DOCKET: EXAMINER HEARING - THURSDAY - June 8, 2006

8:15 A.M. - 1220 South St. Francis Santa Fe, New Mexico

Docket Nos. 21-06 and 22-06 are tentatively set for June 22, 2006 and July 6, 2006. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following Cases will be heard by an Examiner.

CASE NO. 13695: Continued from May 11, 2006 Examiner Hearing

Application of Chaparral Energy, LLC for approval of a salt-water disposal well, Lea County, New Mexico. Applicant seeks approval to utilize its State K Well No. 1-21 (API No. 30-025-22049) located 1980 feet from the South and West lines (Unit K) of Section 21, Township 11 South, Range 33 East, to dispose of produced water into the San Andres formation from depths of 3,850 feet to 4,469 feet.

<u>CASE NO. 13722</u>: Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation in the following described spacing and proration units located in the N/2 of Section 23, Township 21 South, Range 26 East, N.M.P.M., Eddy County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Burton Flat-Morrow Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the NW/4 NW/4 for all formations and/or pools developed on 40-acre spacing Said units are to be dedicated to its South Avalon "AUA" Com. Well No. 1 that has been drilled at a standard gas well location 660 feet from the North and West lines (Unit D) of said Section 23 to an approximate depth of 11,300 feet to test any and all formations from the surface to the base of the Morrow. 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 Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 1 mile north of the northern city limits of Carlsbad, New Mexico.

<u>CASE NO. 13723</u>: Application of Marbob Energy Corporation for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests 500 feet below the top of the San Andres formation to the base of the Atoka-Morrow formation in the following described spacing and proration units located in the W/2 of Section 1, Township 19 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Angel Ranch Atoka-Morrow Gas Pool; the SW/4 for all formations and/or pools developed on 160-acre spacing; and the SE/4 SW/4 for all formations and/or pools developed on 40-acre spacing. Said units are to be dedicated to its Candy Gram State Com Well No. 1 to be drilled at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 1. 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 Marbob Energy Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 14 miles southeast of Artesia, New Mexico.

CASE NO. 13718: Continued from May 25, 2006 Examiner Hearing

Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 4, Township 19 South, Range 35 East, N.M.P.M., Lea County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated South Millman-Morrow Gas Pool and the Undesignated Millman-Strawn Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SW/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Travis-Upper Pennsylvanian Pool and the Travis Wolfcamp Pool. OXY proposes to dedicate the above-referenced spacing or proration units to its Senita State Well No. 1 to be drilled at a standard gas well location 1540 feet from the North line and 1070 feet from the West line (Unit E) of said Section 4. 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 OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 10 miles East of Lakewood, New Mexico.

CASE NO. 13719: Continued from May 25, 2006 Examiner Hearing

Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of Morrow formation in the following described spacing and proration units located in the W/2 of Section 24, Township 18 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Undesignated North Illinois Camp-Morrow Gas Pool, the Undesignated Red Lake-Atoka Gas Pool and the Undesignated Chalk Bluff-Wolfcamp Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the SE/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Chalk Bluff- Wolfcamp Pool. OXY proposes to dedicate the