Examiner Hearing – June 22, 2006 Docket No. 21-06 Page 4 of 7

<u>CASE NO. 13733</u>: Application of Energen Resources Corporation for compulsory pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in the Mesaverde formation, Blanco Mesaverde Pool, underlying the W/2 of Section 2. Township 25 North, Range 3 West, Rio Arriba County, New Mexico, to form a standard 356.75-acre gas spacing and proration unit. Said unit is to be dedicated to Applicant's McCroden C # 1 Well drilled from a surface and bottom-hole location 2146' from the South line and 1650' from the West line and recompleted in the Mesaverde formation underlying the W/2 of said Section 2. Also to be considered will be the cost of drilling and recompleting said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Energen Resources Corporation as operator of the well and a charge for risk involved in drilling and recompleting said well. The well location is approximately 4 miles east of Ojito, New Mexico.

<u>C4SE NO. 13734</u>: Application of David H. Arrington Oil and Gas, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the E/2 of Section 34, Township 17 South, Range 23 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp birmation, undesignated Cottonwood Creek Wolfcamp Pool. Said unit is to be dedicated to Applicant's proposed Chartreuse Spanker Well No. 1H to be drilled from a surface location 400' from the South line and 1880' from the East line and penetrating the producing interval at a point 660' from the South line and 1880' from the East line, to a bottom hole location 660' from the North line and 1880' from the East line of said Section 34. 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 David H. Arrington Oil and Gas, Inc. or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 6 miles East of Hope, New Mexico.

CASE NO. 13687: Continued from April 27, 2006, Examiner Hearing

Application of LCX Energy, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the E/2 of Section 10, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320 acres, including but not necessarily limited to the Wolfcamp formation. Said units are to be dedicated to Applicant's proposed 1724 Osbourn No. 101 Well to be drilled from a surface location 660 feet from the South line and 1880 feet from the East line to a bottom hole location 660 feet from the North line and 1880 feet from the East line of said Section 10. 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 LCX Energy, LLC or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 1.5 miles west of Artesia, New Mexico.

<u>CASE NO. 13735</u>: Application of LCX Energy, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the S/2 of Section 14, Township 16 South, Range 25 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation. Said unit is to be dedicated to Applicant's proposed 1625 Sallee No. 141 Well to be drilled from a surface location 760' from the South line and 660' from the East line to a bottom hole location 760' from the South line and 660' from the East line of said Section 14. 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 LCX Energy, LLC or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 5 miles north of the Artesia, New Mexico, airport.

<u>C.4SE NO. 13736</u>: Application of LCX Energy, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the E/2 of Section 12, Township 17 South, Range 24 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation. Said unit is to be dedicated to Applicant's proposed 1724 Ross Well No. 121 to be drilled from a surface location 660° from the South line and 1880° from the East line to a bottom hole location 660° from the North line and 1880° from the East line of said Section 12. 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 ancl charges for supervision, designation of LCX Energy, LLC or its designee as operator of the well and a charge for risk involved in dri lling said well. The proposed well location is approximately 6 miles west of the Artesia, New Mexico, airport.

<u>CASE NO. 13737</u>: Application of LCX Energy, LLC for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the W/2 of Section 31, Township 16 South, Range 25 East, NMPM, Eddy County, New Mexico, to form a standard 320-acre gas spacing and proration unit for any and all formations and or pools developed on 320-acres, including but not necessarily limited to the Wolfcamp formation. Said unit is to be dedicated to Applicant's proposed 1625 Fed Com Well No. 311 to be drilled from a surface location 660° from the South line and 1880° from the West line to a bottom hole location 660° from the North line and 1880° from the West line 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 LCX Energy, LLC or its designee as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 6 miles northwest of Artesia, New Mexico.