

19.15.29.9 and 19.15.29.10 NMAC; (4) requiring the operator to bring all 11 wells into compliance with OCD Rules 19.15.29.9, 19.15.29.10 and 19.15.29.11 NMAC by a date certain and (5) ordering that in the event it fails to do so, the operator shall either plug and abandon or transfer all wells it currently operates in New Mexico by a date certain, or the wells shall be deemed abandoned and the Division authorized to plug the wells. The 11 wells specifically addressed by the Application are all located in Eddy County and are as follows:

•Levers Federal 007; 30-015-25091 •Levers 003y; 30-015-02787 •Red Twelve Federal 001; 30-015-25058 •Cave State 004; 30-015-24742 •Red Twelve State 002; 30-015-24966 •Red Twelve State 003; 30-015-24989 •Red Twelve State 004; 30-015-24991 •Diamond State 002; 30-015-24760 •Red Twelve State 001; 30-015-24962 •Red State 001; 30-015-24855 •Mosley Spring 32 State Com 002; 30-015-23341

With the exception of the Mosley Spring 32 State Com) 002, which is located approximately 14 miles SW of Carlsbad, NM, the wells are all located between approximately 16 and 19 miles E/ENE of Artesia, NM.

4. **CASE 14396:** (Continued from the October 29, 2009 Examiner Hearing.)  
**Application of OGX Resources, LLC for approval of a salt water disposal well, Lea County, New Mexico.** Applicant seeks an order approving disposal of produced salt water into the Delaware formation in the Turquoise 30 Fed. Well No. 1, located 1930 feet from the North line and 1980 feet from the West line of Section 30, Township 24 South, Range 32 East, NMPM, at depths of 4700-5975 feet subsurface. The well is located approximately 31 miles West-Northwest of Jal, New Mexico.
5. **CASE 14400:** **Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the NE/4 SW/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated North Seven Rivers Glorieta-Yeso Pool. The unit will be dedicated to the proposed Limousine "15" K Well No. 1; to be drilled at an orthodox location in the NE/4 SW/4 of Section 15. 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 3-1/2 miles Southwest of Seven Rivers, New Mexico.
6. **CASE 14282:** (Continued from the October 29, 2009 Examiner Hearing.)  
**Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the W/2 of Section 8, Township 29 North, Range 13 West, NMPM, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the Airport 29-13-8 Well No. 113, to be located at an orthodox location in the NW/4 NW/4 of Section 8. 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 1/2 mile West of Farmington, New Mexico.
7. **CASE 14401:** **Application of Chevron U.S.A. Inc. for amendment of Division Order No. R-5530-E to revise the injection well completion requirements and to change the basis for the calculation of the authorized injection pressure for carbon dioxide from surface pressure to the average reservoir pressure in its previously approved tertiary recovery project in the Central Vacuum Unit EOR Project Area, Lea County, New Mexico.** The Central Vacuum Unit EOR Project Area encompasses portions of Sections 25 and 36 of Township 17 South, Range 34 East, Sections 30 and 31 of Township 17 South, Range 35 East, and portions of Section 6 of Township 18 South Range 35 East, N.M.P.M. Said unit is located approximately 22 miles Northwest of Hobbs, New Mexico.
8. **CASE 14402:** **Application of Chevron U.S.A. Inc. for amendment of Division Order No. R-4442, as amended, to revise the injection well completion requirements and to change the basis for the calculation of the authorized injection pressure for carbon dioxide from surface pressure to the average reservoir pressure in its previously approved tertiary recovery project in the Vacuum Grayburg-San Andres Pressure Maintenance Project, Lea County, New Mexico.** The Vacuum Grayburg-San Andres Tertiary Recovery Project encompasses portions of Section 35 of Township 17 South, Range 34 East and portions of Sections 1, 2, 11 and 12 of Township 18 South Range 34 East, N.M.P.M. Said unit is located approximately 22 miles Northwest of Hobbs, New Mexico.
9. **CASE 14372:** (Continued from the October 15, 2009 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) in the Abo/Wolfcamp formation comprised of the N/2 N/2 of Section 20, Township 15 South, Range 31 East, NMPM,

to form a non-standard 160-acre oil spacing and proration unit (project area), and pooling all mineral interests in the Abo/Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Valley Forge 20 State Com. Well No. 4, a horizontal well to be drilled at a surface location 375 feet from the North line and 375 feet from the East line, with a terminus 375 feet from the North line and 375 feet from the West line, of Section 20. 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 13-1/2 miles North-Northeast of Loco Hills, New Mexico.

10. **CASE 14351:** (Readvertised) (Continued from the October 29, 2009 Examiner Hearing.)

**Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico. Cimarex Energy Co. seeks an order approving a 159.24-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of Lot 3, NE/4 SW/4, and N/2 SE/4 (the N/2 S/2) of Section 18, Township 15 South, Range 31 East, NMPM.** Applicant further seeks the pooling all mineral interests from the surface to the base of the Abo/Wolfcamp formation underlying (i) the NE/4 SE/4 of Section 18 to form a standard 40 acre oil spacing and proration unit, and (ii) the N/2 S/2 of Section 18 to form a non-standard 159.24-acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Franklin 18 Fee Well No. 3, a horizontal well to be drilled at a surface location 1980 feet from the south line and 330 feet from the east line, with a terminus 1980 feet from the south line and 375 feet from the west line, of Section 18. 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 units are located approximately 14 miles North-Northeast of Loco Hills, New Mexico.

11. **Case No. 14352:** (Readvertised) (Continued from the October 29, 2009 Examiner Hearing.)

**Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Chaves County, New Mexico. Cimarex Energy Co. seeks an order approving a 159.29-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of Lot 4, SE/4 SW/4, and S/2 SE/4 (the S/2 S/2) of Section 18, Township 15 South, Range 31 East, NMPM.** Applicant further seeks the pooling all mineral interests from the surface to the base of the Abo/Wolfcamp formation underlying (i) the SE/4 SE/4 of Section 18 to form a standard 40 acre oil spacing and proration unit, and (ii) the S/2 S/2 of Section 18 to form a non-standard 159.29-acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Franklin 18 Fed. Com Well No. 4, a horizontal well to be drilled at a surface location 375 feet from the south line and 375 feet from the east line, with a terminus 375 feet from the south line and 375 feet from the west line, of Section 18. 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 units are located approximately 13-1/2 miles North-Northeast of Loco Hills, New Mexico.

12. **CASE 14368:** (Readvertised) (Continued from the October 29, 2009 Examiner Hearing.)

**Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the N/2 N/2 of Section 34, Township 19 South, Range 34 East, NMPM.** Applicant further seeks the pooling of all mineral interests from the surface to the base of the Bone Spring formation underlying (i) the NW/4 NW/4 of Section 34 to form a standard 40-acre oil spacing and proration unit, and (ii) the N/2 N/2 of Section 34 to form a non-standard 160-acre oil spacing and proration unit (project area), for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the South Quail Ridge-Bone Spring Pool. The units are to be dedicated to the Mallon 34 Fed. Well No. 20, a horizontal well to be drilled with a surface location at an orthodox location in the NW/4 NW/4, and a terminus at an orthodox location in the NE/4 NE/4, of Section 34. 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 units are located approximately 17 miles West of Monument, New Mexico.

13. **CASE 14369:** (Readvertised) (Continued from the October 29, 2009 Examiner Hearing.)

**Application of Cimarex Energy Co. for approval of a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a 160-acre non-standard oil spacing and proration unit (project area) in the Bone Spring formation comprised of the S/2 N/2 of Section 34, Township 19 South, Range 34 East, NMPM.** Applicant further seeks the pooling of all mineral interests from the surface to the base of the Bone Spring formation underlying (i) the SE/4 NE/4 of Section 34 to form a standard 40-acre oil spacing and proration unit, and