Examiner Hearing – June 7, 2007 Docket No. 17-07 Page 4 of 9

designation of applicant as operator of the well, a 200% charge for the risk involved in drilling and completing the well, and a provision for additional operations on the well unit pursuant to NMAC 19.15.1.36. The unit is located approximately 10-1/2 miles southwest of Seven Rivers, New Mexico.

CASE 13930: Application of Nadel and Gussman Permian, L.L.C. 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 underlying the following described acreage in Section 20, Township 23 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 North Loving-Strawn Gas Pool, North Loving-Atoka Gas Pool, and North Loving-Morrow Gas Pool; and the NW/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 Chronos Fee Well No. 1, to be drilled at an orthodox location in the NW/4 of Section 20. 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 1 mile west of Loving, New Mexico.

Application of Bold Energy, LP 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 W/2 of Section 8, Township 19 South, Range 29 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. The unit will be dedicated to the OXY Checker State Well No. 2, to be drilled at an orthodox location in the SW/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 well unit is located approximately 12 miles southwest of Loco Hills, New Mexico.

CASE 13924: (Continued from the May 24, 2007 Examiner Hearing)

Application of Edge Petroleum Exploration Company for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Devonian formation underlying the SW/4 NW/4 of Section 25, Township 16 South, Range 36 East, NMPM, to form a 40-acre oil spacing and proration unit for all formations and/or pools developed on 40-acre spacing within that vertical extent. 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 Edge Petroleum Operating Company, Inc. as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 4 miles southwest of Lovington, New Mexico.

CASE 13913: (Continued from the May 10, 2007 Examiner Hearing)

Application of OGX Production Ltd. 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 underlying the E/2 of Section 21, Township 24 South, Range 28 East, NMPM, Eddy County, New Mexico, forming a standard 320-acre gas spacing and proration unit for any production for any and all formations/pools developed on 320-acre spacing within that vertical extent, including but not limited to the Malaga-Morrow Gas Pool. This unit is to be dedicated to Occidental Permian Limited Partnership's New Zipper Federal Com Well No. 1 (API No 30-015-33531) which has been drilled at a standard well location in Unit P of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Occidental Permian Limited Partnership as the operator of the well and, pursuant to Commission Order No. R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 2 miles Southwest of Malaga, New Mexico. IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.

CASE 13932: Application of Parallel Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 34, Township 15 South, Range 25 East, NMPM, in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent. This unit is to be dedicated to its