## Examiner Hearing - March 17, 2005 Docket No. 09-05 Page 2 of 13

CASE 13417: Amended

Application of Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin Dakota Gas Pool; the NE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NE/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Canyon Largo Unit Well No. 458 to be drilled at a standard well location 2338 feet from the North line and 1282 feet from the East line of said Section 2 to an approximate depth of 7500 feet. 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 Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico.

CASE 13418: Amended

Application of Huntington Energy, L.L.C. for compulsory pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Mesaverde formation through the base of the Dakota formation in the following described acreage in Section 2, Township 25 North, Range 7 West: the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Basin Dakota Gas Pool; the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent; and the SE/4 NW/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to its Canyon Largo Unit Well No. 473 to be drilled at an unorthodox well location 1350 feet from the North and East lines of said Section 2 to an approximate depth of 7500 feet. 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 Huntington Energy, L.L.C. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 20 miles southeast of Blanco, New Mexico.

CASE 13416: Continued from February 17, 2005, Examiner Hearing

Application of Nadel & Gussman Permian, LLC 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 in the following described acreage in Section 12, Township 17 South, Range 28 East: the S/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated South Empire-Morrow Gas Pool; and the SW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated Vandagriff Keyes-Queen Gas Pool. Said units are to be dedicated to applicant's Carrington State Well No. 1 to be drilled 1650 feet from the South line and 1500 feet from the West line of said Section 12 to an approximate depth of 10,600 feet. 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 Nadel and Gussman Permian, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles east of Artesia, New Mexico.

CASE 13433: Continued from March 3, 2005, Examiner Hearing

Application of Myco Industries, Inc. 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 35, Township 21 South, Range 27 East. Applicant proposes to operate and produce its Boise Federal Well No. 1 from the Carlsbad Morrow East Gas Pool and any other pool in the N/2 of Section 35 developed on 320-acre spacing. The Division-designated operator for this spacing unit is presently Delta Petroleum Corporation. This spacing unit is located approximately 3 miles east of Carlsbad, New Mexico.