Examiner Hearing – January 8, 2009 Docket No. 1-09 Page 3 of 3

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 4-1/2 miles southeast of Prairieview, New Mexico.

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 unit is located approximately 16-1/2 miles north-northeast of Loco Hills, New Mexico.

- 8. <u>CASE 14253</u>: (Continued from the December 18, 2008 Examiner Hearing.)

 Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico. Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the N/2 S/2 of Section 10, Township 15 South, Range 31 East, NMPM, to form a non-standard 160-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing, and pooling all mineral interests in the lower Abo/Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Antietam 10 Fed. Com. Well No. 1-H, a horizontal well to be drilled at an orthodox surface location in the NE/4 SE/4, with a terminus at an orthodox location in the NW/4 SW/4, of Section 10. 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,
- 9. CASE 14254: (Continued from the December 18, 2008 Examiner Hearing.)

 Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico. Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the S/2 S/2 of Section 10, Township 15 South, Range 31 East, NMPM, to form a non-standard 160-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing, and pooling all mineral interests in the lower Abo/Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Antietam 10 Fed. Com. Well No. 2-H, a horizontal well to be drilled at an orthodox surface location in the SE/4 SE/4, with a terminus at an orthodox location in the SW/4 SW/4, of Section 10. 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 unit is located approximately 16 miles north-northeast of Loco Hills, New Mexico.
- 10. <u>CASE 14265</u>: Application of Rosetta Resources Operating LP for approval of a salt water disposal well, San Juan County, New Mexico. Applicant seeks an order amending Division Administrative Order Nos. SWD-1063 and SWD-1063-A to approve of the disposal of produced salt water into the Cliff House zone of the Mesa Verde formation into the Tsah Tah SWD Well No. 11, located 970 feet from the South line and 1510 feet from the West line of Section 11, Township 24 North, Range 10 West, NMPM. The well is located approximately 26 miles south-southeast of Bloomfield, New Mexico.
- 11. <u>CASE 14266</u>: Application of Rosetta Resources Operating LP for approval of a salt water disposal well, San Juan County, New Mexico. Applicant seeks an order amending Division Administrative Order Nos. SWD-1063 and SWD-1063-A to approve of the disposal of produced salt water into the Cliff House zone of the Mesa Verde formation into the Tsah Tah SWD Well No. 36, located 1800 feet from the North line and 1360 feet from the West line of Section 36, Township 25 North, Range 10 West, NMPM. The well is located approximately 23 miles south-southeast of Bloomfield, New Mexico.
- 12. <u>CASE 14267</u>: Application of GP II Energy, Inc. to remove the penalty assessed for non-compliance with Inactive Well Compliance Order 163, Lea County, New Mexico. Applicant seeks the reinstatement of Inactive Well Compliance Order 163, the removal of a \$7,000 penalty assessed for not plugging seven wells covered by the order by May 20, 2008, and the necessary extension of time to finally complete the plugging of the wells covered in the order.