASE 13300</u>: Continued from July 8, 2004, Examiner Hearing

Application of HEC Petroleum, Inc. to Amend the Special Rules and Regulations for the Cinta Roja-Morrow Gas Pool, Lea County, New Mexico. Applicant seeks an order amending the special rules and regulations for the Cinta Roja-Morrow Gas Pool to provide for 640-acre well units, four wells per well unit with no more than one well per quarter section, wells to be located no closer than 660 feet to a quarter section line nor closer than 10 feet to a quarter-quarter section line or subdivision inner boundary, and one operator per well unit. The subject pool covers Sections 4, 8, 9, and 10, Township 24 South, Range 35 East The pool is centered approximately 13¹/₂ miles northwest of Jal, New Mexico.

CASE 13301: Continued from July 8, 2004, Examiner Hearing

Application of HEC Petroleum, Inc. to Amend the Special Rules and Regulations for the Catclaw Draw-Morrow Gas Pool, Eddy County, New Mexico. Applicant seeks an order amending the special rules and regulations for the Catclaw Draw-Morrow Gas Pool to provide for 640-acre well units, four wells per well unit with no more than one well per quarter section, wells to be located no closer than 660 feet to a quarter section line nor closer than 10 feet to a quarter-quarter section line or subdivision inner boundary, and one operator per well unit. The subject pool covers all or parts of Sections 1, 2, 11-14, 23-28, and 34-36, Township 21 South, Range 25 East, and Section 19 of Township 21 South, Range 26 East. The pool is centered approximately 8½ miles northwest of Carlsbad, New Mexico.