

CASE 13609: *Application of Mack Energy Corporation for an Amendment to Order No. R-3127-A Extending the Vertical Limits of the Grayburg-Jackson West Cooperative Unit and for the Expansion of Injection Operations, Eddy County, New Mexico.* Applicant seeks an order amending the previous orders of the Division approving the Grayburg-Jackson West Cooperative Unit Agreement to extend the vertical limits of the unitized formation to include all formations from the top of the Seven Rivers formation to the base of the Glorieta-Yeso (Paddock) formation. Applicant also seeks authorization to expand waterflood injection operations to include all intervals within the extended vertical limits of the unitized formation in the Grayburg-Jackson West Cooperative Unit comprised of approximately 2,400 acres of State of New Mexico and fee lands in the following acreage:

Township 17 South, Range 29 East, NMPM

Section 15: W1/2SW1/4

Section 16: All

Section 21: All

Section 22: W1/2W1/2, E1/2NW1/4,

NE1/4SW1/4, NW1/4NE1/4

Section 27: W1/2SW1/4

Section 28: All

The subject lands are located in the immediate vicinity of Loco Hills, New Mexico.

CASE 13610: *Application of XTO Energy Inc. for compulsory pooling, Lea County, New Mexico.* Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the E/2 NE/4 of Section 8, Township 18 South, Range 32 East and in the following manner: the E/2 NE/4 to form an 80-acre oil spacing unit/project area in the Bone Spring formation (North Young-Bone Spring Pool); and the NE/4 NE/4 to form a 40-acre oil spacing unit for all formations or pools developed on 40-acre spacing within that vertical extent. The unit is to be dedicated to the Amoco Fed. DM Well No. 1H, to be re-entered at a surface location 760 feet from the North line and 960 feet from the East line of Section 8, and drilled horizontally in the Bone Spring formation to a terminus in the SE/4 NE/4 of Section 8, with a lateral located in the E/2 NE/4 of Section 8. Also to be considered will be the cost of re-entering, 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 risk involved in re-entering, drilling and, completing the well. The unit is located approximately 7 miles south-southwest of Maljamar, New Mexico.

CASE 13599: *Continued from December 1, 2005, Examiner Hearing*
Application Of Parallel Petroleum Corporation For compulsory pooling, Chaves County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation in the W/2 of Section 33, Township 14 South, Range 26 East, in order to form a standard 320-acre gas spacing and proration unit for all formations or pools spaced on 320 acres within this vertical extent; and the SW/4 to form a standard 160-acre gas spacing and proration unit for all formations or pools spaced on 160 acres within this vertical extent. This spacing and proration unit is to be dedicated to the Affirmed Well No. 1 to be drilled as a horizontal test well from a surface location 400 feet from the South line and 1880 feet from the West line, penetrating the Wolfcamp objective 700 feet from the South line and 1880 feet from the West line and terminating in the Wolfcamp formation 660 feet from the North line and 1880 feet from the West line. Also to be considered will be the cost of drilling and completion of 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 4 miles south of Hagerman, New Mexico.