Examiner Hearing – January 4, 2007 Docket No. 01-07 Page 2 of 10

B. SW 4 equivalent of Section 7 and W/2 equivalent of Section 18 (the additional well is proposed at a standard location in the NW/4 of Section 18); and C. W.2 equivalent of Section 19 and the NW/4 equivalent of Section 30 (the additional well is proposed at a standard location in the NW/4 of Section 19).

Applicant also seeks authorization to simultaneously dedicate each of these units to the three coal gas wells located thereon. This area is located approximately 6.5 miles West of the Los Pinos arm of the Navajo Reservoir approximately 30.66 miles North of Aztec, New Mexico.

CASE NO. 13848: Application of COG Operating LLC for the Approval of the Third Amendment of the Grayburg-Jackson West Cooperative Unit Agreement Extending the Vertical Limits of the Unitized Formation to Include the Blinebry, Tubb and Drinkard Intervals of the Yeso Formation, to Amend Order No. R-3127-B to Correct Certain Findings and to Include Commingled Production, and for Extension of the Grayburg Jackson-Seven Rivers-Queen-Grayburg San Andres-Glorieta-Yeso (Paddock) Pool to Include the Blinebry, Tubb and Drinkard Intervals of the Yeso Formation, Eddy County, New Mexico. Applicant seeks an order amending Division Order R-3127-B. dated June 13, 2006, for 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 top of the Abo formation and for approval of production that has been commingled from the expanded Unitized Formation. Applicant also seeks the commensurate extension of the vertical limits of the Grayburg Jackson-Seven Rivers-Queen-Grayburg San Andres-Glorieta-Yeso (Paddock) Pool (97558) and contraction of the East Empire Yeso Pool to delete the Blinebry, Tubb and Drinkard intervals of the Yeso formation. Applicant further seeks to correct Finding (10)(b) and (c) and (12) of Order R-2137-B. The Grayburg-Jackson West Cooperative Unit is comprised of approximately 2,400 acres of State of New Mexico and fee lands in the following area:

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 NO. 13843: Continued from the December 13, 2006 Examiner Hearing.

Application of Parallel Petroleum Corporation for compulsory pooling and unorthodox well location, Eddy 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 N/2 of Section 19. Township 19 South, Range 21 East, N.M.P.M., Eddy County, New Mexico: the N/2 for all formations and/or pools developed on 320-acre spacing which includes but is not necessarily limited to the Gardner Draw-Morrow Gas Pool. Said unit is to be dedicated to its Drewford's Boombox 1921-19 Com Well No. 1 to be drilled at an unorthodox surface location 165 feet from the East line and 760 feet from the North line, and will penetrate the top of the Wolfcamp formation at a point 660 feet from the East line and 760 feet from the North line and a bottomhole location of 660 feet from the West line and 760 feet from the North line of Section 19. Township 19 South, Range 21 East to an approximate depth of 4350 feet to test any and all formations from the surface to the base of the Wolfcamp. 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 Parallel Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 12 miles southwest of Hope, New Mexico.

CASE NO. 13813: Reopened and Re-advertised, continued from the November 9, 2006 Examiner Hearing.: Amended Application of OXY USA WTP Limited Partnership for compulsory pooling, Eddy 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 S/2 of Section 9. Township 17 South, Range 29 East, S.M.P.M., Liddy County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing which meludes but is not necessarily limited to the Undesignated South Empire-Morrow Gas Pool and the Undesignated North