

following manner: The W/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 Loco Hills-Morrow Gas Pool; the SW/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 SE/4 SW/4 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. The units are to be dedicated to the Stewart "9" Fed. Com. Well No. 1, to be drilled at an orthodox location in the SE/4 SW/4 of Section 9. 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. The units are located approximately 2 miles north of Loco Hills, New Mexico.

8. **CASE 13940:** *(Continued from the September 20, 2007 Examiner Hearing)*  
***Application of Yates Petroleum Corporation, Yates Drilling Company, Abo Petroleum Corporation and MYCO Industries, Inc. for an order directing Pride Energy Company to plug and abandon the State "X" Well No. 1, Lea County, New Mexico.*** Applicants seek an order directing Pride Energy Company to plug and abandon 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, NMPM, Lea County, New Mexico. Said well and spacing unit are located approximately 12 miles west-northwest of Tatum, New Mexico.
9. **CASE 13957:** *(Continued from the September 20, 2007 Examiner Hearing.)*  
***Amended Application of Energen Resources Corporation to Amend the Cost Recovery Provisions of Compulsory Pooling Order No. R-1960, To Determine Reasonable Costs, and for Authorization To Recover Costs From Production Of Pooled Mineral Interests, Rio Arriba County, New Mexico.*** Applicant seeks an order amending the cost recovery provisions of Order No. R-1960 pooling all interests in the Pictured Cliffs formation, (Tapacito-Pictured Cliffs Gas Pool) underlying the SW/4 of Section 2, Township 25 North, Range 3 West, forming a standard 160-acre spacing and proration unit. Applicant proposes the amendment of the cost recovery provisions under the original version of Order No. R-1960 to reflect the current custom and practice of the industry and the Division which allows well operators to recover the reasonable costs of operations and supervision. Applicant also seeks authorization to sell a portion or all of the pooled working interest share of production of a non-selling mineral interest owner and to obtain reimbursement of costs therefrom. The lands that are the subject of the application are located approximately one mile west of Ojito, New Mexico.
10. **CASE 14003:** ***In the matter of the hearing called by the Oil Conservation Division for an order creating the following pool in Catron County, New Mexico.***
- (a) CREATE a new pool in Catron County, New Mexico for the production of carbon dioxide gas from the Pennsylvanian formation and designated as the Cottonwood-Canyon Pool (**Pool Code 97643**). The discovery well is the Ridgeway Arizona Oil Corporation Cottonwood Canyon Unit Well No. 001 (**API No. 30-003-20022**) located in Unit D of Section 36, Township 1 South, Range 21 West, NMPM. Said pool would comprise:

**TOWNSHIP 1 NORTH, RANGE 21 WEST, NMPM**

Section 3: All

Section 4: Lots 1 through 4, Unit Letters G through J,  
Lots 5 and 6, Unit Letters O and P

Section 9: Unit Letters A and B, Lots 1 and 2,  
Unit Letters G through J, Lots 3 and 4,  
Unit Letters O and P

Section 10: All

Section 15: All

Section 16: Unit Letters A and B, Lots 1 and 2,  
Unit Letters G through J, Lots 3 and 4,  
Unit Letters O and P

Section 21: Unit Letters A and B, Lots 1 and 2,  
Unit Letters G through J, Lots 3 and 4,  
Unit Letters O and P

Section 22: All  
Section 27: All  
Section 28: Unit Letters A and B, Lots 1 and 2,  
Unit Letters G through J, Lots 3 and 4,  
Unit Letters O and P  
Section 33: Unit Letters A and B, Lots 1 and 2,  
Unit Letters G through J, Lots 3 and 4,  
Unit Letters O and P  
Sections 34 through 36: All

TOWNSHIP 1 SOUTH, RANGE 21 WEST, NMPM

Section 3: All  
Section 4: Lots 1, 2, 7 through 10, 15 and 16,  
19 through 30, Unit Letters I and J,  
Unit Letters O and P  
Section 9: Unit Letters A and B, Lots 5 through 7,  
Unit Letters F and G, Lot 8, Unit Letters  
I through K, Lots 3 and 4, Unit Letters  
N through P  
Section 10: All  
Section 15: All  
Section 16: Unit Letters A through C, Lots 1 and 2,  
Unit Letters F through K, Lots 3 and 4,  
Unit Letters N through P  
Section 21: Unit Letters A through C, Lots 1 and 2,  
Unit Letters F through K, Lots 3 and 4,  
Unit Letters N through P  
Section 22: All  
Section 27: All  
Section 28: Lots 5 through 20  
Section 33: Lots 5 through 20  
Sections 34 through 36: All

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT

**11. CASE 14004: In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting and extending certain pools in Chaves and Eddy Counties, New Mexico.**

(a) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Wolfcamp formation and designated as the Bunting Ranch-Wolfcamp Gas Pool (**Pool Code 97605**). The discovery well is the Parallel Petroleum Corporation Drewford's Boom Box 1921-1 State Com. Well No. 1 (**API No. 30-015-35134**) located in Unit D of Section 19, Township 19 South, Range 21 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM

Section 19: N/2

(b) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Chester formation and designated as the Cemetery-Chester Gas Pool (**Pool Code 97624**). The discovery well is the Yates Petroleum Corporation Conoco AGX Deep Federal Well No. 4 (**API No. 30-015-26735**) located in Unit A of Section 26, Township 20 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM

Section 26: E/2

(c) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Atoka formation