Examiner Hearing – January 4, 2007 Docket No. 01-07 Page 3 of 10

Grayburg-Atoka Gas Pool; and the SW/4 for all formations and/or pools developed on 160-acre spacing. OXY proposes to dedicate the above-referenced spacing or proration units to its Oxy Flameskimmer State Well No. 1 to be drilled at a standard gas well-location 1650 feet from the South line and 1880 feet from the West line (Unit K) of said Section 9 or at another standard gas well-location in the SW/4 of Said Section 9. 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 OXY USA WTP Limited Partnership as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 5 miles west of Loco Hill, New Mexico.

CASE NO. 13787: Continued from the November 30, 2006 Examiner Hearing.

Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit, compulsory pooling, and an unorthodox oil well location, Lea County, New Mexico. Applicant seeks an order approving a non-standard 80-acre oil spacing and proration unit in the Devonian formation (North Knowles-Devonian Pool) comprised of the SE/4 NE/4 and NE/4 SE/4 of Section 14. Township 16 South, Range 38 East. NMPM, and pooling all mineral interests in said unit. The unit is to be dedicated to the Lawrence Well No. 1Y, to be re-entered at an unorthodox surface location 2531 feet from the North line and 630 feet from the East line of Section 14, with an estimated unorthodox bottom hole location 2531 feet from the North line and 660 feet from the East line of Section 14, and applicant further seeks approval of said locations. 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 the risk involved in re-entering, drilling, and completing the well. The unit is located approximately 6-1/2 miles north-northeast of Knowles. New Mexico.

CASE NO. 13826: Continued from the December 13, 2006 Examiner Hearing.

Application of Cimarex Energy Co. for compulsory pooling, Eddy County, New Mexico. Cimarex Energy Co. seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 29. Township 19 South, Range 28 East, NMPM, and in the following manner: The W/2 to form a standard 320-acre gas spacing and proration unit for any and all formations or pools developed on 320-acre spacing within that vertical extent. including the South Millman-Morrow Gas Pool; and the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations or pools developed on 160-acre spacing within that vertical extent. The units are to be dedicated to the Fadeaway Ridge 29 State Com. Well No. 1, to be drilled at an orthodox location in the NE/4SW/4 of Section 29. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of Cimarex Energy Co. of Colorado as operator of the well, and a 200% charge for the risk involved in drilling and completing the well. The units are located approximately 10 miles east of Lakewood, New Mexico.

CASE NO. 13849: Application of XTO Energy Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying Lots 3, 4, S/2 NW 4, and SW/4 (the W/2) of Section 5, Township 30 North, Range 13 West, NMPM, to form a 320.72-acre gas spacing unit within that vertical extent. The unit is to be dedicated to (i) the Lunt Well No. 1, to be drilled at an orthodox gas well location in the SW/4 NW/4 of Section 5, and (ii)) the Lunt Well No. 2, to be drilled at an orthodox gas well location in the SW/4 of Section 5. Also to be considered will be the cost of drilling and completing the wells and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the wells, and a 200% charge for the risk involved in drilling and completing the wells. The unit is located approximately 6-1 2 miles south-southwest of LaPlata, New Mexico. IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.

CASE NO. 13850: Application of XTO Energy Inc. for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests in the Basin-Fruitland Coal Gas Pool underlying the W/2 of Section 8. Township 30 North, Range 13 West, NMPM, to form a 320-acre gas spacing unit within that vertical extent. The unit is to be dedicated to the Lunt Well No. 11, to be drilled at an orthodox gas well location in the NW-4 NW-4 of Section 8. Also to be considered will be the cost of 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 the risk involved in drilling and completing the well. The unit is located approximately 7-1-2 miles south-southwest of LaPlata. New Mexico. IN THE ABSENCE OF OBJECTION THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.