Examiner Hearing – April 5, 2001 Docket No. 11-01 Page 6 of 8

the West line of Section 24. 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 applicant as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 8 miles east of Loving, New Mexico.

CASE 12638:

Application of Texaco Exploration and Production Inc. for approval of a pressure maintenance project for its New Mexico "O" State NCT-1 Lease and its State "BA" Lease, Lea County, New Mexico. Applicant seeks approval for injection of water into the Abo formation, North Vacuum-Abo Pool; the Wolfcamp formation, Undesignated Vacuum-Wolfcamp Pool; and the Upper Pennsylvanian formation, Vacuum-Upper Pennsylvanian Pool, through three injection wells located in the following described area:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM Section 36: N/2, SE/4, S/2 SW/4

Said leases are located approximately 1 mile east of Buckeye, New Mexico.

CASE 12622: Continued from March 22, 2001, Examiner Hearing.

Application of Nearburg Exploration Company, L.L.C. for two non-standard gas spacing and proration units, Lea County, New Mexico. Applicant seeks an exception to the spacing provisions of Division Rule 104.C (2) to create two non-standard 160-acre gas spacing and proration units within the East Grama Ridge-Morrow Gas Pool comprising: (i) the NE/4 of Section 34, Township 21 South, Range 34 East, to be dedicated to the Nearburg Producing Company's existing Grama Ridge East "34" State Well No. 1 (API No. 30-025-34948), located at a standard gas well location 1548 feet from the North line and 990 feet from the East line (Unit H) of Section 34; and (ii) the SE/4 of Section 34 to be dedicated to the EOG Resources, Inc. operated Llano "34" State Well No. 1 (API No. 30-025-26318), located at a standard gas well location 1650 feet from the South line and 660 feet from the East line (Unit I) of Section 34. These two wells are located approximately 17 miles west of Eunice, New Mexico.

CASE 12320: Continued from March 8, 2001, Examiner Hearing.

Application of Chevron U.S.A. Production Co. for Approval to convert the EMSU Wells No. 210, 212, 222, 252 and 258 to Injection in the Eunice Monument South Unit, Lea County, New Mexico. Applicant seeks approval to convert its EMSU Wells No. 210, 212, 222, 252 and 258 to injection in the Eunice Monument South Unit (EMSU). These wells are designed to improve recovery efficiency of the waterflood patterns and enhance production of the EMSU secondary recovery project. The wells are located in the following locations: No. 210 - Section 4, Unit K, Township 21 South, Range 36 East; No. 252 - Section 5, Unit I, Township 21 South, Range 36 East; No. 222 - Section 6, Unit O, Township 21 South, Range 36 East; No. 252 - Section 6, Unit W, Township 21 South, Range 36 East; No. 258 - Section 4, Unit U, Township 21 South, Range 36 East. Water will be injected into the unitized interval of the Eunice Monument Grayburg-San Andres Pool which has an upper limit of 100 feet below mean sea level or the top of the Grayburg formation, whichever is higher, to a lower limit of the base of the San Andres formation. Injection will occur at an expected maximum pressure rate of 1500 barrels of water per day and an expected maximum pressure of 750 pounds per square inch. This area is approximately one mile west-southwest of Oil Center, New Mexico.

Examiner Hearing – April 5, 2001 Docket No. 11-01 Page 5 of 8

CASE 12634:

Application of McElvain Oil & Gas Properties, Inc. for amendment of Division Order No. R-11392 for compulsory pooling of additional formations for an infill well, Rio Arriba County, New Mexico. Applicant seeks an order amending Division Order No. R-11392 to compulsory pool all mineral interests and all royalty interests in all formations from the base of the Pictured Cliffs formation to the base of the Dakota formation in the S/2 of Section 10, Township 25 North, Range 2 West, for all formations and or pools developed on 320-acre spacing. The pooled units are to be dedicated to the Badger Com 10 Well No. 1A to be drilled at a standard location in the SE/4 of said Section 10 to a depth sufficient to test all formations in the pooled intervals including, but not necessarily limited to the Blanco-Mesaverde Gas Pool and the Basin-Dakota Gas Pool. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles north-northeast of Lindrith, New Mexico.

CASE 12635:

Application of McElvain Oil & Gas Properties, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations from the base of the Pictured Cliffs formation to the base of the Mesaverde formation in the S/2 of Section 25, Township 25 North, Range 3 West, for all formations and or pools developed on 320-acre spacing, which include but are not necessarily limited to the Mesaverde formation, Blanco-Mesaverde Gas Pool. Said units are to be dedicated to its Naomi Well No. 1 (formerly the Wynona Well No. 1) at a previously approved unorthodox gas well location 1650 feet from the South line and 450 feet from the West line of said Section 25, to be reentered and recompleted in the Mesaverde 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 5 miles southwest of Lindrith, New Mexico.

CASE 12636:

Application of McElvain Oil & Gas Properties, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations from the base of the Pictured Cliffs formation to the base of the Dakota formation in the S/2 of Section 33, Township 26 North, Range 2 West, for all formations and or pools developed on 320-acre spacing which include but are not necessarily limited to the Basin-Dakota Gas Pool. Said units are to be dedicated to its Cougar Com 33M Well No. 1 to be drilled at a standard location in the SW/4 of said Section 33. 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 applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 9 miles north of Lindrith, New Mexico.

CASE 12637:

Application of Texaco Exploration and Production Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation, Remuda-Wolfcamp Pool, underlying the following described acreage in Section 24, Township 23 South, Range 29 East, in the following manner: (a) the S/2 to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing, (b) the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing, and the SE/4 SW/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing. These units are to be dedicated to a single well, the proposed Remuda Basin "24" State Well No. 1 to be drilled as a wildcat well at a standard location 750 feet from the South line and 1900 feet from