

Gallup-Dakota Pool at an unorthodox oil well location 640 feet from the South line and 2290 feet from the East line of Section 16, Township 23 North, Range 6 West. The SE/4 of Section 16 will be dedicated to the well. The unit is located approximately 1 mile northwest of Counselor, New Mexico.

CASE 13010: Application of Concho Oil & Gas Corp. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the N/2 of Section 28, Township 19 South, Range 34 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Quail Ridge-Morrow Gas Pool. The unit is to be dedicated to applicant's Codorniz Fed. "28" Well No. 1, to be located at an orthodox location in the NW/4 NW/4 of Section 28. 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 charge for the risk involved in drilling and completing the well. The unit is located approximately 17½ miles west of Monument, New Mexico.

CASE 13011: Application of Concho Oil & Gas Corp. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the S/2 of Section 28, Township 19 South, Range 34 East, to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated Quail Ridge-Morrow Gas Pool. The unit is to be dedicated to applicant's Codorniz Fed. "28" Well No. 2, to be located at an orthodox location in the NW/4 SW/4 of Section 28. 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 charge for the risk involved in drilling and completing the well. The unit is located approximately 17½ miles west of Monument, New Mexico.

CASE 13012: Application of David H. Arrington Oil and Gas, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests underlying the S/2 of Section 25, Township 15 South, Range 34 East and in the following manner: a) S/2 to form a standard 320-acre lay-down gas spacing and proration unit ("the 320-acre Unit") for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently include but are not necessarily limited to the North Eidson-Morrow Gas Pool; b) SE/4 to form a standard 160-acre spacing and proration unit ("the 160-acre Unit") for any and all formations and/or pools developed on 160-acre spacing within that vertical extent; and c) E/2 SE/4 to form a standard 80-acre stand-up oil spacing and proration unit ("the 80-acre Unit") for any and all formations and/or pools developed on 80-acre spacing within that vertical extent; and the NE/4 SE/4 to form a standard 40-acre oil spacing and proration unit ("the 40-acre Unit") for any and all formations and/or pools developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to Applicant's proposed Steve's Hopper 25 Well No. 1 to be drilled at a standard 320-acre spacing and proration unit gas well location 1980 feet from the South line and 660 feet from the East line in the NE/4 SE/4 (Unit I) of said Section 25 to a depth sufficient to test the Atoka, Morrow and Mississippian formations. 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 David H. Arrington Oil and Gas, Inc. or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 5 miles northwest of Lovington, New Mexico.

CASE 12992: Continued from February 6, 2003, Examiner Hearing.

Application of San Juan Resources, Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Dakota formation underlying the S/2 of Section 18, Township 30 North, Range 11 West, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools spaced on 320-acre spacing, including but not limited

Examiner Hearing – February 20, 2003
Docket No. 04-03
Page 4 of 4

to the Blanco Mesaverde Gas Pool and the Basin Dakota Gas Pool. This unit is to be dedicated to its Tecumseh Well No. 1 to be drilled and completed at a standard well location in Unit J of this section for downhole commingled production from the Blanco Mesaverde Gas Pool and the Basin-Dakota Gas Pool. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs 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 this well. This unit is located approximately 2 miles East of Flora Vista, New Mexico.