Examiner Hearing – June 24, 2004 Docket No. 17-04 Page 2 of 6

Application of Mewbourne Oil Company for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from 4500 feet subsurface to the base of the Morrow formation underlying the following described acreage in Section 5, Township 20 South, Range 25 East, and in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including the Dagger Draw-Strawn Gas Pool, Undesignated North Cemetery-Atoka Gas Pool, and Cemetery-Morrow Gas Pool; the NW/4 to form a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within that vertical extent, including the North Dagger Draw-Upper Pennsylvanian Pool; and the SE/4 NW/4 to form a standard oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent. The units are to be dedicated to applicant's Tombstone "5" Fed. Com. Well No. 2, to be drilled at an orthodox gas well location in the SE/4 NW/4 of Section 5. 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 units are located approximately 5½ miles west-northwest of Seven Rivers, New Mexico.

CASE 13286: Application of Devon Energy Production Company, L.P. for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Morrow formation to the base of the Devonian formation underlying the following described acreage in Section 15, Township 23 South, Range 34 East, in the following manner: the E/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent. This unit is to be dedicated to its Mad Dog "15" Federal Com Well No. 1 which will be located directionally from a standard surface location to a standard subsurface location both within Unit P of this section. Also to be considered will be the cost of drilling and completing this 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 19 miles southeast of Eunice, New Mexico.

CASE 13287: Application of Chesapeake Permian, L.P. for Compulsory Pooling and an Unorthodox Oil Well Location, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the NE/4 NW/4 of Section 22, Township 12 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Trinity-Wolfcamp Pool. This unit is to be dedicated to its State "22" Well No. 2 that is to be drilled at an unorthodox well location 217 feet from the North line and 2417 feet from the West line (Unit C) of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating, Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 14 miles east of Tatum, New Mexico.

CASE 13288: Application of Chesapeake Permian, L.P. for Compulsory Pooling and an Unorthodox Oil Well Location, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the SE/4 NW/4 of Section 27, Township 12 South, Range 38 East, forming a standard 40-acre oil spacing and proration unit for any production from any and all formations/pools developed on 40-acre spacing within that vertical extent, including but not limited to the Trinity-Wolfcamp Pool. This unit is to be dedicated to its Burrus "27" Well No. 9 that is to be drilled at an unorthodox well location 1473 feet from the North line and 2306 feet from the West line (Unit F) of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of Chesapeake Operating Inc. as the operator of the well and, pursuant to Commission Order R-11992, a risk charge of 200% for the risk involved in this well. This unit is located approximately 13 miles east of Tatum, New Mexico.

<u>CASE 13289</u>: Application of Samson Resources Company for Special Pool Rules for the Southeast Hat Mesa-Delaware Pool, Lea County, New Mexico. Applicant seeks the promulgation of Special Pool Rules and Regulations on a temporary basis for the Southeast Hat Mesa-Delaware Pool located in Lots 9, 10, 15 and 16 of Section 2 of Township 21 South, Range 32 East, including provisions for 160-acre spacing and proration units. Said pool is located approximately 32 miles southwest of Lovington, New Mexico.