

CASE 13560: *Continued from September 22, 2005, Examiner Hearing*

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: *Continued from September 22, 2005, Examiner Hearing*

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: *Continued from September 22, 2005, Examiner Hearing*

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, 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 13537: *Readvertised*

Application of Lance Oil & Gas Company, Inc. for Compulsory Pooling Including Optional Infill Well Provisions, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests to the Fulcher Kutz-Pictured Cliffs formation and the Basin Fruitland Coal-Gas Pool underlying the following described acreage in Section 22, Township 29 North, Range 13 West: (a) the W/2 of this section to form a standard 320-acre gas spacing and proration unit for any production from the Basin Fruitland Coal Gas Pool to be dedicated to its FRPC "22" Well No. 2 (API# 30-045-33160) to be drilled at a standard gas well location in the NW/4 and to its FRPC "22" Well No. 3 to be drilled at a standard gas well location in the SW/4; and (b) the NW/4 and the SW/4 to form two standard 160-acre gas spacing and proration units for any production from the Pictured Cliffs formation, including but not limited to the Fulcher Kutz-Pictured Cliffs Gas Pool with the NW/4 dedicated to the FRPC "22" Well No. 2 and the SW/4 dedicated to the FRPC "22" Well No. 3 both for downhole commingled production from the Basin Fruitland Coal Gas Pool and the Fulcher Kutz-Pictured Cliffs Gas Pool. The applicant also seeks to include provisions for subsequent operations and procedures for an optional "infill" coalbed-gas well. Also to be considered will be the costs of drilling and completing these wells