Examiner Hearing -August 8, 2013 Docket No. 26-13 Page 2 of 4

- 3. <u>CASE 15034</u>: Application of Cimarex Energy Co. of Colorado for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. of Colorado seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the W/2 E/2 of Section.33, Township 19 South, Range 34 East, NMPM. Applicant further seeks the pooling of all mineral interests in the Bone Spring formation underlying the non-standard spacing and proration unit (project area) for any pools or formations developed on 40 acre spacing within that vertical extent. The unit is to be dedicated to the Chaparral 33 Fed. Com. Well No. 4, a horizontal well to be drilled a surface location in the NW/4 NE/4, with a terminus in the SW/4 SE/4, of Section 33. 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 17 miles west of Monument, New Mexico.
- 4. CASE 14996: (Continued from the July 11, 2013 Examiner Hearing.)

 Application of Nearburg Exploration Company, L.L.C. for a non-standard oil spacing and proration unit, unorthodox oil well location, and compulsory pooling, Lea County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit comprised of the S/2 NE/4 of Section 17, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico, approving an unorthodox oil well location, and pooling all mineral interests from the surface to the top 200 feet of the Mississippian formation underlying the non-standard unit. Applicant proposes to drill the Sapient 17 Well No. 1 at an unorthodox surface location 1641 feet from the north line and 1225 feet from the east line, and a bottom hole location 1691 feet from the north line and 1225 from the east line, of Section 17, to a depth sufficient to test the top 200 feet of the Mississippian formation, and will dedicate the S/2 NE/4 of Section 17 to the well. 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 Nearburg Producing Company as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 4-1/2 miles northwest of Humble City, New Mexico.
- 5. <u>CASE 15024</u>: (Continued from the July 11, 2013 Examiner Hearing.)

 Application of BOPCO, L.P. To Rescind Or Revise Administrative Orders SWD-699 And SWD-1248, Eddy County, New Mexico. Applicant in the above-styled cause seeks an order rescinding or revising the injection authority granted under Administrative Orders SWD-699 and SWD-1248 for the following two injection wells, which are operated by Devon Energy Production Company, L.P. in the Cotton Draw Unit and located in Section 2, Township 25 South, Range 31 East, N.M.P.M:
 - (a) CDU Well No. 65 (API No. 30-015-10843), located 1980 feet from the north line and 1980 feet from the east line (Unit G) of said Section 2; and
 - (b) CDU Well No. 81 (API No. 30-015-29345), located 1650 feet from the south line and 660 feet from the west line (Unit L) of said Section 2.

Applicant intends to present evidence that the injection operations in these two wells are adversely affecting Applicant's producing wells in the adjacent Poker Lake Unit, thereby causing waste and impairing Applicant's correlative rights. Said area is located approximately 28 miles Southeast of Carlsbad, New Mexico.

6. CASE 15035: Application of COG Operating LLC for two non-standard oil spacing and proration units, Lea County, New Mexico. Applicant seeks an order approving two 280-acre non-standard oil spacing and proration units (project areas) in the Bone Spring formation comprised of (i) the SW/4NE/4 and W/2SE/4 of Section 5, and the W/2E/2 of Section 8, Township 26 South, Range 34 East, NMPM, to be dedicated to the Gunner 8 Fed. Well No. 5, with a surface location in the SW/4SE/4 of Section 8, and a terminus in the SW/4NE/4 of Section 5, and (ii) the SE/4NW/4 and E/2SW/4 of Section 5, and the E/2W/2 of Section 8, Township 26 South, Range 34 East, NMPM, to be dedicated to the Gunner 8 Fed. Well No. 5, with a surface location in the SE/4SW/4 of Section 8, and a terminus in the SE/4NW/4 of Section 5. This matter is set for hearing upon the objection of Yates Brothers, Devon Energy Production Company, L.P., Inland Title, LLC, and Sugarberry Oil & Gas Corporation, individually, and as Agent on behalf of Katy Pipeline and Production Corporation (collectively SOG). The units are located approximately 19 miles southwest of Jal, New Mexico.