

CASE 13334: *Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the W/2 of Section 24, Township 22 South, Range 25 East, 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 Undesignated McKittrick Canyon-Upper Pennsylvanian Gas Pool, Undesignated East McKittrick Hills-Atoka Gas Pool, and Undesignated Happy Valley-Morrow Gas Pool. The unit is to be dedicated to the Filaree 24N Fed. Com. Well No. 1, to be located at an orthodox location in the SE/4 SW/4 of Section 24. 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 8 miles west-southwest of Carlsbad, New Mexico.

CASE 13335: *Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Eddy County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 3, Township 22 South, Range 27 East, and in the following manner: The W/2 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated East Carlsbad-Wolfcamp Gas Pool, Undesignated La Huerta-Strawn Gas Pool, and Undesignated East Carlsbad-Morrow Gas Pool; the NW/4 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Esperanza-Delaware Pool and Esperanza-Bone Spring Pool. The units are to be dedicated to applicant's Esperanza 3E Fee Well No. 2, to be located at an orthodox location in the SW/4 NW/4 of Section 3. The W/2 of Section 3 will be simultaneously dedicated, in the Morrow formation, to the proposed well and to the existing Esperanza 3N Fee Well No. 1, located in the SE/4 SW/4 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 applicant as operator of the well, and a cost-plus 200% charge for the risk involved in drilling and completing the well. The units are located approximately 3 miles east of Carlsbad, New Mexico.

CASE 13330: *Continued from August 19, 2004 Examiner Hearing*
Application of Mewbourne Oil Company for an exception to Division Rule 104.C.(2)(c), Eddy County, New Mexico. Applicant seeks an order granting an exception to Division Rule 104.C.(2)(c) to allow two operators in all formations developed on 320-acre spacing in the N/2 of Section 20, Township 22 South, Range 28 East, to form a standard 320-acre gas spacing and proration unit in the Undesignated West Indian Flats-Strawn Gas Pool, Undesignated Dublin Ranch-Atoka Gas Pool, and Dublin Ranch-Morrow Gas Pool. The unit will be simultaneously dedicated to the existing Foal "20" Federal Well No. 1, operated by Jetta Operating Company, Inc., located in the NE/4 NW/4 of Section 20, and the proposed Dinero "20" Federal Well No. 2, to be operated by applicant, to be located in the SE/4 NE/4 of Section 20. The unit is located approximately 4 miles northeast of Otis, New Mexico.

CASE 13317: *Continued from August 19, 2004, Examiner Hearing*
Application of Murchison Oil & Gas, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 2, Township 17 South, Range 28 East, and in the following manner: Lots 3, 4, S/2 NW/4, and the SW/4 (the W/2 equivalent) to form a standard 318.48-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated North Empire-Atoka Gas Pool and Undesignated Southeast Crow Flats-Morrow Gas Pool; Lots 3, 4, and the S/2 NW/4 (the NW/4 equivalent) to form a standard 158.48-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and Lot 4 to form a standard 39.26-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the Panda Bear State Com. Well No. 1, to be drilled at an orthodox gas well location in Lot 4 of Section 2. 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 units are located approximately 14½ miles east-northeast of Artesia, New Mexico.