

formation and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated West Carlsbad-Delaware Pool. Said units are to be dedicated to its WC “4” Well No. 4 to be horizontally drilled from a non-standard surface location 1100 feet from the North line and 990 feet from the East line (Unit A) and a bottomhole location 1600 feet from the North line and 660 feet from the East line of said Section 4 to an approximate depth 11,500 feet. 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 Chi Operating, Inc. as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 1 mile west of Carlsbad, New Mexico.

CASE NO. 13663: Reopened - Application of Synergy Operating, LLC for Compulsory Pooling, San Juan County, New Mexico. By Order No. R-12629 issued on September 12, 2006, the Division pooled all unjoined interests in the Pictured Cliffs formation in the SW/4 of Section 8, Township 29 North, Range 11 West, NMPM and in the Fruitland Coal formation, Basin-Fruitland Coal Gas Pool, in the W/2 of said Section 8 to be dedicated to the proposed Duff 29-11-8 Well No. 105 infill well and designated Applicant as the operator thereof. By its terms, Order No. R-12629 required that the subject well be drilled and completed within 120 days after commencement. Applicant failed to complete the subject well and Order No. R-12629 has expired. Applicant has sought administrative approval to reinstate Order No. R-12629 and for an extension of time to complete the subject well. Pursuant to the request of Edwin Smith, LLC, the matter is set for hearing to allow Applicant the opportunity to demonstrate good cause therefore. The well and the unit are located approximately three miles northwest of Bloomfield, New Mexico.

CASE NO. 13787: Continued from the March 1, 2007 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. 13493: Reopened - Continued from the March 1, 2007 Examiner Hearing.

Application of Chesapeake Permian, L.P. for Compulsory Pooling, Lea County, New Mexico. By Order No. R-12343-B issued by the Division on January 10, 2006, all mineral interests from the top of the Wolfcamp formation to the base of the Morrow formation underlying the S/2 of irregular Section 4, Township 21 South, Range 35 East, were pooled to form a standard 320-acre gas spacing and proration unit for any production from any and all formations/pools developed on 320-acre gas spacing within that vertical extent, including but not limited to the South Osudo Morrow Pool. The 320-acre unit is dedicated to the Chesapeake KF 4 State Well No. 1 (API #30-025-37129) drilled at a standard surface location 660 feet from the South line and 990 feet from the East line to a bottom hole location 711 feet from the South line and 1888 feet from the East line of said Section 4. Chesapeake Operating, Inc. was designated operator of the well and was directed to furnish the Division and each known pooled working interest owner, including non-consenting interest owners, with an itemized schedule of actual well costs within ninety (90) days following completion of the well. Pursuant to the Notice of Objection to Well Costs filed by Kaiser-Francis Oil Company, and Samson Resources Company, the Division will consider the costs of drilling and completing this well and will determine reasonable well costs. The well and unit are located approximately 6 miles west of Oil Center, New Mexico.

CASE NO. 13854: Reopened - Continued from the January 18, 2007 Examiner Hearing.

Application of Myco Industries, Inc. for compulsory pooling, Chaves County, New Mexico. Myco Industries, Inc. seeks an order pooling all mineral interests in the Wolfcamp formation underlying the S/2 of Section 32, Township 15 South, Range 25 East, NMPM, to form a 320-acre gas spacing unit (project area) in the Wolfcamp formation. The unit is to be dedicated to the Alfalfa 32 Fee Well No. 1, a horizontal well which will have an orthodox location within the producing area. 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 6 miles west-southwest of Lake Arthur, New Mexico.