

11. ***CASE 14123: Application of Judah Oil, LLC for approval of a salt water disposal well, Eddy County, New Mexico.*** Applicant seeks an order approving salt water disposal into the Wolfcamp and Cisco formations in the Geronimo 27 State Com. Well No. 2, located 990 feet from the South line and 660 feet from the West line of Section 27, Township 17 South, Range 28 East, NMPM. The well is located approximately 12-1/2 miles east-northeast of Atoka, New Mexico.
12. ***CASE 14124: Application of Cimarex Energy Co. of Colorado for special pool rules, Lea County, New Mexico.*** Applicant seeks an order establishing special rules and regulations for the Apache Ridge-Bone Spring Pool, including a special depth bracket allowable of 1300 barrels of oil per day and a limiting gas:oil ratio of 3000 cubic feet of gas for each barrel of oil produced, effective as of August 1, 2007. The pool covers parts of Section 36, Township 19 South, Range 33 East, N.M.P.M., and Sections 30-32, Township 19 South, Range 34 East, N.M.P.M. The pool is centered approximately 19-1/2 miles west of Monument, New Mexico.
13. ***CASE 14099: (Continued and Readvertised) (Continued from the May 1, 2008 Examiner Hearing.) Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico.*** Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 2, S/2 NE/4, and SE/4 NW/4 (the S/2 N/2) of Section 19, Township 16 South, Range 29 East, NMPM, to form a non-standard 145.53-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Lucky Wolf "19" State Com. Well No. 1H, a horizontal well to be drilled at a surface location 1980 feet from the North line and 10 feet from the West line, with a terminus 1980 feet from the North line and 330 feet from the East line, of Section 19. 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 12 miles northwest of Loco Hills, New Mexico.
14. ***CASE 14125: Application of Apache Corporation for statutory unitization, Lea County, New Mexico.*** Applicant seeks an order unitizing all mineral interests in the Blinebry, Tubb, and Drinkard formations underlying all or parts of Sections 4, 8, 9, 16, 17, and 21, Township 21 South, Range 37 East, N.M.P.M., comprising 2,480.00 acres of state, federal, and fee lands for its proposed West Blinebry Drinkard Unit. 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 various 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 4 miles north-northwest of Eunice, New Mexico.
15. ***CASE 14126: Application of Apache Corporation for approval of a waterflood project and to qualify the project for the Recovered Oil Tax Rate, Lea County, New Mexico.*** Applicant seeks approval to institute a waterflood project in the Blinebry, Tubb, and Drinkard formations by the injection of water into twenty-seven wells located on state, federal, and fee lands covering parts of Sections 4, 8, 9, 16, 17, and 21, Township 21 South, Range 37 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 project is centered approximately 4 miles north-northwest of Eunice, New Mexico.
16. ***CASE 14127: Application of J. Cleo Thompson & James Cleo Thompson, Jr., L.P. for a non-standard gas spacing and proration unit and two unorthodox gas well locations, Eddy County, New Mexico.*** Applicant seeks an order approving a non-standard gas spacing and proration unit comprised of the SE/4 NW/4 and S/2 NE/4 of Section 27, Township 21 South, Range 26 East, NMPM, to form a non-standard 120-acre gas spacing and proration unit in the Undesignated Happy Valley-Strawn Gas Pool or Undesignated Avalon-Strawn Gas Pool, Undesignated Crozier Bluff-Atoka Gas Pool, and Undesignated Happy Valley-Morrow Gas Pool or Undesignated Avalon-Morrow Gas Pool. The unit is to be dedicated to the Coachwhip Well No. 1, to be drilled at an unorthodox location 1830 feet from the North line and 1980 feet from the West line of Section 27, and to the Coachwhip Well No. 2, to be drilled at an unorthodox location 2113 feet from the North line and 879 feet from the East line of Section 27. The unit is located approximately 4 miles northwest of Carlsbad, New Mexico.

Mexico.

17. **CASE 14128:** *Application of Cano Petro of New Mexico, Inc. for waterflood project, Chaves County, New Mexico.* Cano Petro of New Mexico, Inc., located at 801 Cherry Street, Unit #25, Suite 3200, Fort Worth, Texas, 76102, seeks an order approving a waterflood permit for secondary recovery in the Cato Unit, Chaves County, New Mexico. A hearing on the matter has been scheduled before an Examiner on May 15, 2008 at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

The following lands in Chaves County are affected by the application:

Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,  
All of Section 11, T8S - R30E,  
W/2 of W/2, Section 12, T8S - R30E,  
W/2 of W/2, Section 13, T8S - R30E,  
All of Section 14, T8S - R30E,

Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,  
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,  
W/2 of E/2, Section 12, T8S - R30E,  
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,  
NW/4 of Section 24, T8S - R30E,

The Cato Unit is located approximately 2.65 miles northeast of Elida, New Mexico.

The proposed maximum daily rate of injection in the San Andreas Formation is 1,000 STBD per well and the maximum injection pressure is 650 psi. The shallowest perforation in an existing well that will be utilized for injection is 3,308'.

All affected persons have a right to enter an appearance and participate in the case. If an affected person wishes to participate in the case, notification of such must be provided, in writing, to Cano Petro of New Mexico and the New Mexico Oil Conservation Division no later than 5:00 p.m. (MT) on May 8, 2008. Affected persons failing to appear at the hearing are precluded from contesting the matter at a later date.

Questions to Cano Petro should be directed to Alex Azizi at (817) 698-0900.

18. **CASE 14100:** *(Continued from the April 17, 2008 Examiner Hearing.)*  
**Application of Chesapeake Operating, Inc. for an order authorizing the drilling of a well in the Potash Area, Lea County, New Mexico.** Applicant seeks an order approving the drilling of its proposed Lost Tank 16 State Well No. 1 to test the Lower Brushy Canyon Formation, Lost Tank Delaware Pool within the Potash Area at a location 330 feet from the South and West lines (Unit M) of Section 16, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 8,700 to test the Lower Brushy Canyon formation. Said location is within the Potash Area and approximately 36.1 miles east of Eunice, New Mexico.
19. **CASE 14101:** *(Continued from the April 17, 2008 Examiner Hearing.)*  
**Application of Chesapeake Operating, Inc. for an order authorizing the drilling of a well in the Potash Area, Lea County, New Mexico.** Applicant seeks an order approving the drilling of its proposed Lost Tank 16 State Well No. 4 to test the Lower Brushy Canyon Formation, Lost Tank Delaware Pool within the Potash Area at a location 330 feet from the North and West lines (Unit D) of Section 16, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 8,700 to test the Lower Brushy Canyon formation. Said location is within the Potash Area and approximately 36.1 miles east of Eunice, New Mexico.