CASE 13517: Application of Cimarex Energy Co. for compulsory pooling and two non-standard gas spacing and proration units, Eddy County, New Mexico. Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 7, Township 21 South, Range 27 East, and in the following manner: Lots 1, 2, NE/4, and E/2 NW/4 (the N/2) to form a non-standard 314.16-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the West Burton Flat-Strawn Gas Pool, Undesignated Alacran Hills-Atoka Gas Pool, and Burton Flat-Morrow Gas Pool; and Lots 1, 2, and E/2 NW/4 (the NW/4) to form a non-standard 154.16-acre gas spacing and proration unit for any and E/2 NW/4 (the NW/4) to form a non-standard 154.16-acre gas spacing and proration unit for any and E/2 NW/4 (the NW/4) to form a non-standard 154.16-acre gas spacing and proration unit for any and E/2 NW/4 (the NW/4) to form a non-standard 154.16-acre gas spacing and proration unit for any and E/2 NW/4 (the NW/4) to form a non-standard 154.16-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent, including the Undesignated Foster Draw-Delaware Gas Pool. The units are to be dedicated to the Colton 7 Fed. Com. Well No. 1, to be drilled from a surface location 1250 feet from the north line and 2170 feet from the west line of Section 7. 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 5-1/2 miles north of Carlsbad, New Mexico.

## <u>CASE 13505</u>: Continued from June 2, 2005, Examiner Hearing.

Application of Chesapeake Permian, L.P. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying Lots 1, 2, 7, 8, 9, 10, 15 and 16 of Irregular Section 4, Township 21 South, Range 35 East, forming a standard 320-acre gas spacing and proration unit for any production for any and all formations/pools developed on 320-acre gas spacing within that vertical extent, including but not limited to the South Osudo Morrow Pool. This unit is to be dedicated to its Cattleman "4" State Com Well No. 1 (API #30-025-37150) that is being drilled at a standard well location in Unit P (Lot 16) 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 6 miles west from Oil Center, New Mexico.

## CASE 13497: Continued from June 16, 2005, Examiner Hearing

Application of Samson Resources Company for compulsory pooling, Eddy County, New Mexico: Applicant seeks an order pooling all mineral interests from the base of the Bone Spring formation to the base of the Morrow formation underlying the E/2 of Section 17, Township 18 South, Range 30 East, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent, including the Undesignated Sand Tank-Strawn Gas Pool and Undesignated Sand Tank-Morrow Gas Pool. The unit is to be simultaneously designated to the proposed Sand Tank "17" Fed. Com. Well No. 2, to be located at an orthodox well location in the NE/4 SE/4 of Section 17, and to the existing Sand Tank "17" Fed. Com. Well No. 1, located at an approved unorthodox location in the SE/4 NE/4 of Section 17. 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 5 miles south-southwest of Loco Hills, New Mexico.

## <u>CASE 13492</u>: Continued from June 16, 2005, Examiner Hearing.

Application of Samson Resources Company, Kaiser-Francis Oil Company, and Mewbourne Oil Company for cancellation of two drilling permits and approval of a drilling permit, Lea County, New Mexico. Applicants seek an order canceling two drilling permits issued to Chesapeake Operating, Inc. covering (i) the S/2 of Section 4, Township 21 South, Range 35 East, and (ii) Lots 9-16 of said Section 4, and requiring the Division's Hobbs District office to approve a drilling permit filed by Mewbourne Oil Company covering Lots 9, 10, 15, 16, and the SE/4 of Section 4, to form a standard 320-acre gas spacing and proration unit in the South Osudo-Morrow Gas Pool. The units are located approximately 6-1/2 miles west of Oil Center, New Mexico.

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