

approval of future oil and gas drilling in the W/2 of Section 26 without the necessity of going to hearing. The unit is located approximately 13-1/2 miles south-southwest of Loco Hills, New Mexico.

8. **CASE 14168:** (Continued from the October 2, 2008 Examiner Hearing.)

Application of RSC Resources Limited Partnership for compulsory pooling, Lea County, New Mexico.

Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 24, Township 21 South, Range 34 East, NMPM, and in the following manner: The S/2 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 Grama Ridge-Wolfcamp Gas Pool and Undesignated East Grama Ridge-Morrow Gas Pool; and the SE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to the Grama Ridge 24 State Well No. 1, to be drilled at an orthodox location in the NW/4SE/4 of Section 24. 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 10 miles west-southwest of Oil Center, New Mexico.

9. **CASE 14188:** (Continued from the October 2, 2008 Examiner Hearing.)

Application of Burlington Resources Oil & Gas Company LP for compulsory pooling, San Juan County, New Mexico.

Applicant seeks an order pooling all mineral interests in the Mesaverde formation underlying the E/2 of Section 15, T31N, R10W, NMPM, Rio Arriba County, New Mexico, forming a standard 318.86-acre gas spacing and proration unit for the Mesaverde and Dakota formation spaced on 320-acre spacing. This unit is to be dedicated to its Kelly A No. 3E well to be drilled and completed at a standard well location as downhole commingled wellbore for production from the Dakota and Mesaverde formations in Unit P of this section. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and, pursuant to Commission Order R-11992, a 200% charge for the risk involved in this well. This unit is located approximately 7-1/4 miles east-southeast of the Aztec, New Mexico. IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT

10. **CASE 14147:** Amended (Continued from the October 16, 2008 Examiner Hearing.)

Application of Chesapeake Operating, Inc. for compulsory pooling, Eddy County, New Mexico.

Applicant in the above-styled cause seeks an order pooling all mineral interests in a 160-acre project area located in the S/2 N/2 of Section 31, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. The above-referenced spacing unit will be dedicated to Chesapeake's Diamond 31 Federal Well No. 4H which will be drilled to test the Bone Springs formation, Willow Lake Bone Spring Pool, from a surface location 1670 feet from the North line and 25 feet from the East line and to a bottomhole location 1670 feet from the North line and 350 feet from the West line of said Section 31. 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 Chesapeake Operating, Inc. as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 4 miles southeast of Malaga, New Mexico.

11. **CASE 14192:** (Continued from the October 16, 2008 Examiner Hearing.)

Application of Targa Midstream Services Limited Partnership for Approval of an Acid-Gas Injection Well, Lea County, New Mexico.

Applicant seeks an order approving the use of the Eunice Plant 161 SWD Well No. 1 for conversion to acid-gas injection operations. The well is currently in use for salt water disposal at the following location:

Eunice Plant 161 SWD Well No. 1

API No. 30-025-22583

2255' FNL and 908' FEL

Section 3: SE/4 NE/4 (Unit H)

T-22-S, R-37-E, NMPM

Applicant proposes to evaluate this well for injection of acid gas and water through a closed system into the lower San Andres formation, Eunice-San Andres Pool, through an open-hole completion at depths of 4,131' to 4,900'.

As an alternative to the conversion of the Eunice Plant 161 SWD Well No. 1, Applicant proposes to drill a new well for acid-gas injection operations at the following location in Section 3:

Eunice Middle-Plant AGI Well No. 1
1557' FNL and 1345' FEL
Section 3: SW/4 NE/4 (Unit G)
T-22-S, R-37-E, NMPM

For the Eunice Middle-Plant AGI Well No. 1, Applicant proposes to inject acid gas and water through a closed system into the lower San Andres formation via an open-hole completion at a depth interval of 4,500' to 5,000'. Injection operations through either well will be conducted at an anticipated maximum surface injection pressure of 2,000 psi or as permitted by the Division. Applicant proposes injection of acid-gas at average daily rates of approximately 2,200 bbls and at maximum daily rates of approximately 2,500 bbls. Additional injection of produced water and non-hazardous wastewater will range from 250 to 1,575 barrels per day, for a total injection volume of 2,450 to 4,075 barrels per day. The subject lands are located approximately one-half mile south of Eunice, New Mexico.

12. **CASE 14203: Application of COG Operating LLC for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Chaves County, New Mexico (Taurus Federal Well No. 1).** Applicant seeks an order consolidating the 40-acre spacing units within the S/2 S/2 of Section 10, Township 15 South Range 31 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit in the Wolfcamp formation (Wildcat) for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Wolfcamp formation underlying the S/2 S/2 of said Section 10 to be dedicated to its Taurus Federal Well No. 1 to be drilled horizontally from a surface location 330' from the South line and 330' from the West line to a bottom hole location 330' from the South line and 330' from the East line of Section 10 to a depth sufficient to test the Wolfcamp 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 COG Operating LLC as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 12 miles northeast of Loco Hills, New Mexico.
13. **CASE 14204: Amended Application of COG Operating LLC for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Chaves County, New Mexico (Taurus State Com Well No. 2).** Applicant seeks an order consolidating the 40-acre spacing units within the N/2 S/2 of Section 10, Township 15 South Range 31 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit in the Wolfcamp formation (Wildcat) for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Wolfcamp formation underlying the N/2 S/2 of said Section 10 to be dedicated to its Taurus State Com Well No. 2 to be drilled horizontally from a surface location 1980' from the South line and 330' from the East line to a bottom hole location 1980' from the South line and 430' from the West line of Section 10 to a depth sufficient to test the Wolfcamp 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 COG Operating LLC as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 12 miles northeast of Loco Hills, New Mexico.
14. **CASE 14205: Amended Application of COG Operating LLC for Designation of a Non-standard Spacing Unit and for Compulsory Pooling, Chaves County, New Mexico (Taurus State Com Well No. 3).** Applicant seeks an order consolidating the 40-acre spacing units within the S/2 N/2 of Section 10, Township 15 South Range 31 East, NMPM and designating the consolidated units as a 160-acre± non-standard oil spacing and proration unit in the Wolfcamp formation (Wildcat) for Applicant's horizontal drilling project area. Applicant