Examiner Hearing –September 16, 2010 Docket No. 31-10 Page 2 of 9

(Wildcat) for Applicant's horizontal drilling project area. Applicant further seeks the compulsory pooling of all interests in the Abo/Wolfcamp formation underlying the S/2 S/2 of said Section 3 to be dedicated to its Leo 3 Fed Com No. 1-H Well to be drilled horizontally from a surface location 660 feet from the South line and 430 feet from the East line to a bottomhole location 660 feet from the South line and 330 feet from the West line to a depth sufficient to test the Abo/Wolfcamp formation. 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 COG Operating LLC as operator and a charge for risk involved in drilling the well. The proposed well and lands are located approximately 10 miles North of Maljamar, New Mexico.

- 3. CASE 14507: (Continued from the September 2, 2010 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 161.06-acre non-standard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of Lot 2, SW/4 NE/4, and W/2 SE/4 (the W/2 E/2) of Section 3, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Abo/Wolfcamp formation underlying Lot 2 of Section 3 to form a standard 41.06 acre oil spacing and proration unit, and (ii) in the Abo/Wolfcamp formation underlying the W/2 E/2 of Section 3 to form a non-standard 161.06 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 Boxer 3 Fee Well No. 3, a horizontal well to be drilled at a surface location 375 feet from the North line and 1980 feet from the East line, with a terminus 330 feet from the South line and 1980 feet from the East line, of Section 3. 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 17-1/2 miles North-Northeast of Loco Hills, New Mexico.
- CASE:14508: (Continued and Readvertised) (Continued from the September 2, 2010 Examiner Hearing.) 4. 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 161.02-acre nonstandard oil spacing and proration unit (project area) in the Abo/Wolfcamp formation comprised of Lot 1, SE/4NE/4, and E/2SE/4 (the E/2E/2) of Section 3, Township 15 South, Range 31 East, NMPM. Applicant further seeks the pooling of all mineral interests (i) from the surface to the top of the Abo/Wolfcamp formation underlying Lot 1 of Section 3 to form a standard 41.02 acre oil spacing and proration unit, and (ii) in the Abo/Wolfcamp formation underlying the E/2E/2 of Section 3 to form a non-standard 161.02 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 Boxer 3 Fee Well No. 4, a horizontal well to be drilled at a surface location 375 feet from the north line and 1250 feet from the east line, with a terminus 330 feet from the south line and 660 feet from the east line, of Section 3. 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 17-1/2 miles northnortheast of Loco Hills, New Mexico.
- 6. CASE 14540: Application of Merrion Oil & Gas Corp. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all noncommitted mineral interests and noncommitted working interest owners in the Fruitland Coal formation in the W/2 of Section 9, Township 29 North, Range 13 West, NMPM, to form a standard 320-acre gas spacing and proration unit for the Basin-Fruitland Coal Pool. The unit is to be dedicated to the Glade Park #1 well to be drilled at an orthodox location, and the Glade Park #2 well to be drilled at an unorthodox location in the W/2 of Section 9. Applicant further seeks an order pooling all noncommitted mineral interests and noncommitted working interest owners in the Pictured Cliffs formation in the NW/4 of Section 9, Township 29 North; Range 13 West, NMPM, to form a standard 160-acre gas spacing and proration unit for the West Kutz-Pictured Cliffs Pool. The unit is to be dedicated to the Glade Park #1 well to be drilled at an unorthodox location in the NW/4 of Section 9. Applicant further seeks an order pooling all noncommitted mineral interests and noncommitted working interest owners in the Pictured Cliffs formation in