DOCKET: EXAMINER HEARING - THURSDAY - FEBRUARY 5, 2009

8:15 A.M. - 1220 South St. Francis

Santa Fe, New Mexico

Docket Nos. 5-09 and 6-09 are tentatively set for February 19, 2009 and March 5, 2009. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following cases will be heard by an Examiner.

| Locator Key for Cases |
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| Case 14242 – No. 4 |
| Case 14243 – No. 5 |
| Case 14260 – No. 1 |
| Case 14264 – No. 2 |
| Case 14265 – No. 8 |
| Case 14266 – No. 9 |
| Case 14269 – No. 3 |
| Case 14270 – No. 6 |
| Case 14271 – No. 7 |
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1. <u>CASE 14260</u>: (Continued from the January 8, 2009 Examiner Hearing) (This case will be dismissed.)

Application of the New Mexico Oil Conservation Division for a Compliance Order against George A. Chase, Jr. Applicant seeks an Order finding Operator in non-compliance with Rules 19.15.13.1115, 19.15.4.201, and 19.15.3.101 as to one well; requiring operator to come into compliance by a date certain or plug and abandon the well; authorizing the Division to plug and abandon the well and forfeit the applicable financial assurance if Operator fails to comply; and assessing penalties. The affected well is:

• Quail State No. 001; 30-015-22008; N-8-17S-28E

The well is located approximately 6 miles Southwest of Loco Hills, in Eddy County, New Mexico.

2. <u>CASE 14264</u>: (Continued from the January 22, 2009 Examiner Hearing.)

Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit, compulsory pooling, and an unorthodox oil well location, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 4 and the SW/4 NW/4 of Section 6, Township 15 South, Range 38 East, NMPM, to form a non-standard 80.04-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 Harvard 6 Fee Well No. 2, a horizontal well drilled at a surface location 430 feet from the North line and 430 feet from the West line, of Section 6: Applicant also requests approval of the unorthodox location in the Wolfcamp formation. 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 4-1/2 miles southeast of Prairieview, New Mexico.

3. <u>CASE 14269</u>: Application of Cimarex Energy Co. for cancellation of two applications for permit to drill issued to COG Operating LLC, Chaves County, New Mexico. Cimarex Energy Co. seeks an order canceling applications for permit to drill issued to COG Operating LLC for the proposed Taurus State Com. Well No. 2, a horizontal Wolfcamp well located in the N½S½ of Section 10, Township 15 South, Range 31 East, N.M.P.M. (API No. 30-005-27995), and the proposed Taurus Fed. Well No. 1, a horizontal Wolfcamp well located in the S½S½ of Section 10, Township 15 South, Range 31 East, N.M.P.M. (API No. 30-005-28000). The well units are located approximately 16 miles north-northeast of Loco Hills, New Mexico.