- 9. CASE 14424: Application of Energen Resources Corporation for Compulsory Pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in the Fruitland Coal formation, (Basin-Fruitland Coal Gas Pool) underlying irregular Section 9, Township 32 North, Range 4 West, NMPM, Rio Arriba County, New Mexico, forming a 273.12 acre± spacing and proration unit to be dedicated to the Carracas 9 B Well No. 16-H. Pursuant to the provisions of Order No. R-13119, the well will be directionally drilled from a surface location 2043 feet from the South line and 220 feet from the West line in Section 9, penetrating the Fruitland Coal formation 1,400 feet from the South line and 760 feet from the West line of Section 9, with a standard bottom hole location 1,400 feet from the South line and 760' from the East line of Section 9, Township 32 North, Range 4 West, NMPM, Rio Arriba County, New Mexico. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Energen Resources Corporation as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 6 miles South of Arboles, Colorado.
- 10. <u>CASE 14425</u>: Application of Cano Petro of New Mexico, Inc. for increased injection pressures for wells in Chaves County, New Mexico. Cano Petro of New Mexico, Inc. seeks an order approving increases in the maximum injection pressures for thirty wells in the north-eastern portion of the Cato San Andres Unit in the S SW/4, the W/2 of the SE/4, and the SE/4 of the SE/4 of Section 2, the E/2 of the SE/4 and the SW/4 of the SE/4 of Section 3, the E/2 of Section 10, all of Section 11, the W/2 of Section 12, the NW/4, the N/2 of the SW/4, the SW/4 of the SW/4, and the W/2 of the SE/4 of the SE/4 of Section 13, all of Section 14, and the E/2 of Section 15, Township 8 South, Range 30 East. Applicant seeks approval of a maximum daily rate of injection into the San Andres Formation of 1,500 barrels of water per day per well and maximum injection pressures per well of ranging from 1,270 psi to 1,545 psi. The shallowest perforation in a well that will be utilized for increased injection is 3,300 feet. The Cato San Andres Unit is located approximately 2.65 miles Southwest of Elida, New Mexico and 5.3 miles Northeast of Roswell, New Mexico.

11. <u>CASE 14418</u>: (Continued from the January 21, 2010 Examiner Hearing.)

Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Eddy 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 W/2 W/2 of Section 21, Township 19 South, Range 31 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 21 to form a standard 40 acre oil spacing and proration unit, and (ii) the W/2 W/2 of Section 21 to form a non-standard 160 acre oil spacing and proration unit (project area), for any formationsand/or pools developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Penny Pincher 21 Fed. Well No. 1, a horizontal well to be drilled at an orthodox surface location in the NW/4 NW/4, with a terminus at an orthodox location in the SW/4 SW/4, of Section 21. 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 miles South-Southeast of Loco Hills, New Mexico.

- 12. <u>CASE 14426</u>: Application of Cimarex Energy Co. for compulsory pooling and cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4SW/4 of Section 2, Township 17 South, Range 30 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Loco Hills Glorieta-Yeso Pool. The unit will be dedicated to the Castor 2 State Well No. 1, to be drilled at an orthodox location. 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. Applicant further seeks cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC for the proposed Yale State Well No. 1, a Glorieta-Yeso test located in the SW/4 SW/4 of Section 2 (API No. 30-015-37459). The unit is located approximately 3-1/2 miles Northeast of Loco Hills, New Mexico.
- 13. CASE 14427: Application of Cimarex Energy Co. for compulsory pooling and cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SE/4SW/4 of Section 2, Township 17 South, Range 30 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Loco Hills Glorieta-Yeso Pool. The unit will be dedicated to the Castor 2 State Well No. 2, to be drilled at an orthodox location. 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. Applicant further seeks cancelation of the Division's

approval of an application for permit to drill issued to COG Operating LLC for the proposed Yale State Well No. 3, a Glorieta-Yeso test located in the SE/4 SW/4 of Section 2 (API No. 30-015-37452). The unit is located approximately 3-1/2 miles Northeast of Loco Hills, New Mexico.

- 14. <u>CASE 14428</u>: Application of Cimarex Energy Co. for compulsory pooling and cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SW/4SE/4 of Section 2, Township 17 South, Range 30 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Loco Hills Glorieta-Yeso Pool. The unit will be dedicated to the Castor 2 State Well No. 3, to be drilled at an orthodox location. 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. Applicant further seeks cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC for the proposed Yale State Well No. 5, a Glorieta-Yeso test located in the SW/4 SE/4 of Section 2 (API No. 30-015-37453). The unit is located approximately 4 miles Northeast of Loco Hills, New Mexico.
- 15. <u>CASE 14429</u>: Application of Cimarex Energy Co. for compulsory pooling and cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Glorieta-Yeso formation underlying the SE/4SE/4 of Section 2, Township 17 South, Range 30 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Loco Hills Glorieta-Yeso Pool. The unit will be dedicated to the Castor 2 State Well No. 4, to be drilled at an orthodox location. 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. Applicant further seeks cancelation of the Division's approval of an application for permit to drill issued to COG Operating LLC for the proposed Yale State Well No. 7, a Glorieta-Yeso test located in the SE/4 SE/4 of Section 2 (API No. 30-015-37454). The unit is located approximately 4 miles Northeast of Loco Hills, New Mexico.

16. <u>CASE 14412</u>: (Continued from the December 17, 2009 Examiner Hearing.)

Application of Reliant Exploration & Production LLC for cancellation of two permits to drill or in the alternative for compulsory pooling, Harding County, New Mexico. Applicant seeks an order cancelling two permits to drill issued to Oxy USA, Inc. for the following carbon dioxide wells in Township 20 North, Range 31 East NMPM in Harding County, New Mexico; or alternatively, an order pooling two 640-acre spacing units all mineral interests within all of Section 2 and 11, T18N, R31E, NMPM, Harding County, New Mexico, forming a standard 640-acre gas spacing and proration units for the Bravo Dome Carbon Dioxide Gas Pool. The unit in Section 2 is to be dedicated to OXY USA Inc's Unit 2031 Well #021 (API # 30-021-20425) already drilled in Unit G. The unit in Section 11 is to be dedicated to OXY USA Inc's Unit 2031 Well #111 (API # 30-021-20426) already drilled in Unit G. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well. These units are located approximately 16 miles East-Northeast of the Mosquero, New Mexico.

17. CASE 14353: (Amended and Readvertised) (Continued from the January 7, 2010 Examiner Hearing.)

Application of Chi Energy, Inc. for approval of a secondary recovery project and to qualify the project for the Recovered Oil Tax Rate, Eddy County, New Mexico. Applicant seeks approval to institute a waterflood project in the Brushy Canyon member of the Delaware formation (Benson-Delaware Pool) by the injection of water into nine wells located on federal lands covering parts of Sections 1, 11, and 12, Township 19 South, Range 30 East, N.M.P.M. Applicant further seeks to qualify the project for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1-5). The project is centered approximately 10 miles South-Southeast of Loco Hills, New Mexico.

18. <u>CASE 14411</u>: (Continued from the January 7, 2010, Examiner Hearing.)

Application of Agua Sucia, LLC to reinstate Division Administrative Order SWD-559 for a salt water disposal well, Lea County, New Mexico. Applicant seeks an order reinstating Division Administrative Order SWD-559 for a salt water disposal well, approving disposal into the Bone Spring formation in the Government E Well No. 1, located 610 feet from the South line and 1880 feet from the West line of Section 25, Township 19 South, Range 34 East, NMPM, at depths of 9716-10240 feet subsurface. The well is located approximately 15 miles West-Northwest of Oil Center, New Mexico.