Examiner Hearing - September 22, 2005 Docket No. 30-05 Page 2 of 3

CASE 13510: Continued from August 25, 2005, 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 Morrow formation in the following described spacing and proration units located in the W/2 of Section 16, Township 18 South, Range 32 East: the W/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated North Lusk-Morrow Gas Pool; the NW/4 for all formations and/or pools developed on 160-acre spacing; and the W/2 NW/4 for all formations and/or pools developed on 80-acre spacing which includes but is not necessarily limited to the Undesignated Young-Strawn Pool; and the SW/4 NW/4 for all formations and/or pools developed on 40-acre spacing which includes but is not necessarily limited to the Undesignated North Young-Wolfcamp Pool, Young-Bone Spring Pool, Undesignated North Young-San Andres Pool, Undesignated South Maljamar-Grayburg Pool, and Young-Queen Pool. These spacing and proration units are to be dedicated to the Joven "16" State Com Well No. 1 to be drilled to the Morrow formation at a standard gas well location 1800 feet from the North line and 990 feet from the West line of said Section 16. 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 EOG Resources, Inc. as operator of the well and a 200% charge for risk involved in drilling said well. Said area is located approximately 8 miles south of Maljamar, New Mexico.

<u>CASE 13559:</u> Application of Yates Petroleum Corporation for approval of a Unit Agreement, Chaves County, New Mexico. Applicant seeks approval of the Mortar State Exploratory Unit from the surface to the top of the PreCambrian formation in an area comprising 1600 acres of State of New Mexico lands in Sections 23, 25 and 26 in Township 8 South, Range 27 East, which is located approximately 25 miles northeast of Roswell, New Mexico.

CASE 13560: Application of Myco Industries, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in all formations from the surface to the base of the Morrow formation underlying the E/2 of Section 32, Township 19 South, Range 26 East, to form a standard 320-acre spacing and proration unit for all formations and/or pools developed on 320-acre spacing; the SE/4 to form a standard 160-acre spacing and proration unit for all formations and/or pools developed on 160-acre spacing; and the NE/4 SE/4 to form a standard 40-acre spacing and proration unit for all formations and/or pools developed on 40-acre spacing. These units are to be dedicated to the Elizabeth 32 Fee #1 Well to be drilled at a standard location 1980 feet from the South line and 660 feet from the East line in the NE/4 SE/4 (Unit I) of said Section 32 to test the Morrow formation at a depth of approximately 10,100 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 applicant as operator of the well and, pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 14 miles southeast of Artesia, New Mexico.

CASE 13561: Application of Myco Industries, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in all formations from the surface to the base of the Morrow formation underlying the E/2 of Section 33, Township 19 South, Range 26 East, to form a standard 320-acre spacing and proration unit for all formations and/or pools developed on 320-acre spacing; the SE/4 to form a standard 160-acre spacing and proration unit for all formations and/or pools developed on 160-acre spacing; and the SW/4 SE/4 to form a standard 40-acre spacing and proration unit for all formations and/or pools developed on 40-acre spacing. These units are to be dedicated to the Edward 33 Fee #1 Well, to be drilled at a standard location 660 feet from the South line and 1980 feet from the East line in the SW/4 SE/4 (Unit O) of said Section 33 to test the Morrow formation at a depth of approximately 10,100 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 applicant as operator of the well and, pursuant to NMRA 19.15.1.35, the imposition of a 200% risk charge against the working interest of any party that elects not to participate in this project. Said area is located approximately 14 miles southeast of Artesia, New Mexico.

case 13562: Application of Myco Industries, Inc. for Compulsory Pooling, Eddy County, New Mexico. Applicant seeks an order pooling all uncommitted mineral interests in all formations from the surface to the base of the Morrow formation underlying the W/2 of Section 33, Township 19 South, Range 26 East, to form a standard 320-acre spacing and proration unit for all formations and/or pools developed on 320-acre spacing; the SW/4 to form a standard 160-acre spacing and proration unit for all formations and/or pools developed on 160-acre spacing; and the NE/4 SW/4 to form a standard 40-acre spacing and proration unit for all formations and/or pools developed on 40-acre spacing. These units are to be dedicated to the Edna 33 Fee #1 Well, to be drilled at a standard location 1980 feet from the South line and 1980 feet from the West line in the NE/4 SW/4 (Unit K) of said Section 33 to test the Morrow formation at a depth of approximately 10,100 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 applicant as operator of the well and,