10. CASE 13897: (Reopened and Readvertised)

13.

Application of Great Western Drilling Ltd. and Davoil, Inc. for an order re-opening Case No. 13897 (Application of Cimarex Energy Co. of Colorado for Pool Creation, a Discovery Allowable and Special Pool Rules), creating a new gas pool, rescinding Administrative Order NSL-5578, and shutting in and imposing a production penalty on the Keely 26 Federal Well No. 1, Eddy County, New Mexico. Applicant in the abovestyled cause seeks to re-open Case No. 13897 (Application of Cimarex Energy Co. of Colorado for Pool Creation, A Discovery Allowable, and Special Pool Rules, Eddy County, New Mexico) to allow Great Western Drilling and DAVOIL, Inc. to appear and present testimony in opposition to the application to classify this pool as an oil pool and to adopt special pool rules for this pool. Applicants also seek the rescission of Administrative Order NSL-5578 that approved an unorthodox location for the Keely 26 Fed. Well No. 1, located 1980 feet from the North line and 1550 feet from the East line of Section 26, the imposition of a penalty on production from this well if it is determined to be an oil well, and denial of a discovery allowable. The proposed new pool in the Wolfcamp formation is comprised of the NE/4 of Section 26, Township 17 South, Range 29 East, NMPM and is located 5 miles west-northwest of Loco Hills, New Mexico.

- 11. CASE 13891: (Reopened) - (Continued from the September 6, 2007 Examiner Hearing.) Application of Petrohawk Energy Corporation for authorization to reactivate a waterflood project, Lea County, New Mexico. Applicant seeks approval of a waterflood project, including the reactivation of a previously approved waterflood (OCD Orders WFX-518 and WFX-530) in Sections 8 and 9, Township 22 South, Range 36 East, NMPM, to inject up to a total of 2000 barrels per day, at a maximum injection pressure of 750 psi, into the Queen Formation, at an approximate depth of 3790 feet to 3890 feet. The proposed waterflood involves the activation of five existing, temporarily plugged injection wells (State A/AC #61, #64, #65, #68, and #71). Petrohawk may be contacted through its representative, Mr. Alberto Gutierrez, 500 Marquette Ave., N.W., Suite 1350, Albuquerque, New Mexico 87102 or (505) 842-8000. These wells are located 5 miles southwest of Eunice, New Mexico.
- CASE 13992: Application of Purvis Operating Co. for compulsory pooling, Lea County, New Mexico. 12. Applicant seeks an order pooling all mineral interests in the Devonian formation underlying the E/2 NE/4 of Section 34, Township 12 South, Range 37 East, NMPM, to form a standard 80-acre oil spacing and proration unit for all pools or formations developed on 80-acre spacing within that vertical extent, including the Southwest Gladiola-Devonian Pool. The unit is to be dedicated to the Lowe Well No. 1, to be re-entered at an orthodox location in the NE/4 NE/4 of Section 12. 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 applicant as operator of the well, and a 200% charge for the risk involved in reentering and completing the well. The unit is located approximately 8 miles east-southeast of Tatum, New Mexico.
- Application of Nadel and Gussman Permian, L.L.C. for compulsory pooling and unorthodox gas well location, Chaves County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface

<u>CASE 13981:</u> (Continued from the September 6, 2007 Examiner Hearing.)

to the base of the Wolfcamp formation underlying the E/2 of Section 8, Township 13 South, Range 27 East, NMPM, 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 unit is to be dedicated to the plugged and abandoned Pecos River Bluff Unit Well No. 1, to be re-named the Cazador Fed. Com. Well No. 1, to be reentered at an unorthodox location 2034 feet from the North line and 660 feet from the East line of Section 8. Also to be considered will be the cost of re-entering, 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 re-entering, drilling, and completing the well. The unit is located approximately 6-1/2 miles east of Dexter, New Mexico.

CASE 13993: Application of Read & Stevens, Inc. to limit the well spacing rules of the Lea-Pennsylvanian 14. Gas Pool to its current horizontal extent, Lea County, New Mexico. Applicant seeks an order limiting the well spacing rules of the Lea-Pennsylvanian Gas Pool to acreage currently within the designated horizontal extent of the pool. The pool is developed on 160-acre spacing. The pool covers all or parts of Sections 2-4, 9-14, 24, and 25, Township 20 South, Range 34 East, NMPM. The pool is centered approximately 16 miles westsouthwest of Monument, New Mexico.