

Mexico.

17. **CASE 14128:** *Application of Cano Petro of New Mexico, Inc. for waterflood project, Chaves County, New Mexico.* Cano Petro of New Mexico, Inc., located at 801 Cherry Street, Unit #25, Suite 3200, Fort Worth, Texas, 76102, seeks an order approving a waterflood permit for secondary recovery in the Cato Unit, Chaves County, New Mexico. A hearing on the matter has been scheduled before an Examiner on May 15, 2008 at 8:15 a.m. at the Division's offices at 1220 South St. Francis Drive, Santa Fe, New Mexico 87505.

The following lands in Chaves County are affected by the application:

Surface

S/2 of SW/4, SW/4 of SE/4, Section 2, T8S - R30E,
All of Section 11, T8S - R30E,
W/2 of W/2, Section 12, T8S - R30E,
W/2 of W/2, Section 13, T8S - R30E,
All of Section 14, T8S - R30E,

Subsurface

SW/4, W/2 of SE/4, Section 1, T8S - R30E,
SE/4 of NW/4, S/2 of NE/4, NE/4 of SE/4, Section 2, T8S - R30E,
W/2 of E/2, Section 12, T8S - R30E,
W/2 of E/2, SE/4 of SW/4, Section 13, T8S - R30E,
NW/4 of Section 24, T8S - R30E,

The Cato Unit is located approximately 2.65 miles northeast of Elida, New Mexico.

The proposed maximum daily rate of injection in the San Andreas Formation is 1,000 STBD per well and the maximum injection pressure is 650 psi. The shallowest perforation in an existing well that will be utilized for injection is 3,308'.

All affected persons have a right to enter an appearance and participate in the case. If an affected person wishes to participate in the case, notification of such must be provided, in writing, to Cano Petro of New Mexico and the New Mexico Oil Conservation Division no later than 5:00 p.m. (MT) on May 8, 2008. Affected persons failing to appear at the hearing are precluded from contesting the matter at a later date.

Questions to Cano Petro should be directed to Alex Azizi at (817) 698-0900.

18. **CASE 14100:** *(Continued from the April 17, 2008 Examiner Hearing.)*
Application of Chesapeake Operating, Inc. for an order authorizing the drilling of a well in the Potash Area, Lea County, New Mexico. Applicant seeks an order approving the drilling of its proposed Lost Tank 16 State Well No. 1 to test the Lower Brushy Canyon Formation, Lost Tank Delaware Pool within the Potash Area at a location 330 feet from the South and West lines (Unit M) of Section 16, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 8,700 to test the Lower Brushy Canyon formation. Said location is within the Potash Area and approximately 36.1 miles east of Eunice, New Mexico.
19. **CASE 14101:** *(Continued from the April 17, 2008 Examiner Hearing.)*
Application of Chesapeake Operating, Inc. for an order authorizing the drilling of a well in the Potash Area, Lea County, New Mexico. Applicant seeks an order approving the drilling of its proposed Lost Tank 16 State Well No. 4 to test the Lower Brushy Canyon Formation, Lost Tank Delaware Pool within the Potash Area at a location 330 feet from the North and West lines (Unit D) of Section 16, Township 21 South, Range 32 East, NMPM, Lea County, New Mexico. This well will be drilled to an approximate depth of 8,700 to test the Lower Brushy Canyon formation. Said location is within the Potash Area and approximately 36.1 miles east of Eunice, New Mexico.