Examiner Hearing - November 29, 2012 Docket No. 37-12 Page 3 of 5

- 8. (CASE <u>14911</u>: (Continued from the November I, 2012 Examiner Hearing.) Application of COG Operating LLC for a non-standard spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order (1) creating a non-standard, 160-acre spacing and proration unit comprised of the N/2 N/2 of Section 1, Township 19 South, Range 25 East, NMPM, Eddy County, and (2) pooling all mineral interests in the Glorieta-Yeso formation underlying this acreage. Said non-standard unit is to be dedicated to applicant's proposed Clydesdale 1 Fee No. 1H well (API #30-015-40214), to be horizontally drilled from a surface location 380 feet from the North line and 150 feet from the East (Unit A) to a bottom hole location 380 feet from the North line and 330 feet from the West line (Unit D) of Section 1. The completed interval for this well will be within the 330-foot standard offset required by the rules. 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 200% charge for risk involved in drilling said well. Said area is located approximately 5 miles northwest of Lakewood, New Mexico.
- 9. CASE 14930: Application of COG Operating LLC for compulsory pooling, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of Glorieta-Yeso underlying the SW/4 SW/4 (Unit M) of Section 4, Township 19 South,- Range 26 East, NMPM, to form a standard 40-acre spacing and proration unit. This unit is to be dedicated to applicant's Sherman 4 Fee#l Well (API No. 30-015-39589) which has been vertically drilled at a standard location 612 feet from the South line and 380 feet from the East line (Unit M) of Section 4. 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 200% charge for risk involved in drilling said well. Said area is located approximately 10 miles Southeast of Artesia, New Mexico.
- 10. CASE 14931: Application of Tarco Energy, L.C. for approval of a pressure maintenance project in Eddy County, New Mexico; Applicant seeks approval to institute a lease pressure maintenance project in its Russell C #3 well location 990 FSL, 2225 FEL in Unit O of Section 35, Township 17 South, Range 27 East, N.M.P.M., Eddy County, New Mexico. Applicant intends to inject produced water into the Yates and Seven Rivers formations at a depth 418 feet to 460 feet (perforated).
- 11. CASE 14932: Application of RSC Resources Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 14, Township 24 South, Range 28 East, NMPM, and in the following manner: The N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320acre spacing within that vertical extent; the NW/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; and the NE/4 NW/4 to form a standard 40acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the Marra Well No. 1, to be re-entered at an orthodox location in the NE/4 NW/4 of Section 14. Also to be considered will be the cost of re-entering and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Guardian Operating Corp. as operator of the well, and a 200% charge for the risk involved in re-entering and completing the well. The units are located approximately 1/2 mile east of Malaga, New Mexico.
- 12. CASE 14933: Application of RSC Resources Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 10, Township 24 South, Range 28 East, NMPM, and in the following manner: The N/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; the NE/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; and the NW4 NE/4 to form a standard 40-acre oil 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 Guitar 10 Well No. I, to be re-entered in the NW/4 NE/4 of Section 10. Also to be considered will be the cost of re-entering and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Guardian Operating Corp. as operator of the well, and a 200% charge for the risk involved in re-entering and completing the well. The units are located approximately 1 mile north of Malaga, New Mexico.

13. <u>CASE 14913</u>: (Continued from the November 1, 2012 Examiner Hearing.)

Application of Cimarex Energy Co. for compulsory pooling and an unorthodox gas well location, Eddy County, New Mexico. Cimarex Energy Co. seeks an order pooling of all mineral interests in the Wolfcamp formation underlying the W/2 of Section 23, Township 25 South, Range 26 East, NMPM, to form a standard 320 acre gas well spacing and proration unit (project area). The unit is to be dedicated to the Pintail 23 Fed. Com. Well No. 9, a horizontal well to be drilled at an