Examiner Hearing – March 2, 2006 Docket No. 08-06 Page 5 of 6

1980 FNL, 1980 FEL G-35-18S-24E

Fo Fo No. 1 30-015-22866

2310 FNL, 990 FWL E-32-19S-27E

Fo Fo No. 2

30-015-22867

1650 FNL, 1650 FWL F-32-19S-27E

Fo Fo No. 3

30-015-22868

1650 FNL, 990 FWL E-32-19S-27E

30-015-04656

Tidewater State No. 1

30-013-0403

Tidewater State No. 2

2310 FNL, 1650 FEL G-36-19S-30E

water State No. 2

30-015-04655

1650 FSL. 1650 FEL J-36-19S-30E

660 FSL/660FEL P-16-7S-28E

CASE 13658: Application of the New Mexico Oil Conservation Division for an Order Requiring Southeastern Petroleum Inc. to Plug 2 Wells and Ordering Forfeiture of Applicable Financial Assurance in the Event of Operator's Non-Compliance, Chaves County, New Mexico.

The Applicant seeks an order requiring Southeastern Petroleum Inc. to plug the following wells and to forfeit applicable security:

Well Name

API No.

Location

Pogo State #1

30-005-60915

.Pogo State #2

30-005-61241

660FS&/1980FWL N-16-7S-28E

CASE 13603: Continued from February 16, 2006, Examiner Hearing

Application of Devon Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface through the base of the Wolfcamp formation in the following described acreage in Section 6, Township 17 South, Range 25 East: 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 Undesignated West Cottonwood Creek-Wolfcamp Gas Pool, and the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent. Said spacing and proration units are to be dedicated to the 1725 Federal Com Well No. 61 (API No. 30-015-34340) currently being drilled from a surface location 660 feet from the North line and 760 feet from the West line of said Section 6 to an appropriate depth to be horizontally drilled in a southerly direction in the Wolfcamp formation for a sufficient distance to enable the well to effectively drain the W/2 of Section 6 and test all formations from the surface to the base of the 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 operating costs and charges for supervision, designation of Devon Energy Corporation as operator of the well and imposition of a 200% penalty on any working interest owner's share of the costs of drilling and completing the well incurred by Devon, if any, against any working interest owner who does not voluntarily participate in the well. Said area is located approximately 7 miles west of Artesia, New Mexico.

CASE 13628: Continued from February 16, 2006, Examiner Hearing

Application of LCX Energy, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface through the base of the Wolfcamp formation in the following described acreage in Section 6, Township 17 South, Range 25 East; the W/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing unit within that vertical extent which includes but is not necessarily limited to the Undesignated West Cottonwood Creek-Wolfcamp Gas Pool, and the NW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent. Said spacing and proration units are to be dedicated to the 1725 Federal Com Well No. 61 (API No. 30-015-34340) currently being drilled from a surface location 660 feet from the North line and 760 feet from the West line of said Section 6 to an appropriate depth to be horizontally drilled in a southerly direction in the Wolfcamp formation for a sufficient distance to enable the well to effectively drain the W/2 of Section 6 and test all formations from the surface to the base of the Wolfcamp formation. Also to be considered will be the cost of drilling, completing and equipping said well and the allocation of the costs thereof as well as operating costs and charges for supervision, designation of LCX Energy, LLC as operator of the well and imposition of a 200% penalty plus the costs of drilling, completing and equipping the well incurred by LCX against any working interest owner who does not voluntarily participate in the well. The subject well and lands are located approximately 7 miles west of Artesia, New Mexico.