

- Cockburn Federal No. 006; J-34-17S-33E; API No. 30-025-01392

These wells are located approximately 13 miles southwest of Lovington, in Lea County, New Mexico.

- Wallen Bass No. 002; N-21-20S-34E; API No. 30-025-26458
- Wallen Bass No. 004; O-21-20S-34E; API No. 30-025-26288

These wells are located approximately 10 miles southwest of Monument, New Mexico, Lea County.

3. **CASE 14054:** (Continued from the March 20, 2008 Examiner Hearing.)

Application of the New Mexico Oil Conservation Division for a Compliance Order against Kimlar Oil Company. The Applicant seeks an order finding operator in violation of 19.15.3.116 and 19.15.9.703 NMAC; requiring operator to bring the wells into compliance with 19.15.3.116 and 19.15.9.703 by a date certain; and assessing penalties. The affected wells are:

- Gourley Federal No. 003; API No. 30-015-22660; A-31-22S-28E
- Gourley Federal No. 004; API No. 30-015-22661; J-31-22S-28E

The wells are located approximately 9 miles southeast of Carlsbad, in Eddy County, New Mexico.

4. **CASE 14104: Application of Trilogy Operating, Inc. for compulsory pooling, Lea County, New Mexico.**

Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4 SE/4 of Section 24, Township 19 South, Range 38 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated South Nadine Yates-Seven Rivers Pool, Undesignated Northeast Nadine-San Andres Pool, East Nadine-Blindery Pool, and Nadine Drinkard-Abo Pool. The unit will be dedicated to the Allar Well No. 1, to be drilled at an orthodox oil well location in the SE/4 SE/4 of Section 24. 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 2 miles northeast of Nadine, New Mexico. APPLICANT REQUESTS THAT, IN THE ABSENCE OF OBJECTION, THIS MATTER BE TAKEN UNDER ADVISEMENT.

5. **CASE 14105: Application of Trilogy Operating, Inc. for compulsory pooling, Lea County, New Mexico.**

Applicant seeks an order pooling all mineral interests from the surface to the base of the Yates/Seven Rivers formation underlying the NE/4 NW/4 of Section 25, Township 19 South, Range 38 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Undesignated South Nadine Yates-Seven Rivers Pool. The unit will be dedicated to the Topaz Well No. 1, to be re-entered at an orthodox oil well location in the NE/4 NW/4 of Section 25. Also to be considered will be the cost of re-entering 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 and completing the well. The unit is located approximately 1-1/2 miles northeast of Nadine, New Mexico. APPLICANT REQUESTS THAT, IN THE ABSENCE OF OBJECTION, THIS MATTER BE TAKEN UNDER ADVISEMENT.

6. **CASE 14085:** (Continued from the March 20, 2008 Examiner Hearing.)

Application of Cimarex Energy Co. for a non-standard oil spacing and proration unit and compulsory pooling, Lea County, New Mexico. Cimarex Energy Co. seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of the W/2 SW/4 of Section 13, Township 15 South, Range 37 East, NMPM, to form a non-standard 80-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the Denton-Wolfcamp Pool, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Sunshine Well No. 1, a horizontal well drilled at a surface location 2235 feet from the South line and 660 feet from the West line of Section 13, with a terminus 379 feet from the South line and 664 feet from the West line of Section 13. 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 5-1/2 miles southeast of Prairieview, New Mexico.

7. **CASE 14098:** (Continued from the March 20, 2008 Examiner Hearing.)
Application of Apache Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Drinkard formation underlying the SW/4 NW/4 of Section 11, Township 20 South, Range 38 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any and all formations or pools developed on 40-acre spacing within that vertical extent, including the House-Blinbry Pool and House-Tubb Pool. The unit will be dedicated to the Magnolia Well No. 1, to be drilled at an orthodox oil well location in the SW/4 NW/4 of Section 11. 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 2-1/2 miles south of Nadine, New Mexico.
8. **CASE 13960:** Reopened (Continued from the March 20, 2008 Examiner Hearing.)
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 S/2 of Section 9, Township 15 South, Range 25 East, NMPM, to form a standard 320-acre gas spacing and proration unit for all formations developed on 320 acre spacing within that vertical extent, including the Undesignated Walnut Creek-Wolfcamp Gas Pool. The unit is to be dedicated to the proposed War Emblem 1525-9 Fed. Com. Well No. 1H, to be drilled at a surface location 1880 feet from the south line and 190 feet from the east line of Section 8, Township 15 South, Range 25 East, N.M.P.M., with a penetration point 1880 feet from the south line and 660 feet from the west line of Section 9 and a terminus 1880 feet from the south line and 660 feet from the east line of Section 9. 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 5 miles northwest of Lake Arthur, New Mexico.
9. **CASE 14099:** (Continued and Readvertised)
Application of RSC Resources Limited Partnership for approval of a non-standard oil spacing and proration unit and compulsory pooling, Eddy County, New Mexico. Applicant seeks an order approving a non-standard oil spacing and proration unit (project area) comprised of Lot 2, S/2 NE/4, and SE/4 NW/4 (the S/2 N/2) of Section 19, Township 16 South, Range 29 East, NMPM, to form a non-standard 145.53-acre oil spacing and proration unit (project area) for any and all formations or pools developed on 40-acre spacing within that vertical extent, and pooling all mineral interests in the Wolfcamp formation underlying the non-standard unit. The unit is to be dedicated to the Lucky Wolf "19" State Com. Well No. 1H, a horizontal well to be drilled at a surface location 1980 feet from the North line and 10 feet from the West line, with a terminus 1980 feet from the North line and 330 feet from the East line, of Section 19. 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 12 miles northwest of Loco Hills, New Mexico.
10. **CASE 14092:** (Continued from the February 21, 2008 Examiner Hearing.)
Application of Koch Exploration Company, LLC for exception to the well density provisions of the special rules and regulations for the Basin-Fruitland Coal Gas Pool to authorize two additional infill wells and for simultaneous dedication, San Juan County, New Mexico. Applicant seeks an order providing an exception to the well density provisions of the rules and regulations for the Basin-Fruitland Coal Gas Pool (71629) for the drilling of two additional infill wells at standard gas well locations in certain standard 320-acre + spacing and proration within the Pool. Applicant currently operates an original and one infill well and seeks authorization to drill two additional infill wells in each of the following units:

Township 29 North, Range 9 West

Section 21: W/2

Section 23: W/2

Section 24: W/2

Section 25: E/2