

the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 14 miles North-Northeast of Loco Hills, New Mexico.

15. **CASE 14352:** *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 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, to form a non-standard 159.29-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 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 unit is located approximately 13-1/2 miles North-Northeast of Loco Hills, New Mexico.
16. **CASE 14353:** *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.
17. **CASE 14354:** *Application of Chi Energy, Inc. for statutory unitization, Eddy County, New Mexico.* Applicant seeks an order unitizing all mineral interests in the Brushy Canyon member of the Delaware formation (Benson-Delaware Pool) underlying parts of Sections 1, 11, and 12, Township 19 South, Range 30 East, N.M.P.M., comprising 640.00 acres of federal lands for its proposed Benson Delaware Unit. Among the matters to be considered at hearing, pursuant to the New Mexico Statutory Unitization Act, NMSA 1978 §§70-7-1 *et seq.*, will be: The necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the designation of Chi Operating, Inc. as unit operator; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate. The unit area is centered approximately 10 miles South-Southeast of Loco Hills, New Mexico.
18. **CASE 14332:** *(Continued from the July 9, 2009 Examiner Hearing.)*  
**Application of Enstor Grama Ridge Storage and Transportation, LLC for approval of a gas storage well, Grama Ridge Morrow Storage Unit, Lea County, New Mexico.** Applicant seeks approval to utilize its Grama Ridge Federal, 8817-P Well No. 1 located 660 feet from the North line and 1980 feet from the East line of Section 9, Township 22 South, Range 34 East, N.M.P.M., for the purpose of injection, storage and withdrawal of natural gas, at a maximum pressure of 5000 psi, in the Morrow Formation sands in its Grama Ridge Morrow Storage Unit. This well is located approximately 18 miles West of Eunice, New Mexico.
19. **CASE 14333:** *(Continued from the July 9, 2009 Examiner Hearing.)*  
**Application of Enstor Grama Ridge Storage and Transportation, LLC for expansion of the Grama Ridge Morrow Storage Unit and the area subject to the Special Project Rules and Operating Procedures for this storage unit, Lea County, New Mexico.** Applicant seeks an order expanding the Grama Ridge Morrow Storage Unit and the area subject to the Special Rules and Regulations for the Grama Ridge Morrow Storage Unit, which include certain notification, casing, cementing, completion and recompletion requirements for newly drilled and existing wells within the Unit Area, to include Section 9, Township 22 South, Range 34 East, N.M.P.M.. The Unit Area, also known as the Grama Ridge Morrow Gas Storage Agreement Area, following expansion, will include:

Township 21 South, Range 34 East, N.M.P.M.  
Sections 33 and 34: All

Township 22 South, Range 34 East, N.M.P.M.  
Sections 3 and 4: All  
Sections 9 and 10: All

The Grama Ridge Storage Unit is located approximately 18 miles West of Eunice, New Mexico.