Examiner Hearing –May 24, 2007 Docket No. 16-07 Page 8 of 11

approximately 25-1/2 miles west-northwest of Raton, New Mexico

CASE 13904: (Continued from the April 26, 2007, Examiner Hearing.)

Application of El Paso E&P Company, L.P. for an exception to NMAC 19.15.3.104.C(3) to allow infill drilling and simultaneous dedication, Colfax County, New Mexico. Applicant seeks approval to drill its VPR A Well No. 504 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the NE/4 of Section 10, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the NE/4 of Section 10 to the VPR A Well No. 504, to be located in Unit H of Section 10, and to the existing VPR A Well No. 77, located in Unit G of Section 10. The unit is located approximately 24-1/2 miles west-northwest of Raton, New Mexico.

CASE 13905: (Continued from the April 26, 2007, Examiner Hearing.)

Application of El Paso E&P Company, L.P. for an exception to NMAC 19.15.3.104.C(3) to allow infill drilling and simultaneous dedication, Colfax County, New Mexico. Applicant seeks approval to drill its VPR A Well No. 501 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the SE/4 of Section 10, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the SE/4 of Section 10 to the VPR A Well No. 501, to be located in Unit J of Section 10, and to the existing VPR A Well No. 71, located in Unit P of Section 10. The unit is located approximately 24-1/2 miles west-northwest of Raton, New Mexico.

CASE. 13906: (Continued from the April 26, 2007, Examiner Hearing.)

Application of El Paso E&P Company, L.P. for an exception to NMAC 19.15.3.104.C(3) to allow infill drilling and simultaneous dedication, Colfax County, New Mexico. Applicant seeks approval to drill its VPR A Well No. 503 as an infill well in an existing 160-acre gas spacing unit in the Vermejo and Raton formations comprising the NW/4 of Section 11, Township 31 North, Range 19 East, N.M.P.M. Applicant further seeks to simultaneously dedicate production from the Vermejo and Raton formations in the NW/4 of Section 11 to the VPR A Well No. 503, to be located in Unit C of Section 11, and to the existing VPR A Well No. 78, located in Unit F of Section 11. The unit is located approximately 24 miles west-northwest of Raton, New Mexico.

CASE. 13787: (Continued from the April 26, 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.