Examiner Hearing - March 5, 1998 Docket No. 6-98 Page -4-

CASE 11945: Application of Oil Conservation Division for an order requiring Delta U.S. Corporation to properly plug a well, Eddy County, New Mexico. Applicant seeks an order requiring Delta U.S. Corporation to properly plug its Missouri New Mexico Land Co. Com. Well No. 1 located in Unit O of Section 6, Township 23 South, Range 27 East, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond, if any. Said well is located approximately 6 miles south of Carlsbad, New Mexico.

CASE 11946:

Application of Oil Conservation Division for an order requiring McKay Oil Corporation to properly plug eleven (11) wells, Chaves County, New Mexico. Applicant seeks an order requiring McKay Oil Corporation to properly plug the below-listed eleven (11) wells in Chaves County, New Mexico, authorizing the Division to plug said wells, and ordering a forfeiture of the plugging bond, if any. Said wells are located in an area approximately 30 miles north of Roswell, New Mexico.

West Fork Unit # 1, Section 32, Township 4 South, Range 22 East, Unit C Bonnie# 1, Section 30, Township 5 South, Range 22 East, Unit O Wolf State # 1, Section 16, Township 6 South, Range 23 East, Unit J Pipeline Com. # 2, Section 26, Township 6 South, Range 22 East, Unit K Macho State # 1, Section 32, Township 6 South, Range 23 East, Unit G Desert Rose # 1, Section 12, Township 6 South, Range 22 East, Unit M Inexico # 2, Section 32, Township 5 South, Range 22 East, Unit J Inexico # 5, Section 33, Township 5 South, Range 22 East, Unit K Inexico # 7, Section 33, Township 5 South, Range 22 East, Unit J Camp State # 1, Section 25, Township 5 South, Range 22 East, Unit J Aikman # 1, Section 36, Township 5 South, Range 26 East, Unit P

CASE 11922: (Readvertised)

Application of Branex Resources, Inc. for compulsory pooling and unorthodox gas well location, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from 10,667 feet (the approximate top of the Canyon formation) to 12,658 feet (a point within the Devonian formation) underlying Section 26, Township 16 South, Range 35 East, in the following manner: the S/2 forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within said vertical extent; the SW/4 forming a standard 160-acre gas spacing and proration unit for any and all formations/pools developed on 160-acre gas spacing; and the SE/4 SW/4 forming a standard 40-acre oil spacing and proration unit for any and all formations/pools developed on 40-acre oil spacing. Said units are to be dedicated to its Tilley Well No. 1 to be a reentry of the former Kennedy & Mitchell Inc.'s Tilley Well 758-3 (API 30-025-27891-0001) and completed at an unorthodox well location 330 feet from the South line and 1815 feet from the West line (Unit N) of said Section 26. Also to be considered will be the costs of re-entry and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Primero Operating, Inc. as operator of the well and a charge for the risk involved in said well. Said unit is located approximately 6 miles southwest of Lovington, New Mexico.

CASE 11941: Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of te Morrow formation underlying the W/2 of Section 11, Township 24 South, Range 24 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within said vertical extent, including the Undesignated Mosley Canyon-Strawn Gas Pool and the Baldridge Canyon-Morrow Gas Pool. Said unit is to be dedicated to its Baldridge Canyon "11" State Com. Well No.1, located 1650 feet from the South line and 660 feet from the West line (Unit L) of said Section 11. 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 operator of the well, and a charge for the risk involved in drilling said well. Said unit is located approximately 7 miles northwest of Whites City, New Mexico.

CASE 11921: (Readvertised)

Application of Whiting Petroleum Corporation and Maralex Resources, Inc. for an order shutting in, limiting production from, or approving downhole commingling in certain wells, San Juan County, New Mexico. Applicants seek an order requiring that the following wells be shut-in or have their production limited because they are producing from a formation or pool owned by applicants: Thompson Engineering & Production Corp. Stacey Well No.1; and the Pendragon Energy Partners, Inc. Chaco Well Nos. 1, 2R, 4 and 5, and Chaco Ltd. Well Nos. 1J and 2J. Said wells are located in Sections 6, 7, and 18, Township 26 North, Range 12 West and Sections 1 and 12, Township 26 North, Range 13 West. In the alternative, applicants request that the Division approve downhole commingling of production from the Basin-Fruitland Coal Gas Pool and the WAW Fruitland Sand-Pictured Cliffs Pool from said wells, and allocate production between the pools. Said area is located approximately 15 miles south-southeast of Farmington, New Mexico.

CASE 11905: (Continued from January 8, 1998, Examiner Hearing.)

Application of Devon Energy Corporation (Nevada) for simultaneous dedication, Eddy County, New Mexico. Applicant seeks an exception to Division Rule 104.D.(3) to permit it to drill its Pure Fed. Well No. 3 at a location 1650 feet from the North and East lines (Unit G) of Section 11, Township 21 South, Range 25 East, to test the Catclaw Draw-Morrow Gas Pool, and to simultaneously dedicate Section 11, in the Morrow formation, to the Pure Fed. Well No. 3 and its existing Pure Fed. Well Nos. 1 and 2. Said unit is located approximately 9.5 miles northwest of Carlsbad, New Mexico.

CASE 11942: Application of Oil Conservation Division for an order requiring Rocky Mountain Resources, Inc. to properly plug a well, Lincoln County, New Mexico. Applicant seeks an order requiring Rocky Mountain Resources, Inc. to properly plug its Border Hills State Well No. 1 located in Unit O of Section 17, Township 11 South, Range 20 East, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond, if any. Said well is located approximately 6 miles east of Sunset, New Mexico.

CASE 11943: Application of Oil Conservation Division for an order requiring Frank O. Cox to properly plug a well, De Baca County, New Mexico. Applicant seeks an order requiring Frank O. Cox to properly plug its McClain Ranch Well No. 1 located in Unit M of Section 15, Township 2 South, Range 28 East, authorizing the Division to plug said well, and ordering a forfeiture of the plugging bond, if any. Said well is located approximately 4 miles northwest of the intersection of the Roosevelt, Chaves and De Baca County lines.

CASE 11944: Application of Oil Conservation Division for an order requiring RPM Energy, Inc. to properly plug six (6) wells, Eddy County, New Mexico. Applicant seeks an order requiring RPM Energy, Inc. to properly plug six (6) wells (three wells located in Units I, J and D in Section 16 and three wells located in Units L, J and F in Section 21), in Township 16 South, Range 26 East, authorizing the Division to plug said wells, and ordering a forfeiture of the plugging bond, if any. Said wells are located approximately 5 miles north of Artesia, New Mexico.