Examiner Hearing – December 2, 2004 Docket No. 33-04 Page 2 of 3

CASE 13365: Continued from November 18, 2004, Examiner Hearing

Application of Nadel and Gussman Permian, L.LC. 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 33, Township 22 South, Range 28 East, and in the following manner: The S/2 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, including the Dublin Ranch-Atoka Gas Pool and Dublin Ranch-Morrow Gas Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to the Artemis Fed. Com. Well No. 1, to be located at an orthodox location in the SW/4 of the section. 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 4 miles north of Loving, New Mexico.

<u>CASE 13389</u>: 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 13352: Continued from November 18, 2004, Examiner Hearing.

Application of Samson Resources Company for Compulsory Pooling, Lea 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 15, Township 21 South, Range 32 East, and in the following manner: The E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations developed on 320-acre spacing within that vertical extent, including the Undesignated Hat Mesa-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing within that vertical extent; and the NE/4 NE/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 Mesa Verde Federal "15" Well No. 1, to be drilled at an orthodox location in the NE/4 NE/4 (Unit A) of Section 15. 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 6½ miles southeast of the intersection of U.S. Highway 62/180 and State Highway 176.

<u>CASE 13359</u>: Continued from November 18, 2004, Examiner Hearing.

Application of Mewbourne Oil Company for Compulsory Pooling, Lea 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 9, Township 21 South, Range 35 East, and in the following manner: The N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations developed on 320-acre spacing within that vertical extent, including the Undesignated South Osudo-Morrow Gas Pool; the NE/4 to form a standard 160-acre gas spacing and proration unit for any and all formations developed on 160-acre spacing within that vertical extent, including the Undesignated South Osudo-Wolfcamp Gas Pool; and the SE/4 NE/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, including the Undesignated Osudo-Wolfcamp Pool and Undesignated Osudo-Strawn Pool. The units are to be dedicated to the proposed Osudo "9" State Com. Well No. 1, to be drilled at an orthodox location in the SE/4 NE/4 (Unit H) of Section 9. 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 said well.