

pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 14 miles southeast of Artesia, New Mexico.

CASE 13543: Continued from September 8, 2005, Examiner Hearing

Application of Cimarex Energy Co. for Compulsory Pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 8, Township 15 South, Range 36 East, 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 Caudill-Atoka Gas Pool. The unit is to be dedicated to the Caudill West "8" Fee Well No. 1, to be located at an orthodox gas well location in the SE/4 SE/4 of Section 8. 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 4 miles south-southwest of Hillburn City, New Mexico.

CASE 13531: Continued from September 8, 2005, Examiner Hearing.

Application of Yates Petroleum Corporation for an Order (1) directing Pride Energy Company to reimburse Yates for the well costs incurred by Yates in its attempt to re-enter the State "X" Well No. 1 (API No. 30-025-01838) located in Section 12, Township 12 South, Range 34 East, NMPM, prior to the time Pride Energy Company assumed operations of the well, (2) directing Pride Energy Company to account for and pay all sums it is now improperly holding pursuant to expired orders of the Division and Commission, and (3) requiring Pride Energy Company to plug and abandon the State "X" Well No. 1, Lea County, New Mexico. Applicant seeks (1) an order directing Pride Energy Company ("Pride") to reimburse Yates for the costs Yates incurred in its re-entry operations on the State "X" Well No. 1 (API No. 30-025-01838) located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 12, Township 12 South, Range 34 East, prior to the time Pride assumed operations of the well, (2) an order directing Pride to account to and refund to Yates all of the portion of the estimated share of well costs for the State "X" Well now improperly held by Pride pursuant to expired orders of the Division and Commission, and (3) an order directing Pride to plug and abandon the State "X" Well. Said well and spacing unit are located approximately 12 miles west northwest of Tatum, New Mexico.

CASE 13547: Continued from August 25, 2005, Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an Order Requiring Terry Pate to Properly Plug One Well, Authorizing the Division to Plug Said Well in Default of Compliance by Operator, and Ordering a Forfeiture of Applicable Security, Lea County, New Mexico. The Applicant seeks an order requiring Terry Pate, the operator of one inactive well in Lea County, New Mexico, to properly plug and abandon the same and, if the Operator fails to do so, authorizing the Division to plug said well and forfeiting Operator's plugging security. The affected well is the following: Frances Evelyn Well No. 1 (API No. 30-025-32163) located 990 FSL and 1740FWL (Unit N) of Section 35, Township 19 South, Range 38 East, Lea County, New Mexico.

CASE 13563: **Application of the New Mexico Oil Conservation Division for an Order Requiring CKG Energy, Inc. and/or Cedar Gas Company to Properly Plug 8 Well(s) and to Close Pits, Quay County, New Mexico.** The applicant seeks an order requiring CKG Energy, Inc., the operator of eight inactive well(s) in Quay County, New Mexico, to properly plug and abandon the same, and to properly close abandoned pits located at the sites of said wells, and providing for such other relief as the Director deems appropriate.