

8. **CASE 14484: (Continued and Readvertised)**
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 160.61-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of Lot 3, NE/4SW/4, and N/2SE/4 (the N/2S/2) of Section 30, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Abo/Wolfcamp formation underlying the non-standard 160.61 acre oil spacing and proration unit (project area) for any formations and/or pools developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Saratoga 30 State Com. Well No. 2, a horizontal well to be drilled at a surface location 2310 feet from the south line and 330 feet from the east line, with a terminus 1980 feet from the south line and 375 feet from the west line, of Section 30. 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 12-1/2 miles North-Northeast of Loco Hills, New Mexico.
9. **CASE 14504: Application of Celero Energy II, LP to amend the Unit Agreement and the Unit Operating Agreement for the Rock Queen Unit, and for statutory unitization, Chaves and Lea Counties, New Mexico.** Applicant seeks an order amending the Unit Agreement and Unit Operating Agreement, and statutorily unitizing all mineral interests in, the Queen formation in the previously approved Rock Queen Unit underlying 4939.77 acres of federal, state, and fee lands covering all or parts of Sections 22-27 and 34-36 of Township 13 South, Range 31 East, N.M.P.M., and Sections 19, 30, and 31 of Township 13 South, Range 32 East, N.M.P.M. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978 §§70-7-1 *et seq.*, will be: The necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; the determination of credits and charges to be made among the working interest owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate. The unit area is centered approximately 17 miles South-Southwest of Caprock, New Mexico.
10. **CASE 14505: Application of Celero Energy II, LP to expand the waterflood project and institute a tertiary recovery project for the Rock Queen Unit, and to qualify the project for the recovered oil tax rate, Chaves and Lea Counties, New Mexico.** Applicant seeks approval to expand the waterflood project, and for a tertiary recovery project, in the Rock Queen Unit by the injection of water and carbon dioxide into the Queen formation in approximately 42 wells located on 4939.77 acres of federal, state, and fee lands covering all or parts of Sections 22-27 and 34-36 of Township 13 South, Range 31 East, N.M.P.M., and Sections 19, 30, and 31 of Township 13 South, Range 32 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 unit area is centered approximately 17 miles South-Southwest of Caprock, New Mexico.
11. **CASE 14506: 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.
12. **CASE 8352: (Reopened) (Continued from the June 10, 2010 Examiner Hearing.)**
Application of OXY USA, Inc. to reopen Case No. 8352 to contract the West Bravo Dome Carbon Dioxide Gas Area to exclude acreage in the Bravo Dome Carbon Dioxide Gas Unit and for the adoption of permanent Special Rules and Regulations for the acreage excluded from the West Bravo Dome Carbon Dioxide Gas Area including provisions for 160-acre spacing units, Harding County, New Mexico. Applicant seeks to reopen Case No. 8352 to contract the West Bravo Dome Carbon Dioxide Gas Area to exclude the following acreage in the Bravo Dome Carbon Dioxide Gas Unit (“Bravo Dome Temporary Spacing area”):

Township 18 North, Range 30 East, NMPM

Sections 1 and 2: All
 Section 3: E/2 E/2, SW/4 SE/4
 Section 10: E/2 NE/4
 Section 11: N/2
 Sections 12 – 14: All
 Section 23: E/2, E/2 W/2
 Section 24: All

Section 25: E/2, E/2 W/2, W/2 NW/4,
NW/4 SW/4
Section 26: NE/4, E/2 NW/4, N/2 S/2
Section 36: All

Township 18 North, Range 31 East, NMPM

Sections 1 - 36: All

Township 19 North, Range 29 East, NMPM

Section 1: NE/4, E/2 NW/4

Township 19 North, Range 30 East, NMPM

Section 20: W/2 NE/4, S/2 SE/4
Sections 21 through 28: All
Section 29: NE/4
Section 32: NE/4 NE/4
Section 33: NW/4, W/2 NE/4, NE/4 NE/4,
NW/4 SE/4, NE/4 SW/4
Section 34: N/2, E/2 SE/4
Sections 35 and 36: All

Township 19 North, Range 31 East, NMPM

Sections 19 – 36: All

Applicant also seeks the adoption of permanent Special Rules and Regulations for the Bravo Dome Temporary Spacing Area that include provisions for 160-acre spacing and proration units. The West Bravo Dome Carbon Dioxide Gas Unit area is located approximately 15 to 17 miles East-Northeast of Mosquero, New Mexico.

13. **CASE 14462:** (Continued from the June 24, 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.