Examiner Hearing – February 21, 2008 Docket No. 6-08 Page 4 of 7

The unit is located approximately 9 miles southwest of Monument, New Mexico.

- 9. CASE 14068: (Continued and readvertised)
 - Application of Cambrian Management, Ltd. for approval of a waterflood project and to qualify the project for the recovered oil tax rate, Chaves County, New Mexico. Applicant seeks approval of a lease waterflood (secondary recovery) project in the Chaveroo-San Andres Pool by the injection of water into one well located on Federal Lease NM 0174830, covering the S/2 of Section 7 and All of Section 18, Township 8 South, Range 33 East, N.M.P.M. Applicant further seeks to qualify the project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1-5). The project is located approximately 15 miles west of Milnesand, New Mexico.
- 10. CASE 14091: Application of Purvis Operating Co. for compulsory pooling, Lea County, New Mexico. 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 Parallel Petroleum Corporation for compulsory pooling, Chaves County, New Mexico.

 Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the S/2 of Section 9, Township 15 South, Range 25 East, NMPM, to form a standard 320-acre gas spacing and proration unit for all formations developed on 320 acre spacing within that vertical extent, including the Undesignated Walnut Creek-Wolfcamp Gas Pool. The unit is to be dedicated to the proposed War Emblem 1525-9 Fed. Com. Well No. 1H, to be drilled at a surface location 1880 feet from the south line and 190 feet from the east line of Section 8, Township 15 South, Range 25 East, N.M.P.M., with a penetration point 1880 feet from the south line and 660 feet from the west line of Section 9 and a terminus 1880 feet from the south line and 660 feet from the east line 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 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 5 miles northwest of Lake Arthur, New Mexico.

- Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the W/2SW/4 of Section 6, Township 15 South, Range 38 East, NMPM, to form a non-standard 80-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Denton-Wolfcamp Pool, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Humboldt 6 State Com. Well No. 1, a horizontal well to be drilled at a surface location 430 feet from the south line and 430 feet from the west line of Section 6, with a terminus 2310 feet from the south line and 430 feet from 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 4-1/2 miles southeast of Prairieview, New Mexico.
- 13. CASE 14063: (Continued from the February 7, 2008 Examiner Hearing.)

 Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the W/2 NE/4 of Section 13, Township 15 South, Range 37 East, NMPM, to form a non-standard 40-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Denton-Wolfcamp Pool, and