

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. 13824: Application of Pride Energy Company for compulsory pooling and approval of an unorthodox oil well location, Lea County, New Mexico: Applicant seeks an order pooling all mineral interests from the surface to the base of the North Bagley-Permo Pennsylvanian Pool underlying the following described acreage in Section 9, Township 11 South, Range 33 East, N.M.P.M., and in the following manner: The S/2NE/4 to form a standard 80 acre oil spacing and proration unit for all formations developed on 80 acre spacing within that vertical extent, including the North Bagley-Permo Pennsylvanian Pool; and the SW/4NE/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 Bagley Well No. 2, to be drilled at an unorthodox oil well location 1905 feet from the North line and 2130 feet from the East line of Section 9. 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 5-1/2 miles east-southeast of Caprock, New Mexico.

CASE NO. 13825: 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 North Bagley-Permo Pennsylvanian Pool underlying the following described acreage in Section 9, Township 11 South, Range 33 East, N.M.P.M., and in the following manner: The N/2NE/4 to form a standard 80 acre oil spacing and proration unit for all formations developed on 80 acre spacing within that vertical extent, including the North Bagley-Permo Pennsylvanian Pool; and the NE/4NE/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 will be dedicated to the plugged and abandoned Bagley Well No. 1, located 560 feet from the North and East lines of Section 9, which will be re-entered to test the North Bagley-Permo Pennsylvanian Pool. In the event the re-entry of the Bagley Well No. 1 is not successful, the units will be dedicated to the Bagley Well No. 3, to be drilled at an orthodox location in the N/2 NE/4 of Section 9 to test the North Bagley-Permo Pennsylvanian Pool. Also to be considered will be the cost of re-entering or 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 or drilling and completing the well. The units are located approximately 5-1/2 miles east-southeast of Caprock, New Mexico.

CASE NO. 13805: Continued from the November 9, 2006 Examiner Hearing.

Application of BP America Production Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the top of the Cisco formation to the base of the Morrow formation underlying Lots 3, 4, S/2 NW/4, and SW/4 (the W/2) of Section 3, Township 18 South, Range 34 East, NMPM, to form a standard 321.09-acre gas spacing and proration unit for all pools or formations developed on 320-acre spacing within that vertical extent, including the Vacuum-Morrow Gas Pool. The unit is to be dedicated to the South Sunflower "3" State Com. Well No. 1, drilled at an orthodox gas well location in Lot 4 of Section 3. Also to be considered will be the designation of applicant as operator of the well. The unit is located approximately 3-1/2 miles southwest of Buckeye, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.**

CASE NO. 13826: 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. 13801: Continued from the November 9, 2006 Examiner Hearing.

Application of U. S. Enercorp, Ltd. for an unorthodox oil well location, Rio Arriba County, New Mexico. Applicant seeks an exception to Rule 4 (a) of the “Special Rules and Regulations for the West Puerto Chiquito-Mancos Oil Pool,” as promulgated by Division Order No. R-6469-B, as amended, for its proposed Almagre Arroyo “30” Well No. 1 to be drilled as a high angle directional well through the Mancos formation from a surface location 2605 feet from the South line and 2400 feet from the West line (Unit K) of Section 30, Township 24 North, Range 1 East, to an unorthodox subsurface oil well location 990 feet from the North and West lines (Lot 1/Unit D) of Section 30. All of Section 30 is to be dedicated to this well in order to form a standard 636.40-acre oil spacing and proration unit for the West Puerto Chiquito-Mancos Oil Pool (50440).

CASE NO. 13800: Continued from the November 9, 2006 Examiner Hearing.

Application of Devon Energy Production Company, L. P. for an unorthodox gas well location, San Juan County, New Mexico. Applicant seeks an exception to Division Rule 104.C (3) for its Northeast Blanco Unit Well No. 233 (API No. 30-045-32800) drilled to and completed in the South Los Pinos Fruitland Sand-Pictured Cliffs Pool (80690) from a surface location 1400 feet from the North line and 1 foot from the West line (Unit E) of Section 23, Township 31 North, Range 7 West, which is located approximately seven (7) miles north-northeast of the Navajo Dam on the San Juan River at the Navajo Reservoir. Applicant will submit proper evidence at the hearing, pursuant to Division Rule 111.B (4), to adequately show which acreage will be dedicated to this well in order to form a standard 160-acre gas spacing unit, either: (i) the NW/4 of Section 23; or (ii) the NE/4 of Section 22, Township 31 North, Range 7 West.

CASE NO. 13803: Continued from the November 9, 2006 Examiner Hearing.

Application of LCX Energy, LLC for Approval of a Unit Agreement, Eddy County, New Mexico. Applicant seeks approval of the Big Dog State Exploratory Unit comprised of 1920 acres of State of New Mexico lands described as follows:

TOWNSHIP 18 SOUTH, RANGE 23 EAST, N.M.P.M

Section 16: All
Section 20: All
Section 21: All

The proposed unit area is located approximately 2 miles east of Hope, New Mexico.

CASE NO. 13827: Application of Mewbourne Oil Company for compulsory pooling and for revocation of a drilling permit, 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 29, Township 19 South, Range 28 East, NMPM: a.) E/2 to form a standard 320-acre spacing and proration unit (“the 320-acre Unit”) for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently include but are not necessarily limited to the Morrow formation, South Millman Morrow Gas Pool; and b.) SE/4 to form a standard 160-acre spacing and proration unit (“the 160-acre Unit”) for any and all formations and/or pools developed on 160-acre spacing within that vertical extent. Said units are to be dedicated to Applicant’s proposed Springfield “29” State Com No. 1 Well to be drilled at a standard 320-acre spacing and proration unit location 1650 feet from the South line and 660 feet from the East line of said Section 29. 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 Mewbourne Oil Company or its designee as operator of the well and a charge for risk involved in drilling said well. Applicant further seeks the revocation of the drilling permit for the Cimarex Energy Co. of Colorado Fadaway Ridge “A” 29 State Com No. 1 in the NE/4 SE/4 of said Section 29. The proposed well location is approximately 6 miles east of Lake McMillan, New Mexico.

CASE NO. 13828: Application of Energen Resources Corporation for an Amendment To Administrative Order NSL-3572(NSP) and for an Exception to Rule 4 of the Special Pool Rules for the Basin-Fruitland Coal Gas Pool for the Designation of a Non-standard Gas Spacing Unit, San Juan County, New Mexico. Applicant seeks an order under Division Rule 104 (D)(2) and Rule 6 of the Special Rules and Regulations for the Basin Fruitland Coal Gas Pool (Order No. R-8768, as amended) amending Administrative Order NSL-3572 (NSP) redesignating the nonstandard gas spacing and proration unit currently dedicated to the Florence Gas Com “H” Well No. 1 (API No. 30-045-28624) comprised of the following acreage: Township 30 North, Range 9 West, NMPM; Lots 1, 2, 3, 4, and E/2 W/2 of Section 30 and