## Examiner Hearing - February 3, 2005 Docket No. 04-05 Page 3 of 3

CASE 13409: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Queen formation to the base of the Bone Spring formation underlying the following described acreage in Section 29, Township 18 South, Range 30 East, and in the following manner: The N/2 SE/4 to form a standard 80-acre oil spacing and proration unit for any and all formations developed on 80-acre spacing within that vertical extent, including the Undesignated Santo Nino-Bone Spring Pool; and the NW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the proposed Pinta "29" Fed. Com. Well No. 2, to be drilled at an orthodox oil well location in the NW/4 SE/4 (Unit J) of Section 29. 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 7 miles south of Loco Hills, New Mexico.

CASE 13410: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Queen formation to the base of the Bone Spring formation underlying the following described acreage in Section 29, Township 18 South, Range 30 East, and in the following manner: The S/2 SE/4 to form a standard 80-acre oil spacing and proration unit for any and all formations developed on 80-acre spacing within that vertical extent, including the Undesignated Santo Nino-Bone Spring Pool; and the SW/4 SE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations developed on 40-acre spacing within that vertical extent. The units are to be dedicated to the proposed Pinta "29" Fed. Well No. 1, to be drilled at an orthodox oil well location in the SW/4 SE/4 (Unit O) of Section 29. 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 7 miles south of Loco Hills, New Mexico.

CASE 13389: Continued from January 6, 2005, Examiner Hearing.

Application of Nadel and Gussman Permian, L.LC. for compulsory pooling, Chaves County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the E/2 of Section 8, Township 13 South, Range 27 East, to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent. The unit is to be dedicated to the Cazador Fed. Well No. 1, located at an orthodox location in the SE/4 NE/4 of the section. Also to be considered will be the cost of re-entering 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 re-entering and completing the well. The unit is located approximately 6 miles east of Roswell, New Mexico.

CASE 13411: Application of Primero Operating, Inc. for an exception to Division Rule 104.D (3), Chaves County, New Mexico. Applicant seeks an exception to Division Rule 104.D (3) in order to simultaneously dedicate production attributed to the West Cato-San Andres Gas Pool (74445) within an existing 160-acre standard shallow gas spacing unit comprising the NE/4 of Section 7, Township 8 South, Range 30 East, from the following two wells: (i) C. L. O'Brien Well No. 19 (API No. 30-005-00475), located at a standard gas well location 660 feet from the North and East lines (Unit A) of Section 7; and (ii) C. L. O'Brien Well No. 2 (API No. 30-005-20897), also located at a standard gas well location 1980 feet from the North and East lines (Unit H) of Section 7. This unit is located approximately nine (9) miles east-southeast of Elkins, New Mexico.

CASE 13412: Application of the New Mexico Oil Conservation Division for a Compliance Order Against Tommy L. Willyard and Tommy L. Willyard Jr. dba RW Oil Company. The Applicant seeks an order requiring Tommy L. Willyard and Tommy L. Willyard Jr. dba RW Oil Company to bring four wells into compliance with 19.15.4.201 NMAC by a date certain and, in the event of non-compliance, assessing a civil penalty, authorizing the Division to plug said wells and forfeit the applicable plugging security, and for such other relief as the Director deems appropriate. The affected wells are the Reno Federal #001, API 30-005-00548, UL L, Sec. 3, 15S, 31E; Reno Federal #002, API 30-005-10151, UL M, Sec. 3, 15S, 31E; Reno Federal #004, API 30-005-10153, UL N, Sec. 3, 15S, 31E. The wells are located approximately 20 miles west of Lovington in Chaves County, New Mexico.