

CASE 13416: *Continued from March 17, 2005, Examiner Hearing*

Application of Nadel & Gussman Permian, LLC 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 acreage in Section 12, Township 17 South, Range 28 East: the S/2 to form a standard 320-acre spacing and proration unit for all formations developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated South Empire-Morrow Gas Pool; and the SW/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated Vandagriff Keyes-Queen Gas Pool. Said units are to be dedicated to applicant's Carrington State Well No. 1 to be drilled 1650 feet from the South line and 1500 feet from the West line of said Section 12 to an approximate depth of 10,600 feet. 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 Nadel and Gussman Permian, LLC as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 15 miles east of Artesia, New Mexico.

CASE 13461: *Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico.*

Applicant seeks an order pooling all mineral interests from the surface through the base of the Morrow formation in the following described acreage in Section 6, Township 19 South, Range 25 East: the E/2 to form a standard 320-acre spacing and proration unit for all formations developed on a 320-acre spacing unit within that vertical extent which includes but is not necessarily limited to the Penasco Draw-Permo Pennsylvanian Gas Pool, Penasco Draw-Morrow Gas Pool, and the Penasco Draw-San Andres-Yeso Associated Pool; the SE/4 to form a standard spacing and proration unit for all formations developed on 160-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated North Dagger-Draw Upper Pennsylvanian Pool; and the SW/4 SE/4 to form a standard spacing and proration unit for all formations developed on 40-acre spacing within that vertical extent which includes but is not necessarily limited to the Penasco Draw-San Andres-Yeso Associated Pool. Said units are to be dedicated to its Rushing NJ Deep Com Well No. 3 to be drilled 1030 feet from the South line and 1650 feet from the East line (Unit O) of said Section 6 to an approximate depth of 12,000 feet. 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 200% charge for risk involved in drilling said well. Said area is located approximately 10 miles northwest of Lakewood, New Mexico.

CASE 13462: *Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico.*

Applicant seeks an order pooling all mineral interests from the surface to the base of the lower Mississippian Lime formation under the following acreage in Section 29, Township 9 South, Range 35 East: the S/2 to form a standard 320-acre gas spacing and proration unit for all formations or pools spaced on 320 acres within this vertical extent; the SW/4 to form a standard 160-acre spacing and proration unit for all formations or pools spaced on 160 acres within this vertical extent, which presently includes but is not necessarily limited to the Undesignated Jenkins-Atoka Gas Pool and the Undesignated Jenkins-Cisco Pool; and the NW/4 SW/4 (Unit L) to form a standard 40-acre spacing and proration unit for all formations or pools spaced on 40 acres within this vertical extent, which presently includes but is not necessarily limited to the Undesignated Jenkins Devonian Pool and the Undesignated Jenkins-San Andres Pool. These spacing and proration units are to be dedicated to the Gill BGJ No.1 Well located 1650 feet from the South line and 660 feet from the West line of Section 29 which Yates proposes to drill at a standard location in the lower Mississippian Lime formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, the 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 5 miles east of Crossroads, New Mexico.

CASE 13463: *Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico.*

Applicant seeks an order pooling all mineral interests from the surface to the base of the lower Mississippian Lime formation under the following acreage in Section 30, Township 9 South, Range 35 East: the S/2 to form a standard 320-acre gas spacing and proration unit for all formations or pools spaced on 320 acres within this vertical extent; the SE/4 to form a standard 160-acre spacing and proration unit for all formations or pools spaced on 160 acres within this vertical extent, which presently includes but is not necessarily limited to the Undesignated Jenkins-Atoka Gas Pool and the Undesignated Jenkins-Cisco Pool; and the NW/4 SE/4 (Unit J) to form a standard 40-acre spacing and proration unit for all formations or pools spaced on 40 acres within this vertical extent, which presently includes but is not necessarily limited to the Undesignated Jenkins Devonian Pool and the Undesignated Jenkins-San Andres Pool. These spacing and proration units are to be dedicated to the Vince BGH No.1 Well located 1650 feet from the South line and 1840 feet from the East line of Section 30 which Yates proposes to drill as a wildcat well at a standard location in the lower Mississippian Lime formation. Also to be considered will be the cost of drilling and completing said well and the