

CASE 13945: *Continued from the June 21, 2007 Examiner Hearing*

Application of Occidental Permian LTD. for cancellation of a drilling permit, for determination of the right to drill, and approval of a drilling permit. Lea County, New Mexico. Applicant seeks an order canceling the drilling permit for the EOG Resources, Inc. Cimarron "17" State Well No. 1 located 1650 feet from the North line and 330 feet from the West line (Unit E) of Section 17, Township 18 South, Range 34 East, NMPM, Lea County, New Mexico. Applicant also seeks a determination of its right to drill on the S/2 N/2, N/2 SW/4 and NE/4 NW/4 of Section 17, Township 18 South, Range 34 East, NMPM and approval of its drilling permit for the OPL Desert Bighorn 17 State Well No. 1 to be drilled to the Bone Spring formation at a standard location in the SW/4 NW/4 (Unit E) of said Section 17 T-18-S, R-34-E. The subject lands are located approximately 12 1/2 miles southeast of Maljamar, New Mexico.

CASE 13912: *Continued from the June 21, 2007, Examiner Hearing*

Application of EOG Resources, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the SW/4 NW/4 of Section 17, Township 18 South, Range 34 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the Cimarron "17" State Well No. 1, to be drilled at an orthodox location in the SW/4 NW/4 of Section 17. 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 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 12-1/2 miles southeast of Maljamar, New Mexico.

CASE 13853: *Continued from the June 21, 2007, Examiner Hearing*

Application of Myco Industries, Inc. for compulsory pooling, Chaves County, New Mexico. Myco Industries, Inc. seeks an order pooling all mineral interests in the Wolfcamp formation underlying the S/2 of Section 34, Township 15 South, Range 24 East, NMPM, to form a 320-acre gas spacing unit (project area) in the Wolfcamp formation. The unit is to be dedicated to the Starr 34 Fee Well No. 1, a horizontal well which will have an orthodox location within the producing area. 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 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 9-1/2 miles west-southwest of Lake Arthur, New Mexico.

CASE 13856: *Continued from the June 21, 2007, Examiner Hearing*

Application of Myco Industries, Inc. for compulsory pooling, Chaves County, New Mexico. Myco Industries, Inc. seeks an order pooling all mineral interests in the Wolfcamp formation underlying the N/2 of Section 34, Township 15 South, Range 24 East, NMPM, to form a 320-acre gas spacing unit (project area) in the Wolfcamp formation. This unit is to be dedicated to the Starr 34 Fee Well No. 2, a horizontal well which will have an orthodox location within the producing area. 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 200% charge for the risk involved in drilling and completing the well. The unit is located approximately 9-1/2 miles west-southwest of Lake Arthur, New Mexico.

CASE 13954: **In the matter of the hearing called by the Oil Conservation Division for an order creating, abolishing, extending vertical and horizontal limits, redesignating, and contracting certain pools in Chaves, Lea and Roosevelt Counties, New Mexico.**

(a) CREATE a new pool in Lea County, New Mexico for the production of oil from the Grayburg formation and designated as the South Arrowhead-Grayburg Pool (Pool Code 97564). The discovery well is the Marathon Oil Company E. S. Owens 26 Well No. 1 (API No. 30-025-37756) located in Unit K of Section 26, Township 22 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 26: SW 4

(b) CREATE a new pool in Lea County, New Mexico for the production of gas from the Morrow formation and designated as the North Baish-Morrow Gas Pool (Pool Code 97599). The discovery well is the OXY USA WTP LP, OXY Great Horn Owl State Well No. 1 (API No. 30-025-37824) located in Unit O of Section 31, Township 16 South, Range 32 East, NMPM. Said pool would comprise: