

all formations and or pools developed on 40-acres, including but not necessarily limited to the Blinebry and Paddock members of the Glorieta-Yeso formation. Said units are to be dedicated to Applicant's proposed Yale State No. 33 Well to be drilled at a standard location 2310' from the North line and 330' from the West line of Section 2. 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 of the well and a charge for risk involved in drilling the well. The proposed well location is approximately 9 miles Northeast of Loco Hills, New Mexico.

13. **CASE 14455**: *Application of COG Operating, LLC for authorization to conduct injection operations for evaluation for secondary recovery operations, Eddy County, New Mexico.* Applicant seeks approval to convert the following wells for the injection:

Continental A State No. 11
API No. 30-015-34742
1450' FNL & 1907' FWL (Unit F)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

Continental A State No. 12
API No. 30-015-35052
330' FNL & 583' FWL (Unit D)
Section 30
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

COG proposes to convert and utilize the well for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire Yeso Pool (96210) through perforations within the depths of 3,926' to 4,277' (Paddock) and 4,436' to 5,088' (Blinebry) (Continental A State Well No. 11). For the Continental A State No. 12, the perforations will be within the depths of 3,811' to 4,044' (Paddock) and 4,400' to 5,297' (Blinebry). Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from area production wells. The well is located approximately 1 mile Southwest of Loco Hills, New Mexico.

14. **CASE 14456**: *Application of COG Operating, LLC for authorization to conduct injection operations for evaluation for secondary recovery operations, Eddy County, New Mexico.* Applicant seeks approval to convert the following well for the injection:

Mesquite State No. 15
API No. 30-015-34496
1750' FSL & 990' FWL (Unit L)
Section 20
T-17-S, R-29-E, NMPM
Eddy County, New Mexico

COG proposes to convert and utilize the well for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation, Empire East Yeso Pool (96610) through perforations within the depths of 3,873' to 4,214' (Paddock) and 4,336' to 5,289' (Blinebry). Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily

rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from area production wells. The well is located approximately 7 miles Northeast of Loco Hills, New Mexico.

15. ***CASE 14457: Application of COG Operating, LLC for authorization to conduct injection operations for evaluation for secondary recovery operations, Eddy County, New Mexico.*** Applicant seeks approval to convert the following well for the injection:

Texaco BE State No. 8
API No. 30-015-35253
330' FNL & 2310' FEL (Unit B)
Section 16
T-17-S, R-30-E, NMPM
Eddy County, New Mexico

COG proposes to convert and utilize the well for injection of water through a closed system into the Paddock and Blinebry members of the Glorieta-Yeso formation, Loco Hills Glorieta-Yeso Pool (96718), through perforations within the depths of 4,367' to 4,681' (Paddock) and 4,922' to 5,721' (Blinebry). Injection operations through the well will be conducted at an anticipated average daily injection pressure of 2,000 psi with a maximum surface injection pressure of 2,000 psi or as permitted by the Division, in excess of a 0.2 psi/ft. gradient. Applicant proposes injection of water at average daily rates of approximately 1,000 bbls and at maximum daily rates of approximately 2,000 bbls. The source of the injected fluids will be formation water from area production wells. The well is located approximately 7 miles Northeast of Loco Hills, New Mexico.

16. ***CASE 14425: (Continued from the March 4, 2010 Examiner Hearing.)***
Application of Cano Petro of New Mexico, Inc. for increased injection pressures for wells in Chaves County, New Mexico. Cano Petro of New Mexico, Inc. seeks an order approving increases in the maximum injection pressures for thirty wells in the north-eastern portion of the Cato-San Andres Unit in the S SW/4, the W/2 of the SE/4, and the SE/4 of the SE/4 of Section 2, the E/2 of the SE/4 and the SW/4 of the SE/4 of Section 3, the E/2 of Section 10, all of Section 11, the W/2 of Section 12, the NW/4, the N/2 of the SW/4, the SW/4 of the SW/4, and the W/2 of the SE/4 of the SW/4 of Section 13, all of Section 14, and the E/2 of Section 15, Township 8 South, Range 30 East. Applicant seeks approval of a maximum daily rate of injection into the San Andres Formation of 1,500 barrels of water per day per well and maximum injection pressures per well of ranging from 1,270 psi to 1,545 psi. The shallowest perforation in a well that will be utilized for increased injection is 3,300 feet. The Cato San Andres Unit is located approximately 2.65 miles Southwest of Elida, New Mexico and 5.3 miles Northeast of Roswell, New Mexico.

17. ***CASE 14426: (Continued from the March 18, 2010 Examiner Hearing.)***
Application of Cimarex Energy Co. for compulsory pooling and cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4 SW/4 of Section 2; Township 17 South, Range 30 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Loco Hills Glorieta-Yeso Pool. The unit will be dedicated to the Castor 2 State Well No. 1, to be drilled at an orthodox location. 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. Applicant further seeks cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC for the proposed Yale State Well No. 1, a Glorieta-Yeso test located in the SW/4 SW/4 of Section 2 (API No. 30-015-37459). The unit is located approximately 3-1/2 miles Northeast of Loco Hills, New Mexico.