Examiner Hearing – July 10, 2003 Docket No. 20-03 Page 6 of 9

southwest of mile marker 42.5 on Highway 62-180 east of Carlsbad, New Mexico.

CASE 13095: Continued from June 19, 2003, Examiner Hearing.

Application of MYCO Industries, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Morrow formation in the following described spacing and proration units located in the E/2 of Section 31, Township 21 South, Range 28 East: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the East Carlsbad-Morrow Gas Pool, Undesignated West Indian Flats-Atoka Gas Pool, Undesignated Tansill Dam-Atoka Gas Pool, East Carlsbad-Strawn Pool, and Undesignated East Carlsbad-Wolfcamp Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing; and the SE/4 NE/4 for all formations and/or pools developed on 40-acre spacing. Said units are to be dedicated to its Panther City "31" Fee Com Well No. 1 to be drilled as an infill well on this unit at a standard gas well location 1980 feet from the North line and 660 feet from the East line (Unit H) of said Section 31. 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 a charge for risk involved in drilling said well. Said area is located approximately 1 mile southwest of mile marker 42.5 on Highway 62-180 east of Carlsbad, New Mexico.

CASE 13096: Continued from June 19, 2003, Examiner Hearing.

Application of MYCO Industries, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations from the surface to the base of the Morrow formation in the following described spacing and proration units located in the N/2 of Section 32, Township 21 South, Range 28 East: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the East Carlsbad-Morrow Gas Pool, Undesignated West Indian Flats-Atoka Gas Pool, Undesignated Tansill Dam-Atoka Gas Pool, East Carlsbad-Strawn Pool, and Undesignated East Carlsbad-Wolfcamp Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing; and the NE/4 NE/4 for all formations and/or pools developed on 40-acre spacing. Said units are to be dedicated to its Throckmorton "32" Federal Com Well No. 1 to be drilled at a standard gas well location 660 feet from the North and East lines (Unit A) of said Section 32. 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 a charge for risk involved in drilling said well. Said area is located approximately 1/2 mile southwest of mile marker 42.5 on Highway 62-180 east of Carlsbad, New Mexico.

CASE 13104: Application of BP America, Inc. for an exception to the requirements for the Basin Dakota Gas Pool, San Juan County, New Mexico. Applicant in the above-styled cause seeks an exception to the well density requirements of Rule II. B of the Special Rules and Regulations for the Basin-Dakota Gas Pool to permit it to produce the following two Dakota wells located in the same quarter-quarter section (NW/4 NE/4) on a standard spacing and proration unit comprised of the North half of Section 1, Township 31 North, Range 11 West, NMPM:

the Childers Well 1-E located 1100 feet from the North line and 1750 feet from the East line of the section, and

the Childers Well No. 1-M located 705 feet from the North line and 2225 feet from the East line of the section.

Said wells are located approximately 20 miles northeast of Farmington, New Mexico.