Examiner Hearing –December 3, 2009 Docket No. 41-09 Page 2 of 3

- 4. CASE 14395: (Continued from the October 29, 2009 Examiner Hearing.)
 - Application of XTO Energy Inc, to terminate the South Blanco-Tocito Oil Pool, including its special rules and regulations, and to expand the Basin-Mancos Gas Pool and for an exception to Rule 19.15.12.9 NMAC to permit downhole commingling of production from Tocito formation, now Mancos, with Dakota production, Rio Arriba County, New Mexico. Applicant requests that the Division enter an order terminating the South Blanco-Tocito Oil Pool (Pool ID #6460) including its special rules and regulations and expanding the Basin-Mancos Gas Pool (Pool ID#97232) to include all acreage that was dedicated to the South Blanco Tocito Oil Pool. Applicant also seeks an exception to Rule 19.15.12.9 NMAC to permit downhole commingling of production from Tocito formation, now Mancos, with Dakota production. The southwest corner of this pool is located approximately 4 miles Southwest from the El Paso Natural Gas Company Largo station on NM Highway 403, New Mexico.
- 5. CASE 14372:\ (Continued from the November 12, 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.
- 6. CASE 14351: (Readvertised) (Continued from the November 12, 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.
- 7. Case No. 14352: (Readvertised) (Continued from the November 12, 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 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.
- 8. <u>CASE 14368</u>: (Readvertised) (Continued from the November 12, 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,