<u>CASE 11077</u>: Application of Santa Fe Energy Operating Partners, L.P. for compulsory pooling, an unorthodox gas well location, and directional drilling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying Lots 3 and 4, the E/2 SW/4, and the SE/4 (S/2 equivalent) of Section 18, Township 20 South, Range 34 East, to form a standard 320.03-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Quail Ridge-Morrow Gas Pool. Applicant proposes to dedicate said unit to a well to be directionally drilled from an unorthodox surface gas well location 2041 feet from the South line and 2171 feet from the East line (Unit J) of said Section 18 to an unorthodox bottomhole gas well location within the Morrow formation that is within a 50-foot radius of a point 1300 feet from the South and East lines (Unit P) of said Section 18. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 3 1/2 miles southwest of the Warren Gas Co. Compressor Station.

CASE 11057: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the SW/4 NW/4 of Section 27, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "27" Federal Well No. 3 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11058: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the SE/4 SW/4 of Section 27, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "27" Federal Well No. 1 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11059: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the SE/4 SE/4 of Section 27, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "27" Federal Well No. 2 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11060: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the SW/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 5 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11061: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the NE/4 NE/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 2 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11062: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the NE/4 SE/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 3 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11063: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the NW/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 1 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11064: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Lea County, New Mexico. Applicant in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the SE/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Northeast Lea-Delaware Pool. Said unit is to be dedicated to its Mallon "34" Federal Well No. 4 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.

CASE 11065: (Continued from August 18, 1994, Examiner Hearing.)

Application of Mallon Oil Company for compulsory pooling, Les County, New Mexico. Applicant. in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the NE/4 NW/4 of Section 34, Township 19 South, Range 34 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent. Said unit is to be dedicated to its Mallon "34" Federal Well No. 6 to be drilled and completed at a standard oil well location thereon. 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 applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 8 miles east of Laguna Tonto, New Mexico.