Examiner Hearing – January 10, 2008 Docket No. 1-08 Page 7 of 17

at a depth of approximately 11,200 feet. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as actual operating costs and charges for supervision, designation of Marbob Energy Corporation as operator of the well, and a charge for risk involved in drilling said well. Said area is located approximately 3.78 miles Northwest of Loco Hills, New Mexico.

18. CASE 14024: Re-advertised

Application of OGX Resources, L.L.C. 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 E/2 of Section 34, Township 22 South, Range 27 East, N.M.P.M., Eddy County, New Mexico: the E/2 for all formations and/or pools developed on 320-acre spacing which includes but is not limited to the Undesignated Otis-Morrow Gas Pool, Undesignated Otis-Atoka Gas Pool, Undesignated Carlsbad-Strawn Gas and the Undesignated Cass Draw-Wolfcamp Gas Pool; the NE/4 for all formations and/or pools developed on 160-acre spacing; and the NE/4 NE/4 for all formations and/or pools developed on 40-acre spacing which includes but is not limited to the Undesignated North Cass Draw-Wolfcamp Pool. Said units are to be dedicated to its Weems Well No. 1 (API No. 30-015-35789) to be directionally drilled as a gas well from a standard surface location 1073 feet from the North line and 1501 feet from the East line (Unit B), to a standard bottom hole location 660 feet from the North and East lines (Unit A) of said Section 34 at an approximate depth of 12,400 feet to test any and all formations from the surface to the base of the Morrow formation. 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 OGX Resources, L.L.C. as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 4 miles east of the Carlsbad, New Mexico Municipal Airport.

- 19. <u>CASE 14057</u>: Application of Black Hills Gas Resources, Inc. for a non-standard proration unit, Rio Arriba County, New Mexico. Applicant in the above-styled cause seeks an order creating a non-standard 583.43-acre proration unit, East Blanco Pictured Cliffs Gas Pool, comprised of Lot 10 of Section 6, the NE/4 and the E/2 NW/4 of Section 7 and the N/2 of Section 8, Township 30 North, Range 3 West, NMPM, Rio Arriba County, New Mexico. Black Hills proposes to dedicate this non-standard proration unit to its Jicarilla 458-08 Well No. 13 to be drilled from a surface location 1000 feet from the North line and 2300 feet from the East line of said Section 8 and a bottomhole location 200 feet from the North line and 700 feet from the West line of said Section 7. This non-standard proration unit is located approximately 15 miles northeast of Dulce, New Mexico.
- 20. <u>CASE 14058</u>: Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in the following described spacing and proration units located in the SE/4 SE/4 of Section 30, Township 22 South, Range 32 East, N.M.P.M., Lea County, New Mexico: the SE/4 SE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent including the Undesignated East Livingston Ridge-Delaware Pool and the Undesignated Southeast Livingston Ridge-Delaware Pool. Said unit is to be dedicated to its Amazing BAZ Federal Well No. 3 to be drilled at a location 330 feet from the South and East lines of Section 30, Township 22 South, Range 32 East, NMPM, Lea County, New Mexico to an approximate depth of 8,600 feet to test any and all formations from the surface to the base of the Bone Spring formation. 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 Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located 25 miles west of Eunice, New Mexico.
- 21. <u>CASE 14059</u>: Application of Yates Petroleum Corporation for compulsory pooling, Chaves County, New Mexico. Applicant in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Precambrian formation in the following described spacing and proration units located in the S/2 of Section 14, Township 6 South, Range 26 East, N.M.P.M., Chaves County, New Mexico: the S/2 for all formations and/or pools developed on 320-acre spacing within this vertical extent including the Undesignated Bosque-Pennsylvanian Gas Pool and the Undesignated Crockett Draw-Wolfcamp Gas Pool; the SE/4 for all formations and/or pools developed on 160-acre spacing within this vertical extent including the Undesignated Pecos Slope-Abo Gas Pool; and the NW/4 SE/4 for all formations and/or pools developed on 40-acre spacing within this vertical extent including the Undesignated Crockett Draw-Siluro Devonian Pool. Said unit is to be dedicated to its Cooker BCB Fed Com Well No. 3 to be drilled at a location 1680 feet from the South line and