

Sections 21-28: All

Sections 33-36: All

Township 3 South, Range 21 West, N.M.P.M.

Sections 3-4: All

The proposed unit area is centered approximately 33 miles west-southwest of Quemado, New Mexico.

**CASE NO. 13762:** *Application of Lynx Petroleum Consultants, Inc. for an adjudicatory hearing, Eddy County, New Mexico.* Lynx Petroleum Consultants, Inc. seeks an adjudicatory hearing before the Oil Conservation Division in order for the OCD to consider the objection received from Intrepid Potash to Lynx's application for a permit to drill the Eddy "BD" State No. 2 well, located at 660' FNL & 1980' FEL, Section 32, T20S, R30E, Eddy County, New Mexico in a Known Potash Leasing Area. The hearing is set before the Oil Conservation Division on the 17 day of August, 2006.

**CASE NO. 13763:** *Application of the New Mexico Oil Conservation Division for an Order Requiring The Edmar Company, LLC to Furnish Financial Assurance, Lea and Eddy Counties, New Mexico.* The Applicant seeks an order requiring The Edmar Company, LLC to furnish financial assurance to secure its obligation to plug wells that it operates, or, in default thereof, ordering the wells shut in. The following wells are affected:

| Well Name           | API No.      | Location |              |
|---------------------|--------------|----------|--------------|
| Baum 6 Com #1       | 30-025-22264 | Lea      | 2-6-14S-33E  |
| Baum 6 Com #2       | 30-025-28389 | Lea      | H-6-14S-33E  |
| Baum State Com #1   | 30-025-22886 | Lea      | L-4-14S-33E  |
| Polar Bear State #1 | 30-015-30671 | Eddy     | K-36-16S-27E |
| Saunders 28 #1      | 30-025-26894 | Lea      | F-28-14S-33E |

**CASE NO. 13563:** *Continued from July 20, 2006, Examiner Hearing*  
*Application of the New Mexico Oil Conservation Division for an Order Requiring CKG Energy, Inc. and/or Cedar Gas Company to Properly Plug 8 Well(s) and to Close Pits, Quay County, New Mexico.* The applicant seeks an order requiring CKG Energy, Inc., the operator of eight inactive well(s) in Quay County, New Mexico, to properly plug and abandon the same, and to properly close abandoned pits located at the sites of said wells, and providing for such other relief as the Director deems appropriate.

**CASE NO. 13373:** *Continued from June 22, 2006, Examiner Hearing*  
*Application of the New Mexico Oil Conservation Division for an order requiring Orbit Energy Inc. to return 5 wells to compliance with 19.15.4.201 NMAC, Roosevelt County, New Mexico.* The Applicant moves the Oil Conservation Division Director to reopen Case No. 13373 to issue an order assessing civil penalties and finding Orbit Petroleum, Inc. (formerly Orbit Energy Inc.) to be in violation of Order R-12250, issued in Case No. 13373, requiring corrective action as to the following wells: Farrell Federal #010, API 30-041-10446, F-28-7S-33E; James McFarland #004, API 30-041-10567, L-20-7S-33E; Humble Federal #005, API 30-041-20116, B-26-7S-32E; State BA #001, API 30-041-10003, A-34-7S-35E; State BA #002, API 30-041-20048, H-34-7S-35E. The wells are located approximately 30 miles southwest of Portales in Roosevelt County, New Mexico.

**CASE 13764:** **In the matter of the hearing of the Oil Conservation Division for an order creating, contracting and extending certain pools in Chaves and Eddy Counties.**

(a) CREATE a new pool in Eddy County, New Mexico for the production of oil from the Chester formation and designated as the Bear Grass Draw-Chester Pool (Pool Code 97526). The discovery well is the Mewbourne Oil Company Pavo "11" State Com. Well No. 1 (API No. 30-015-34439) located in Unit I of Section 11, Township 18 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 11: SE/4

(b) CONTRACT the East Empire-Yeso Pool (Pool Code 96610) in Eddy County, New Mexico by the deletion of the following described area:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 27: E/2, E/2 W/2 and W/2 NW/4

- (c) CREATE a new pool in Eddy County, New Mexico for the production of oil from the Glorieta-Yeso formation and designated as the Bear Grass Draw-Glorieta-Yeso Pool (Pool Code 97534). This pool will include the following deleted acreage from the East Empire-Yeso Pool (Pool Code 96610):

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 27: E/2, E/2 W/2 and W/2 NW/4

- (d) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Atoka formation and designated as the Cottonwood Spring-Atoka Gas Pool (Pool Code 97532). The discovery well is the Samson Resources Company Pine Springs "2" State Well No. 1 (API No. 30-015-33562) located in Unit E of Section 2, Township 26 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 25 EAST, NMPM

Section 2: N/2

- (e) CREATE a new pool in Chaves County, New Mexico for the production of gas from the Wolfcamp formation and designated as the Greenfield-Wolfcamp Gas Pool (Pool Code 97531). The discovery well is the B C Operating, Inc. Buffalo Hunt "21" Well No. 1 (API No. 30-005-63415) located in Unit O of Section 21, Township 13 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 27 EAST, NMPM

Section 21: E/2

- (f) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Atoka formation and designated as the Northeast Rocky Arroyo-Atoka Gas Pool (Pool Code 97529). The discovery well is the Clayton Williams Energy, Inc. State "16-4" Well No. 1 (API No. 30-015-33789) located in Unit D of Section 16, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM

Section 8: All

Section 16: N/2

Section 17: N/2

- (g) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Strawn formation and designated as the Rocky Arroyo-Strawn Gas Pool (Pool Code 97530). The discovery well is the Clayton Williams Energy, Inc. State "16-4" Well No. 1 (API No. 30-015-33789) located in Unit D of Section 16, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 8: All

Section 16: N/2

Section 17: N/2

- (h) EXTEND the North Black River-Atoka Gas Pool (Pool Code 72155) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 30: SW/4

Section 31: W/2

- (i) EXTEND the East Carlsbad-Morrow Gas Pool (Pool Code 73920) in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM

Section 7: N/2

- (j) EXTEND the Cedar Hills-Bone Spring Pool (Pool Code 11560) in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 8: SE/4

Section 17: N/2

Section 18: NE/4

- (k) EXTEND the Cemetery-Morrow Gas Pool (Pool Code 74640) in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM

Section 27: S/2

- (l) EXTEND the Chosa Draw-Morrow Gas Pool (Pool Code 74900) in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM

Section 6: W/2

- (m) EXTEND the Collins Ranch-Wolfcamp Gas Pool (Pool Code 75010) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM

Section 23: W/2

- (n) EXTEND the Cottonwood Creek-Wolfcamp Gas Pool (Pool Code 75250) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 25 EAST, NMPM

Section 14: S/2

Section 15: S/2

Section 32: S/2

- (o) EXTEND the West Cottonwood Creek-Wolfcamp Gas Pool (Pool Code 75260) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 24 EAST, NMPM

Section 11: S/2

Section 12: SW/4

- (p) EXTEND the Coyote-Wolfcamp Gas Pool (Pool Code 97361) in Chaves County, New Mexico to include:

TOWNSHIP 11 SOUTH, RANGE 27 EAST, NMPM

Section 31: N/2

Section 32: N/2

- (q) EXTEND the Dublin Ranch-Morrow Gas Pool (Pool Code 76140) in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM

Section 16: All

- (r) EXTEND the Eagle Creek-Strawn Gas Pool (Pool Code 76320) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

Section 13: S/2

Section 14: S/2

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM

Section 32: NE/4

Section 33: N/2

- (s) EXTEND the South Empire-Morrow Gas Pool (Pool Code 76400) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 14: All

- (t) EXTEND the Gatuna Canyon-Bone Spring Pool (Pool Code 96688) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMPM

Section 36: E/2

- (u) EXTEND the Southeast Henshaw-Wolfcamp Pool (Pool Code 96520) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 9: NE/4

- (v) EXTEND the West Lusk-Bone Spring Pool (Pool Code 41440) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM

Section 13: NE/4 and S/2

- (w) EXTEND the West Malaga-Morrow Gas Pool (Pool Code 80925) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 18: S/2

- (x) EXTEND the McMillan-Atoka Gas Pool (Pool Code 81210) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM

Section 32: All

- (y) EXTEND the Otis-Atoka Gas Pool (Pool Code 96891) in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 15: S/2

Section 16: S/2

- (z) EXTEND the Otis-Morrow Gas Pool (Pool Code 82360) in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 13: E/2

- (aa) EXTEND the Pecos Slope-Pennsylvanian Pool (Pool Code 97189) in Chaves County, New Mexico to include:

TOWNSHIP 6 SOUTH, RANGE 25 EAST, NMPM

Section 27: NE/4

- (bb) EXTEND the East Pierce Crossing-Bone Spring Pool (Pool Code 96473) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 13: NW/4

Section 14: NE/4

- (cc) EXTEND the Red Lake-Atoka-Morrow Gas Pool (Pool Code 83620) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM

Section 13: E/2  
Section 22: NE/4  
Section 23: N/2  
Section 24: All

(dd) EXTEND the Sand Tank-Bone Spring Pool (Pool Code 96832) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 8: W/2

(ee) EXTEND the Sand Tank-Morrow Gas Pool (Pool Code 84872) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 11: E/2

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.