Examiner Hearing --October 1, 2009 Docket No. 34-09 Page 2 of 4

3. CASE 14375: (Continued from the September 3, 2009 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the NE/4 SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetery-Yeso Pool and Undesignated North Seven Rivers Glorieta-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" I Well No. 1, to be drilled at an orthodox location in the NE/4 SE/4 of Section 15. 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 3 miles Southwest of Seven Rivers, New Mexico.

4. CASE 14376: (Continued from the September 3, 2009 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the SW/4 SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetery-Yeso Pool and Undesignated North Seven Rivers Glorieta-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" O Well No. 1, to be drilled at an orthodox location in the SW/4 SE/4 of Section 15. 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 3 miles Southwest of Seven Rivers, New Mexico.

5. <u>CASE 14377</u>: (Continued from the September 3, 2009 Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Yeso formation underlying the SE/4 SE/4 of Section 15, Township 20 South, Range 25 East, NMPM, to form a standard 40-acre oil spacing and proration unit for all pools or formations developed on 40-acre spacing within that vertical extent, including the Undesignated Cemetery-Yeso Pool and Undesignated North Seven Rivers Glorieta-Yeso Pool. The unit is to be dedicated to the proposed Quick Draw "15" P Well No. 1, to be drilled at an orthodox location in the SE/4 SE/4 of Section 15. 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 3 miles Southwest of Seven Rivers, New Mexico.

6. CASE 14282: (Continued from the September 17, 2009 Examiner Hearing.)

Application of Synergy Operating, LLC for compulsory pooling, San Juan County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Fruitland Coal formation underlying the W/2 of Section 8, Township 29 North, Range 13 West, NMPM, to form a standard 320-acre gas spacing and proration unit for all pools or formations developed on 320 acre spacing within that vertical extent, including the Basin-Fruitland Coal Gas Pool. The unit is to be dedicated to the Airport 29-13-8 Well No. 113, to be located at an orthodox 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 1/2 mile West of Farmington, New Mexico.

7. <u>CASE 14343</u>: (Continued from the September 17, 2009 Examiner Hearing.)

Application of Purvis Operating Co. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in the Pennsylvanian and Devonian formations underlying the E/2 NE/4 of Section 34, Township 12 South, Range 37 East, NMPM, to form a standard 80-acre oil spacing and proration unit for all pools or formations developed on 80-acre spacing within that vertical extent, including the Southwest Gladiola-Pennsylvanian Pool and Southwest Gladiola-Devonian Pool. The unit is to be dedicated to the Lowe Well No. 1, to be re-entered at a location 554 feet from the North and East lines (the NE/4 NE/4) of Section 34. 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 8 miles East-Southeast of Tatum, New Mexico.

8. <u>CASE 14290</u>: (Continued from the September 3, 2009 Examiner Hearing.) (This case will be continued to the October 15, 2009 Examiner Hearing.)

Application of Williams Production Company, LLC for approval of an exception to the provisions of Rule 19.15.16, or in the alternative, a special rule for the Rosa Unit, that authorizes the use of the point where the directional wellbore penetrates the top of the producing interval within the pool as the penetration point for the directional wells in the Rosa