DOCKET: EXAMINER HEARING - THURSDAY - AUGUST 9, 2007

8:15 A.M. - 1220 South St. Francis Santa Fe, New Mexico

Docket Nos. 25-07 and 26-07 are tentatively set for August 23 and September 6, 2007. Applications for hearing must be filed at least 30 days in advance of hearing date. OCD Rule 1211.B requires parties who intend to present evidence at an adjudicatory hearing to file a pre-hearing statement no later than the Thursday before the hearing, and serve a copy on opposing counsel of record. If the OCD does not receive a pre-hearing statement from the applicant by the close of business on the Thursday before the hearing, the hearing may be continued or dismissed by order of the examiner. If a protesting party fails to submit a timely pre-hearing statement, the hearing may be continued at the applicant's request. The following Cases will be heard by an Examiner.

Locator Key for Cases
Case 13891 - No.8
Case 13897 - No.11
Case 13908 - No.6
Case 13940 - No.12
Case 13952 - No.10
Case 13963 - No.1
Case 13964 - No.2
Case 13965 - No.3
Case 13966 - No.4
Case 13967 - No.5

- 1. <u>CASE 13963</u>: 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 underlying the following described acreage in Section 8, T15S, R25E, NMPM, in the following manner: the N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent. This unit is to be dedicated to its Giacomo 1525-8 Federal Com Well No. 1 (API#30-005-63946) which will be located at an unorthodox surface location 760 feet FNL and 208 feet FEL (Unit A) and deviated so that when the wellbore penetrates the Wolfcamp formation it will be at a standard subsurface location, 660 feet FEL and 760 feet FNL (Unit A) then drilled horizontally in a westerly direction staying within a producing area 660 feet from each of the end and side boundaries of this spacing unit and ending at a standard bottom hole location 760 feet FNL and 660 feet FWL (Unit D). Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 6 miles northwest of Lake Arthur, New Mexico.
- 2. CASE 13964: 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 underlying the following described acreage in Section 8, T15S, R25E, NMPM, in the following manner: the S/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within that vertical extent. This unit is to be dedicated to its Funny Cide 1525-8 Federal Com Well No. 1 (API # 30-005-63949) which will be located at an unorthodox surface location 1880 feet FSL and 208 feet FEL (Unit I) and deviated so that when the wellbore penetrates the Wolfcamp formation it will be at a standard subsurface location not less than 1180 feet FSL and 660 feet FEL (Unit I) then drilled horizontally in a westerly direction staying within a producing area 660 feet from each of the end and side boundaries of this spacing unit and ending at a standard bottom hole location 1880 feet FSL and 660 feet FWL (Unit L). Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 6 miles northwest of Lake Arthur, New Mexico.