

Said area is located approximately 17 miles East of Roswell, New Mexico.

CASE 13039: Application of David H. Arrington Oil and Gas, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the E/2 for all formations developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Vacuum-Atoka Morrow Gas Pool, and the NE/4 for all formations developed on 160-acre spacing in Section 8, Township 17 South, Range 35 East. Applicant proposes to dedicate these pooled units to its Pink Cahill State "8" Well No. 1 which will be drilled at a standard gas well location 1300 feet from the North line and 990 feet from the East line in Unit A of said Section 8. 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 risk involved in drilling said well. Said area is located approximately 7 miles Southwest of Lovington, New Mexico.

CASE 13040: Application of David H. Arrington Oil & Gas, Inc. for Approval of a Waterflood Project for its East Hobbs-Blinebry Pool Cooperative Waterflood Area and Qualification of said Project for the Recovered Oil Tax Rate Pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval of its East Hobbs-Blinebry Pool Cooperative Waterflood Area for injection of water into the Blinebry formation, East Hobbs- Blinebry Pool through one injection well located in the following described area:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM

Irregular Section 29: Lots 1, 2, 3 and 4 (E/2 equivalent), SW/4

The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within the project area without the necessity of further hearings and the adoption of such other provisions as are necessary for said waterflood operations. Applicant further seeks to qualify the project area for the Recovered Oil Tax Rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5). Said unit is located on the New Mexico-Texas State line approximately 2 miles east of Hobbs, New Mexico.

CASE 13041: Application of EnerQuest Resources, LLC for approval of a waterflood project and qualification of the Project Area for the Recovered Oil Tax rate pursuant to the Enhanced Oil Recovery Act, Lea County, New Mexico. Applicant seeks approval of its East Hobbs (San Andres) Unit Waterflood Project by injection of water into the San Andres formations through 19 injection wells located in the following described area:

TOWNSHIP 18 SOUTH, RANGE 39 EAST, NMPM

Section 29: SW/4, SW/4 NW/4

Section 30: S/2, S/2 N/2

Section 31: N/2 N/2

Section 32: N/2 NW/4

The applicant requests that the Division establish procedures for the administrative approval of additional injection wells within the unit area without the necessity of further hearings and the adoption of any provisions necessary for such other matters as may be appropriate for said waterflood operations. Applicant further seeks to qualify the project area for the Recovered Oil Tax Rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5).