## Examiner Hearing –December 4, 2008 Docket No. 42-08 Page 5 of 7

charge for the risk involved in drilling and completing the well. The unit is located approximately 16 miles north-northeast of Loco Hills, New Mexico.

- 15. CASE 13940: (Continued from the September 4, 2008 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.
- Application of Chesapeake Energy Corporation for cancellation of a permit to drill ("APDs") issued to Cimarex Energy Co of Colorado, Chaves County, New Mexico. Applicant seeks an order cancelling the Division's approval of the application for certain permits to drill ("APDs") issued to Cimarex Energy Co. of Colorado for the Essex 22 State Com #1 Well (API # 30-005-28005), a horizontal wellbore with a surface location in Unit H of Section 22, T15S, R31E, Chaves County and to be dedication to a non-standard 160-acre spacing unit consisting of the S/2N/2 of this section and for its Hornet 24 State Com #3 Well (API # 30-005-28008), a horizontal wellbore with a surface location in Unit I of Section 24, T15S, R31E, Chaves County and to be dedication to a non-standard 160-acre consisting of the N/2S/2 of Section 24 of this section. These units are located approximately 30 miles east of Hagerman, New Mexico.
- 17. <u>CASE 14221</u>: (Continued from the October 30, 2008 Examiner Hearing.)

  Application of Chesapeake Energy Corporation for cancellation of certain permits to drill ("APDs") issued to Marbob Energy Corp, Chaves County, New Mexico. Applicant seeks an order cancelling the Division's approval of the following application for permit to drill ("APD") issued to Marbob Energy Corp for the Hoptoit State Com #3 Well (API # 30-005-27992), a horizontal wellbore with a surface location in Unit H of Section 23, T15S, R31E, Chaves County and to be dedication to a non-standard 160-acre spacing unit consisting of the S/2N/2 of this section. This unit is located approximately 30 miles east of Hagerman, New Mexico.
- 18. CASE 14232: (Continued from the October 30, 2008 Examiner Hearing.) Application of Chesapeake Energy Corporation for approval of a 160-acre non-standard spacing and proration unit and for compulsory pooling, Chaves County, New Mexico. Applicant seeks the formation of a 160-acre non-standard spacing and proration unit consisting of the N/2S/2 of Section 24, T15S, R31E, Chaves County, N. M. to be dedicated to its Andromeda 24 State Com Well No. 1H (API# pending) which will be located at a standard surface location 1980 feet FSL and 330 feet FWL (Unit L) and deviated so that when the wellbore penetrates the Wolfcamp formation it will be at a standard subsurface location then drilled horizontally in an easterly direction staying within a producing area 330 feet from each of the end and side boundaries of this spacing unit and ending at a standard bottom hole location 1980 feet FSL and 330 feet FEL (Unit I). In addition, applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the above-described acreage. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 30 miles east of Hagerman, New Mexico.
- 19. CASE 14233: (Continued from the October 30, 2008 Examiner Hearing.)

  Application of Chesapeake Energy Corporation for approval of a 160-acre non-standard spacing and proration unit and for compulsory pooling, Chaves County, New Mexico. Applicant seeks the formation of a 160-acre non-standard spacing and proration unit consisting of the N/2N/2 of Section 23, T15S, R31E, Chaves County, N. M. to be dedicated to its Medusa 23 State Com Well No. 1H (API# pending) which will be located at a standard surface location 660 feet FNL and 330 feet FWL (Unit D) and deviated so that when the wellbore penetrates the Wolfcamp formation it will be at a standard subsurface location then drilled horizontally in an easterly direction staying within a producing area 330 feet from each of the end and side boundaries of this