

Township 2 South, Range 20 West, N.M.P.M.

Sections 5-8: All

Sections 18-19: All

Township 2 South, Range 21 West, N.M.P.M.

Sections 1-4: All

Sections 9-16: All

Sections 21-28: All

Sections 33-36: All

Township 3 South, Range 21 West, N.M.P.M.

Sections 3-4: All

The proposed unit area is centered approximately 33 miles west-southwest of Quemado, New Mexico.

CASE NO. 13716: *Application of Pride Energy Company for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the W/2 of Section 12, Township 12 South, Range 34 East, NMPM, 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 Undesignated Four Lakes-Mississippian Gas Pool. The unit is to be dedicated to the existing State "X" Well No. 1, located 1980 feet from the north line and 660 feet from the west line of Section 12, which is to be re-entered. 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. Applicant also requests that the order provide for the drilling of an infill well pursuant to Division rules. The unit is located approximately 12 miles west-northwest of Tatum, New Mexico.

CASE NO. 13703: *Continued from May 11, 2006, Examiner Hearing*

Application of Pride Energy Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the following described acreage in Section 13, Township 11 South, Range 33 East, N.M.P.M., and in the following manner: The N/2 to form a standard 320 acre gas spacing and proration unit for all formations developed on 320 acre spacing within that vertical extent; the NE/4 to form a standard 160 acre gas spacing and proration unit for all formations developed on 160 acre spacing within that vertical extent; the W/2 NE/4 to form a standard 80-acre oil spacing and proration unit for all formations or pools developed on 80 acre spacing within that vertical extent, including the Inbe Permo-Pennsylvanian Pool; and the SW/4 NE/4 to form a standard 40-acre oil spacing and proration unit for all formations developed on 40 acre spacing within that vertical extent. The units are to be dedicated to the Inbe "13" Well No. 1, to be located at an orthodox well location in the SW/4 NE/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 8-1/2 miles east-southeast of Caprock, New Mexico.

CASE NO. 13717: *Application of BTA Oil Producers for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation in the following described spacing and proration unit located in the W/2 of Section 31, Township 16 South, Range 35 East, N.M.P.M., Lea County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the North Vacuum-Atoka-Morrow Gas Pool. Said unit is to be dedicated to its 9205 JV-P Vacuum Well No. 1 to be re-entered and to drill opposing laterals at a surface location 1982 feet from the South line and 653 feet from the West line (Unit L), NMPM, Lea County, New Mexico. The first lateral will be drilled to the southeast to a proposed bottomhole location 460 feet from the South line and 2180 from the West line of Section 31 and the second lateral will be drilled to the northeast to a proposed bottomhole location 460 feet from the North line and 1980 feet from the West line of Section 31. 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 BTA Oil Producers as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 8 miles southwest of Lovington, New Mexico.

CASE NO. 13718: *Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 4, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Millman-Morrow Gas Pool and the Undesignated Millman-Strawn Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SW/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Travis-Upper Pennsylvanian Pool and the Travis Wolfcamp Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Senita State Well No. 1 to be drilled at a standard gas well location 1540 feet from the North line and 1070 feet from the West line (Unit E) of said Section 4. 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

OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10 miles East of Lakewood, New Mexico.

CASE NO. 13719: *Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico.*

Applicant seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 24, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Illinois Camp-Morrow Gas Pool, the Undesignated Red Lake-Atoka Gas Pool and the Undesignated Chalk Bluff-Wolfcamp Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SE/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Chalk Bluff-Wolfcamp Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Peso State Well No. 1 to be drilled at a standard gas well location 1980 feet from the North line and 1530 feet from the West line (Unit F) of said Section 24. 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 OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 8 miles southeast of Artesia, New Mexico.

CASE NO. 13563: *Continued from April 13, 2006, Examiner Hearing*

Application of the New Mexico Oil Conservation Division for an Order Requiring CKG Energy, Inc. and/or Cedar Gas Company to Properly Plug 8 Well(s) and to Close Pits, Quay County, New Mexico. The applicant seeks an order requiring CKG Energy, Inc., the operator of eight inactive well(s) in Quay County, New Mexico, to properly plug and abandon the same, and to properly close abandoned pits located at the sites of said wells, and providing for such other relief as the Director deems appropriate.

CASE NO. 13662: *Continued from May 11, 2006, Examiner Hearing*

Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Pictured Cliffs formation underlying the following described acreage in Section 6, Township 29 North, Range 13 West, NMPM, and in the following manner: Lots 2-5, 8, 9, 11-13, S/2 NW/4 NE/4 NE/4, S/2 SW/4 NE/4 NE/4, S/2 NE/4, and the SE/4 NW/4 (the N/2) to form a non-standard 248.11-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing, including the Basin-Fruitland Coal Gas Pool; Lots 2, 8, 9, 11-13, S/2 NW/4 NE/4 NE/4, S/2 SW/4 NE/4 NE/4, and the S/2 NE/4 (the NE/4) to form a standard 159.82-acre gas spacing and proration unit for all pools or formations developed on 160 acre spacing, including the West Kutz-Pictured Cliffs Gas Pool; and Lots 3-5 and the SE/4 NW/4 (the NW/4) to form a non-standard 88.29-acre gas spacing and proration unit for all pools or formations developed on 160 acre spacing, including the West Kutz-Pictured Cliffs Gas Pool. The units are to be dedicated to the Madrid 29-13-6 Well No. 111, to be located at an orthodox location in the NE/4 of Section 6, and the Madrid 29-13-6 Well No. 112, to be located at an orthodox location in the NW/4 of Section 6. Also to be considered will be the costs of drilling and completing the wells and the allocation of the costs thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The units are located approximately 1 mile west of Farmington, New Mexico.

CASE NO. 13663: *Continued from May 11, 2006, Examiner Hearing*

Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the following described acreage in Section 8, Township 29 North, Range 11 West, NMPM, and in the following manner: The W/2 to form a standard 320-acre gas spacing and proration unit for any pools or formations developed on 320-acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any pools or formations developed on 160-acre spacing within that vertical extent. The units are to be dedicated to the proposed Duff 29-11-8 Well No. 105, to be drilled at an orthodox location in the SW/4 of Section 8. 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 6 miles southwest of Aztec, New Mexico.

CASE NO. 13700: *Continued from May 11, 2006, Examiner Hearing*

Application of Devon Energy Production Company, L.P. for approval of a non-standard gas spacing and proration unit, Eddy County, New Mexico. Applicant seeks approval of a non-standard gas spacing and proration unit in the Strawn formation (Undesignated Mosley Canyon-Strawn Gas Pool) comprised of the SE/4 of Section 32, Township 23 South, Range 25 East, N.M.P.M. The unit is located approximately 6 miles north-northwest of Whites City, New Mexico.