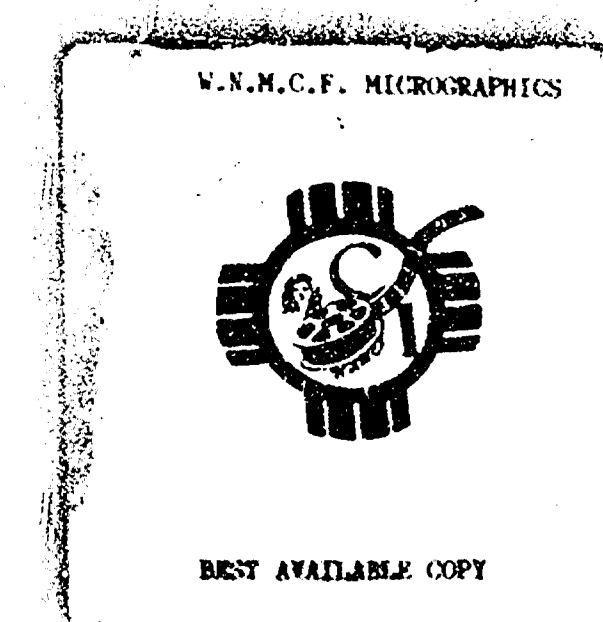


Case No.
5484

Large Exhibits



CASE 5484: Southeastern New Mexico nomenclature case calling for the creation and extension of certain pools in Lea, Eddy, and Chaves Counties, New Mexico and for the assignment of certain oil well discovery allowables.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the East Carlsbad-Wolfcamp Gas Pool. The discovery well is the Champion Petroleum Co. No. 1, located in Unit C of Section 2, Township 22 South, Range 27 East, NMPM. Said pool would comprise:

Section 36: SW/4

Section 1: NW/4

Section 2: NE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Centenary-Wolfcamp Gas Pool. The discovery well is the Read & Stevens, Inc. Allirish Well No. 1, located in Unit P of Section 30, Township 20 South, Range 25 East, NMPM. Said pool would comprise:

Section 30: SE/4

(c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Stewen production and designated as the Crooked-Creek-Stewen Gas Pool. The discovery well is the C & K Petroleum Inc. Love State Well No. 1, located in Unit C of Section 16, Township 24 South, Range 24 East, NMPM. Said pool would comprise:

Section 16: N/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Dickinson-San Andres Pool. The discovery well is the Henson Oil Corporation Santa Fe Well No. 1, located in Unit F of Section 35, Township 10 South, Range 16 East, NMPM. Said pool would comprise:

Section 35: NW/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Golden Lane-Atoka Gas Pool. The discovery well is the Mesco Properties Ltd. Harris & Well No. 1, located in Unit I of Section 4, Township 21 South, Range 29 East, NMPM. Said pool would comprise:

Section 4: Lots 1, 2, 7, 8, 9, 10, 13, and 16

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Grayburg-Atoka Gas Pool. The discovery well is the Horizon Oil & Gas Co. of Texas State 28 Con Well No. 2, located in Unit K of Section 28, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

Section 28: E/2

Section 29: E/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Frontier production and designated as the High Nitro-Frontier Gas Pool. The discovery well is the McClellan Oil Corporation Nicks Federal Well No. 1, located in Unit A of Section 9, Township 16 South, Range 29 East, NMPM. Said pool would comprise:

Section 9: SW/4

Section 8: SE/4

Section 9: NE/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Hogg Tank-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation Allison CO Federal Well No. 1, located in Unit F of Section 22, Township 19 South, Range 24 East, NMPM. Said pool would comprise:

Section 22: E/2

(i) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the H. V. Indian Basin-Morrow Gas Pool. The discovery well is the H. V. Indian Northeast Indian Basin Well No. 17, located in Unit K of Section 28, Township 20 South, Range 23 East, NMPM. Said pool would comprise:

Section 28: W/2

(j) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Lonsome-San Andres Pool. The discovery well is the Phillips Petroleum Company Luther A Well No. 1 located in Unit H of Section 18, Township 6 South, Range 32 East, NMPM. Said pool would comprise:

Section 18: SW/4

(k) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the South Rocky Arroyo-Wolfcamp Gas Pool. The discovery well is the El Paso Natural Gas Co. Patterson A Well No. 1, located in Unit H of Section 20, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

Section 20: SW/4

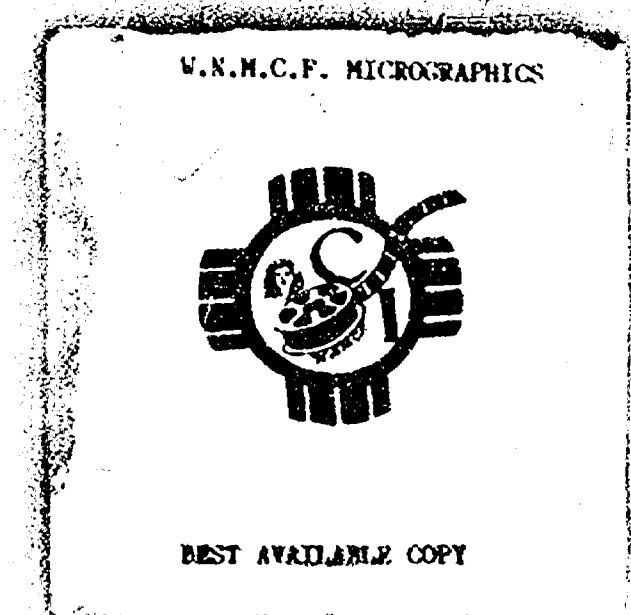
(l) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Sheep Draw-Atoka Gas Pool. The discovery well is the Mangum Petroleum Corp. Mary Federal Well No. 1, located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

Section 11: E/2

(m) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sheep Draw-Morrow Gas Pool. The discovery well is the Mangum Petroleum Corp. Mary Federal Well No. 1 located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

Section 11: E/2

Section 12: W/2



(k) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the South Rocky Arroyo-Wolfcamp Gas Pool. The discovery well is the T1 Paso Natural Gas Co. Vetterson A Well No. 1, located in Unit H of Section 20, Township 22 South, Range 22 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPM
Section 20: SW/4

(l) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Sheep Draw-Atoka Gas Pool. The discovery well is the Hangan Petroleum Corp. Mary Federal Well No. 1, located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 11: E/2

(m) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sheep Draw-Morrow Gas Pool. The discovery well is the Hangan Petroleum Corp. Mary Federal Well No. 1, located in Unit H of Section 11, Township 23 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 11: E/2
Section 12: W/2

(n) CREATE a new pool in Lea County, New Mexico, classified as an oil pool and designated as the Shipp-Drinkard Pool and assign 41,650 barrels of discovery allowable to the discovery well, the Hess Petroleum Company West Knowles Well No. 1, located in Unit F of Section 36, Township 16 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 36: SE/4

(o) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 31: All

(p) EXTEND the North Benson Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 32: N/2 NE/4

(q) EXTEND the Hilsberry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 27: SE/4

(r) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 31: N/2

(s) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 18: N/2

(t) EXTEND the South Carlisbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 31: W/2
Section 11: All

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM
Section 8: All
Section 17: N/2

(u) EXTEND the South Carlisbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 16: E/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 11: W/2

(v) ESTABLISH a discovery allowable to the Cessy-Strawn Pool in Lea County, New Mexico, and assign 56,650 barrels of discovery allowable to the discovery well, the C & K Petroleum, Inc. Shipp "J" Well No. 1, located in Unit O of Section 27, Township 16 South, Range 37 East, NMPM.

(w) EXTEND the Carca-Uppar Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM
Section 27: S/2 and NE/4

(x) EXTEND the East Chisum San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 16: NE/4 NE/4

(y) EXTEND the Double L Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPM
Section 23: NE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 32: N/2 and SW/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 17: N/2

(z) EXTEND the Double X-DeLaure Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 27: NE/4

(aa) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 26: SW/4

ADDITION-----TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 31: NW/4

(bb) EXTEND the East Empire Yates Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 34: W/2 NE/4

(cc) EXTEND the Kennedy Tama-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 22: E/2

ADDITION-----SECTION 23: W/2

(dd) EXTEND the Penasco Draw-San Andres-Yean Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPM
Section 30: NW/4 SW/4

(ee) EXTEND the Ranger Lake-Bough Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 23: SW/4

(ff) EXTEND the Rock Tank-Lower Morrow Gas Pool in Eddy County, New Mexico, to include therein:



(a) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPH
Section 18: N/2

(c) EXTEND the South Carlabad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPH
Section 3: W/2
Section 11: All

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPH
Section 8: All
Section 17: N/2

(a) EXTEND the South Carlabad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPH
Section 16: S/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPH
Section 1: W/2

(v) ESTABLISH a discovery allowable in the Casey-Strawn Pool in Lea County, New Mexico, and assign 56,630 barrels of discovery allowable to the discovery well, the C & P Petroleum, Inc. Shipp "D" well No. 1, located in Unit 0 of Section 27, Township 16 South, Range 37 East, NMPH.

(w) EXTEND the Cerca-Upper Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPH
Section 21: S/2 and NW/4

(x) EXTEND the East Chinua San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPH
Section 16: NE/4 NE/4

(y) EXTEND the Double L Queen Associated Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 29 EAST, NMPH
Section 23: SW/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPH
Section 32: N/2 and SW/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPH
Section 17: N/2

(z) EXTEND the Double X-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPH
Section 27: NE/4

(aa) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPH
Section 36: SW/4

ADDITION-----TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPH
Section 31: NW/4

(bb) EXTEND the East Empire Texas Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPH
Section 34: W/2 NE/4

(cc) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPH
Section 23: W/2

ADDITION-----SECTION 23: W/2
(dd) EXTEND the Fomento Draw-San Andres-Yaso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMPH
Section 30: NW/4 SW/4

(ee) EXTEND the Ranger Lake-Bough Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPH
Section 23: SW/4

(ff) EXTEND the Rock Tank-Lower Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPH
Section 18: All

(gg) EXTEND the Round Tank San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 29 EAST, NMPH
Section 31: NW/4 NW/4

(hh) EXTEND the vertical limits of the Sand Hills-San Andres Pool in Lea County, New Mexico, to include the Grayburg formation.

(ii) EXTEND the Sulmar Queen Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPH
Section 18: SW/4 SW/4

(jj) EXTEND the Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPH
Section 5: SW/4

(kk) EXTEND the Turkey Track Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPH
Section 32: NE/4 NE/4



of the risk of said Section 18. Also to be considered will be the cost of drilling and completing said well and the allocation of such costs as well as actual operating costs and charges for supervision. Also to be considered will be the designation of the application as operator of the well and a charge for the risk involved in drilling said well.

Application of Continental Oil Company for a dual completion, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for the dual completion of its Warren Unit Well No. 31, located in Unit O of Section 27, Township 20 South, Range 38 East, Lea County, New Mexico, in such a manner as to produce oil from the Minebrey Oil and Gas Pool and oil from the Warren-Tubb Gas Pool through parallel strings of tubing.

[illegible]

Application of Continental Oil Company for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the Pennsylvanian formation through the perforated interval 7648 to 7690 feet in its S20M Well No. 7 located in Unit F of Section 23, Township 10 South, Range 37 East, Cass-Pennsylvanian Gas Pool, Lea County, New Mexico.

CASE 5481: Application of Phillips Petroleum Company for downhole commingling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval for the downhole commingling of South Carlsbad-Atnaka and South Carlsbad-Morrow gas production in the wellbore of its Tidwell, "CMI" Well No. 1 located in Unit F of Section 8, Township 23 South, Range 27 East, Eddy County, New Mexico.

"cont" Well 365.
Range 27 East, Eddy County, New Mexico.

CASE 5482: Application of Phillips Petroleum Company for an unorthodox gas well location and simultaneous dedication, Lea County, New Mexico.
Applicant, in the above-styled cause, seeks approval for the unorthodox location of its Lusk Deep Unit "A" Well No. 1, located in Unit A Section 19, Township 16 South, Range 32 East, Lusk-Narrow Gas Pool of Lea County, New Mexico, and the simultaneous dedication of said Section 19 to the above well and to applicant's Lusk Deep Unit "A" Well No. 1, located in Unit A of said Section 19.

Section 19 to the above Well No. 5 located in Unit J of said Section 19.

TOWNSHIP 22 SOUTH, RANGE 22 EAST, NMPH
Section 20: SW/4

(1) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Sheep Draw-Atoka Gas Pool. The discovery well is the Managan Petroleum Corp. Well No. 1, located in Unit H of Section 11, Township 22N, Range 22E, NMPH. Said pool would comprise:

(m) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Sheep Draw gas pool for Morrow production and designated as the Hanagan Petroleum Co. Prop. The discovery well is located in the H of Section 11, Township 23 South, Range 25 East, NMPH. Said pool would comprise:

gas pool for the discovery well is located in Unit H of Section 11, Township Morrow Gas Pool. The discovery well is located in Unit H of Section 11, Township Mary Federal Well No. 1 located in Unit H of Section 11, Township 23 South, Range 25 East, NMPH. Said pool would comprise:

<u>TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPH</u>	
Section 11:	E/2
Section 12:	W/2

There is a new pool in Lea County, New Mexico, classified as a Morrow Gas Pool. The discovery well is located in Unit H of Section 11, Township Mary Federal Well No. 1 located in Unit H of Section 11, Township 23 South, Range 25 East, NMPH. Said pool would comprise:

(n) CREATE new pool in Lea County, New Mexico, consisting of an oil pool and designated as the Shipp-Drinkard Pool and assign 41,650 barrels of discovery allowable to the discovery well, the Mesa Petroleum Company West Knowles Well No. 1 located in Unit P of Section 34, Township 16 South, Range 37 East, NMPH. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPH
Section 34: SE/4

(c) EXTEND the Atoka-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 26 EAST, NMP
Section 2: All

Section 2: All

(p) EXTEND the North Benson Queen-Grayburg Pool in Eddy County New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMP
Section 52: N/2 NE/4

1. The first step is to identify the problem or question that needs to be answered. This involves understanding the context and the specific requirements of the task.

State 28 COM WELL NO. 2, LOCATED IN QUARTER 16, SECTION 17 South, Range 29 East, NMPH. Said pool would comprise

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMDM
Section 28: S/2
Section 29: E/2

(g) CREATE a new pool in Eddy County, New Mexico, classifying the same as a gas pool for Premier production and designated as the McClellan Pool. The discovery well is the McClellan No. 1.

gas pool for Premier production and the
Premier Gas Pool. The discovery well is the McClellan
Hinkle Federal Well No. 1, located in Unit A of S
Township 16 South, Range 29 East, NMPH. Said pool would

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NPM

(b) CREATE a new pool in Eddy County, New Mexico, called ~~_____~~ and designated as the _____

(h) CREATE a new pool in Eddy County, New Mexico, as a gas pool for Morrow production and designated as the Yates Petroleum Gas Pool. The discovery well is the Yates Petroleum Gas Well No. 1, located in Unit P of S. 26, T. 26 N., R. 26 E., N. 36 M. Said pool was discovered on 10/10/50.

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NPM

(1) CREATE a new pool in Eddy County, New Mexico, c
for Morrow production and designated as the

(1) CREATE a new pool in Easy, 20 South, Range 23 East, NMPM. Said pool is a gas pool for Morrow production and designated as the Basin-Morrow Gas Pool. The discovery well is the Ch Northwest Indian Basin Well No. 1Y, located in Unit 1, 20 South, Range 23 East, NMPM. Said pool is

TOWNSHIP 20 SOUTH, RANGE 23 EAST, NM
Section 28: W/2

(j) CREATE a new pool in Chaves County, New Mexico
pool for San Andres production and designated as
pool for the Phillipa P

(j) CREAT. a new P. oil pool for San Andres production and designated Andres Pool. The discovery well is the Phillips P. Luther A Well No. 1 located in Unit N of Section 13 Range 32 East, NMPH. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NM
Section 18: SW/4

Section 18: SW/4

SECTION 43: NE/4
TOWNSHIP 14 SOUTH, RANGE 30 EAST, NORTH

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NORTH
Section 32: N/2 and SW/4



Unit 20 LOR Well No. 4, otherwise as what is in Section 28, Township 17 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 28: S/2
Section 29: S/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Frontier production and designated as the High Micro-Frontier Gas Pool. The discovery well is the McGillion Oil Corporation Hinkle Federal Well No. 1, located in Unit A of Section 9, Township 16 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 29 EAST, NMPM
Section 3: SW/4
Section 4: SE/4
Section 9: NE/4

(h) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Hoag Tank-Morrow Gas Pool. The discovery well is the Yates Petroleum Corporation Allison CO Federal Well No. 1, located in Unit F of Section 27, Township 19 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 27: S/2

(i) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the M. W. Indian Basin-Morrow Gas Pool. The discovery well is the Charles A. Dean Northwest Indian Basin Well No. 11, located in Unit K of Section 28, Township 20 South, Range 23 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 23 EAST, NMPM
Section 28: W/2

(j) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for San Andres production and designated as the Lonsome-San Andres Pool. The discovery well is the Phillips Petroleum Company Luther A Well No. 1, located in Unit 8 of Section 18, Township 8 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 32 EAST, NMPM
Section 18: SW/4

DECLINER 23: NE/4

TOWNSHIP 14 SOUTH, RANGE 30 EAST, NMPM
Section 37: W/4 and SW/4

TOWNSHIP 15 SOUTH, RANGE 30 EAST, NMPM
Section 17: N/2

(k) EXTEND the Double X-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 27: NE/4

(m) EXTEND the Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 36: SW/4

(n) EXTEND the East Empire Yates Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 31: W/2 NE/4

(o) EXTEND the Kennedy Farms-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM
Section 22: E/2

(p) EXTEND the Pensaco Draw-San Andres-Yaso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 16 EAST, NMPM
Section 30: NW/4 SW/4

(q) EXTEND the Ranger Lake-Hough Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 33: SW/4

(r) EXTEND the Rock Tash-Lower Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 18: All

County, New Mexico, to include therein:

TOWNSHIP 15 SOUTH, RANGE 27 EAST, NMPM
Section 31: N/2

(s) EXTEND the Barton Flat-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 18: N/2

(t) EXTEND the South Carlsbad-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 31: W/2

(u) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 16: S/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM
Section 1: W/2

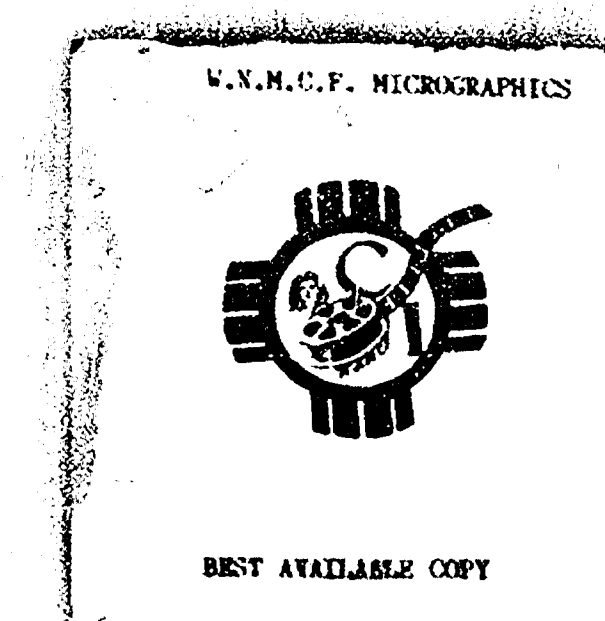
(v) ESTABLISH a discovery allowable in the Casey-Straon Pool in Lea County, New Mexico, and assign 56,630 barrels of discovery allowable to the discovery well, the C & N Petroleum, Inc. Shipp "23" Well No. 1, located in Unit O of Section 27, Township 16 South, Range 37 East, NMPM.

(w) EXTEND the Cerco-Upper Pennsylvania Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM
Section 27: S/2 and NE/4

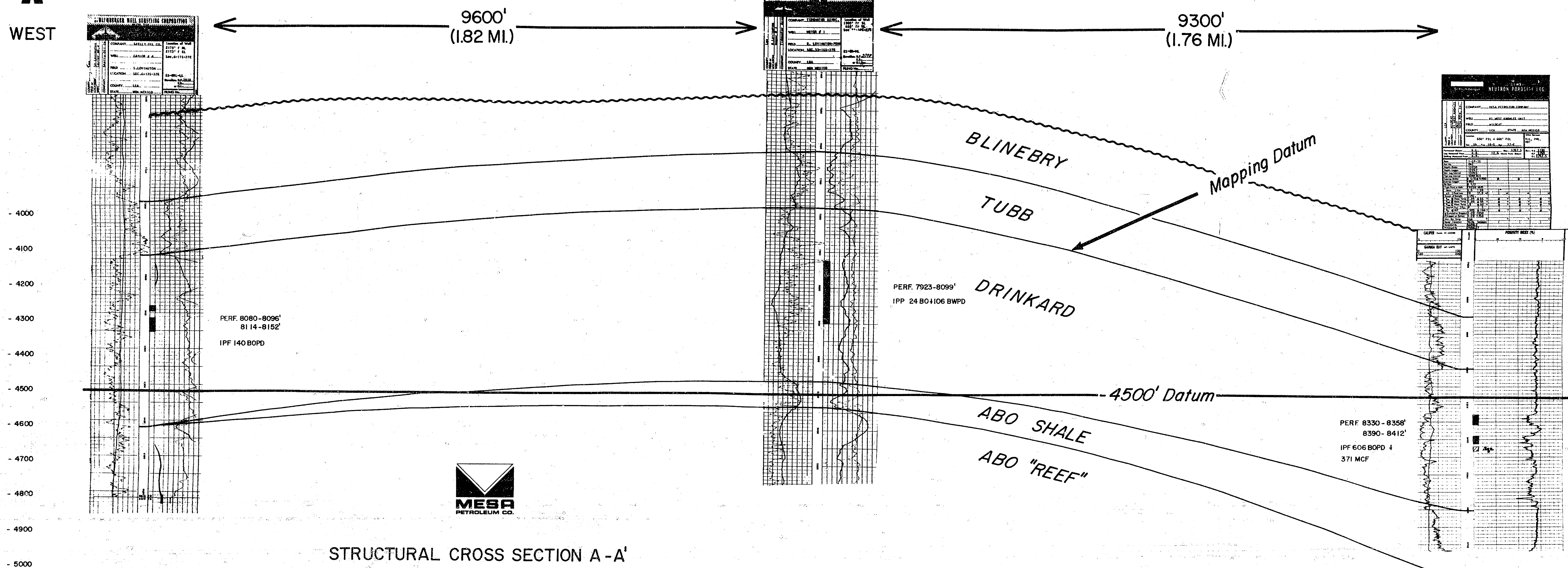
(x) EXTEND the East Chisum San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 28 EAST, NMPM
Section 15: NE/4 NW/4



A
WEST

A'
EAST



STRUCTURAL CROSS SECTION A-A'

LEA COUNTY, NEW MEXICO

