<u>CASE 13111</u>: Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in the following described spacing and proration units in Section 5, Township 19 South, Range 31 East as follows: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated Shugart-Morrow Gas Pool, and the Undesignated Gatuna Canyon-Atoka Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing; the S/2 NE/4 for all formations and/or pools developed on 80-acre spacing, and the SE/4 NE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool. Said units are to be dedicated to its Red Cloud "5" Federal Com Well No. 1 to be drilled at a standard location 1980 feet from the North line and 660 feet from the East line of said Section 5 to a depth sufficient to test all formations from the surface to the base of the Morrow 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 actual operating costs and charges for supervision, provisions governing subsequent operations on the pooled units, designation of Nearburg Producing Company as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10.5 miles southeast of Loco Hills, New Mexico.

<u>CASE 13038</u>: Continued from June 19, 2003, Examiner Hearing.

Application of Yates Petroleum Corporation for compulsory pooling and an unorthodox gas well location, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation for any and all formations and/or pools developed on 320-acre spacing and proration units under the E/2 of Section 19, Township 15 South, Range 35 East, which includes but is not necessarily limited to the Undesignated Northwest Big Dog-Mississippian Gas Pool and the Undesignated Big Dog-Morrow Cas Pool. Said unit is to be dedicated to its Associate "AZP" State Com Well No. 1 to be drilled at an unorthodox well location 1650 feet from the South line and 2310 feet from the East line (Unit J) of said Section 19. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 6 miles northwest of Lovington, New Mexico.

CASE 13112: Application of Pure Resources, L.P. for a blanket exception in the Rincon Unit Area to the well location requirements for the Blanco-Mesaverde Gas Pool, Rio Arriba County, New Mexico. Applicant seeks an exception to the well density requirements of Rule I.C of the Special Rules and Regulations for the Blanco-Mesaverde Gas Pool to permit the downhole commingling of production from the Blanco-Mesaverde Gas Pool and the Basin-Dakota Gas Pool in wellbores in the Rincon Unit area as previously approved by Division Order No. R-9893. Said wells are located approximately 40 miles southeast of Farmington, New Mexico.

CASE 13102: Continued from July 10, 2003, Examiner Hearing

Application of Pogo Producing Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Cisco formation underlying the following described acreage in Section 19, Township 20 South, Range 27 East, in the following manner: Lots 1, 2, E/2 SW/4, and the SE/4 (the S/2) to form a standard 320.15-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including the Undesignated McMillan-Wolfcamp Gas Fool; Lots 1, 2, and the E/2 SW/4 (the SW/4) to form a standard 160.15-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within that vertical extent; and Lot 3 to form a standard 40.02-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within that vertical extent, including the Undesignated Southwest McMillan-Wolfcamp Pool. The units are to be dedicated to applicant's State 19 Well Com. No. 2, to be drilled at an orthodox location in Lot 3 of Section 19. 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 charge for the risk involved in drilling and completing the well. The units are located approximately 6-1/2 miles southeast of Seven Rivers, New Mexico.