

- B. SW 4 equivalent of Section 7 and W/2 equivalent of Section 18 (the additional well is proposed at a standard location in the NW/4 of Section 18); and
- C. W 2 equivalent of Section 19 and the NW/4 equivalent of Section 30 (the additional well is proposed at a standard location in the NW/4 of Section 19).

Applicant also seeks authorization to simultaneously dedicate each of these units to the three coal gas wells located thereon. This area is located approximately 6.5 miles West of the Los Pinos arm of the Navajo Reservoir approximately 30.66 miles North of Aztec, New Mexico.

**CASE NO. 13848:** *Application of COG Operating LLC for the Approval of the Third Amendment of the Grayburg-Jackson West Cooperative Unit Agreement Extending the Vertical Limits of the Unitized Formation to Include the Blinebry, Tubb and Drinkard Intervals of the Yeso Formation, to Amend Order No. R-3127-B to Correct Certain Findings and to Include Commingled Production, and for Extension of the Grayburg Jackson-Seven Rivers-Queen-Grayburg San Andres-Glorieta-Yeso (Paddock) Pool to Include the Blinebry, Tubb and Drinkard Intervals of the Yeso Formation, Eddy County, New Mexico.* Applicant seeks an order amending Division Order R-3127-B, dated June 13, 2006, for the Grayburg-Jackson West Cooperative Unit Agreement to extend the vertical limits of the Unitized Formation to include all formations from the top of the Seven Rivers formation to the top of the Abo formation and for approval of production that has been commingled from the expanded Unitized Formation. Applicant also seeks the commensurate extension of the vertical limits of the Grayburg Jackson-Seven Rivers-Queen-Grayburg San Andres-Glorieta-Yeso (Paddock) Pool (97558) and contraction of the East Empire Yeso Pool to delete the Blinebry, Tubb and Drinkard intervals of the Yeso formation. Applicant further seeks to correct Finding (10)(b) and (c) and (12) of Order R-2137-B. The Grayburg-Jackson West Cooperative Unit is comprised of approximately 2,400 acres of State of New Mexico and fee lands in the following area:

Township 17 South, Range 29 East, NMPM

Section 15:	W1/2SW1/4
Section 16:	All
Section 21:	All
Section 22:	W1/2W1/2, E1/2NW1/4, NE1/4SW1/4, NW1/4NE1/4
Section 27:	W1/2SW1/4
Section 28:	All

The subject lands are located in the immediate vicinity of Loco Hills, New Mexico.

**CASE NO. 13843:** *Continued from the December 13, 2006 Examiner Hearing.* *Application of Parallel Petroleum Corporation for compulsory pooling and unorthodox well location, 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 spacing and proration units located in the N/2 of Section 19, Township 19 South, Range 21 East, N.M.P.M., Eddy County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Gardner Draw-Morrow Gas Pool. Said unit is to be dedicated to its Drewford's Boombox 1921-19 Com Well No. 1 to be drilled at an unorthodox surface location 165 feet from the East line and 760 feet from the North line, and will penetrate the top of the Wolfcamp formation at a point 660 feet from the East line and 760 feet from the North line and a bottomhole location of 660 feet from the West line and 760 feet from the North line of Section 19, Township 19 South, Range 21 East to an approximate depth of 4350 feet to test any and all formations from the surface to the base of the Wolfcamp. 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 Parallel Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 12 miles southwest of Hope, New Mexico.

**CASE NO. 13813:** *Reopened and Re-advertised, continued from the November 9, 2006 Examiner Hearing.* *Amended 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 the Morrow formation in the following described spacing and proration units located in the S 2 of Section 9, Township 17 South, Range 29 East, N.M.P.M., Eddy County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Empire-Morrow Gas Pool and the Undesignated North

Grayburg-Atoka Gas Pool; and the SW/4 for all formations and/or pools developed on 160-acre spacing. OXY proposes to dedicate the above-referenced spacing or proration units to its Oxy Flameskimmer State Well No. 1 to be drilled at a standard gas well location 1650 feet from the South line and 1880 feet from the West line (Unit K) of said Section 9 or at another standard gas well location in the SW/4 of Said Section 9. 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 5 miles west of Loco Hill, New Mexico.

CASE NO. 13787: Continued from the November 30, 2006 Examiner Hearing.

Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit, compulsory pooling, and an unorthodox oil well location, Lea County, New Mexico. Applicant seeks an order approving a non-standard 80-acre oil spacing and proration unit in the Devonian formation (North Knowles-Devonian Pool) comprised of the SE/4 NE/4 and NE/4 SE/4 of Section 14, Township 16 South, Range 38 East, NMPM, and pooling all mineral interests in said unit. The unit is to be dedicated to the Lawrence Well No. 1Y, to be re-entered at an unorthodox surface location 2531 feet from the North line and 630 feet from the East line of Section 14, with an estimated unorthodox bottom hole location 2531 feet from the North line and 660 feet from the East line of Section 14, and applicant further seeks approval of said locations. Also to be considered will be the cost of re-entering, 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 re-entering, drilling, and completing the well. The unit is located approximately 6-1/2 miles north-northeast of Knowles, New Mexico.

CASE NO. 13826: Continued from the December 13, 2006 Examiner Hearing.

Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico. Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 29, Township 19 South, Range 28 East, NMPM, and in the following manner: The W/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 South Millman-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 Fadeaway Ridge 29 State Com. Well No. 1, to be drilled at an orthodox location in the NE/4SW/4 of Section 29. 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 Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 10 miles east of Lakewood, New Mexico.

CASE NO. 13849: Application of XTO Energy Inc. for compulsory pooling, San Juan County, New Mexico.

Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 3, 4, S/2 NW 4, and SW/4 (the W/2) of Section 5, Township 30 North, Range 13 West, NMPM, to form a 320.72-acre gas spacing unit within that vertical extent. The unit is to be dedicated to (i) the Lunt Well No. 1, to be drilled at an orthodox gas well location in the SW/4 NW/4 of Section 5, and (ii) the Lunt Well No. 2, to be drilled at an orthodox gas well location in the SW/4 SW/4 of Section 5. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost 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 unit is located approximately 6-1.2 miles south-southwest of LaPlata, New Mexico. IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.

CASE NO. 13850: Application of XTO Energy Inc. for compulsory pooling, San Juan County, New Mexico.

Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 8, Township 30 North, Range 13 West, NMPM, to form a 320-acre gas spacing unit within that vertical extent. The unit is to be dedicated to the Lunt Well No. 11, to be drilled at an orthodox gas well location in the NW/4 NW/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 unit is located approximately 7-1.2 miles south-southwest of LaPlata, New Mexico. IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.

CASE NO. 13832: Continued from the December 13, 2006 Examiner Hearing.

Application of BEPCO, L.P. to rescind Administrative Order SWD-1044, Eddy County, New Mexico. Applicant seeks