

Codex 1525-34 Well No. 1 (API # 30-005-63853) which will be located at an unorthodox surface location 1750 feet from the North line and 203 feet from the East line (Unit H) and when the vertical wellbore penetrates the Wolfcamp formation then drilled horizontally in a westerly direction staying within a producing area 660 feet from each of the end and side boundaries of this spacing unit and ending at a bottomhole location 1880 feet from the North line and 660 feet from the West line (Unit E). Also to be considered will be the costs of drilling and completing this well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well and a 200% charge for risk involved in this well. This unit is located approximately 4 miles southwest of Lake Arthur, New Mexico.

CASE 13933: **Application of Burlington Resources Oil & Gas Company LP for approval of a Pilot Sequestration Injection Well Project, San Juan County, New Mexico.** Applicant, pursuant to Division Rule 701, seeks an order approving a pilot sequestration injection well project within a project area consisting of all of Section 32, Township 31 North, Range 8 West, including the drilling of a CO2 injection well at an unorthodox location 2500 feet from the North line and 2665 feet from the West line (Unit F) of Section 32 for injection within an interval from 3123 feet to 3148 feet into the Fruitland formation of the Basin-Fruitland Coal Gas Pool, for the purpose of testing the feasibility of disposal of carbon dioxide as an alternative to the current practice of venting carbon dioxide to the atmosphere and to test the feasibility of enhancing methane production from offset wells. This project is located approximately 6 miles northwest of the spillway of the Navajo Dam, New Mexico.

CASE 13934: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves, Eddy, and Lea Counties, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico for the production of oil from the Delaware formation and designated as the Hay Hollow-Delaware Pool (**Pool Code 97596**). The discovery well is the BTA Oil Producers Owl 20504 JV-P Well No. 1 (**API No. 30-015-34749**) located in Unit K of Section 18, Township 26 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 27 EAST, NMPM
Section 18: SW/4

(b) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Upper Pennsylvanian formation and designated as the Salt Draw-Upper Pennsylvanian Gas Pool (**Pool Code 97594**). The discovery well is the OGX Resources, LLC EKG Fee Well No. 1 (**API No. 30-015-33907**) located in Unit E of Section 29, Township 24 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 29: N/2

(c) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Wolfcamp formation and designated as the South White City-Wolfcamp Gas Pool (**Pool Code 97592**). The discovery well is the Samson Resources Company Pine Springs 2 State Well No. 1 (**API No. 30-015-33562**) located in Unit E of Section 2, Township 26 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 25 EAST, NMPM
Section 2: N/2

(d) EXTEND the Artesia-Queen-Grayburg-San Andres Pool (**Pool Code 3230**) in Eddy County, New Mexico to include:

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

(e) EXTEND the Avalon-Upper Pennsylvanian Gas Pool (**Pool Code 71000**) in Eddy County, New Mexico to

include:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Section 3: Lots 21 through 28

- (f) EXTEND the Bear Grass Draw-Abo Pool (**Pool Code 4980**) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 24: E/2

- (g) EXTEND the Big Sinks-Delaware Pool (**Pool Code 5690**) in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 31 EAST, NMPM

Section 33: S/2

Section 34: S/2

- (h) EXTEND the Black River-Morrow Gas Pool (**Pool Code 72170**) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM

Section 8: E/2

Section 9: N/2

Section 10: NW/4

- (i) EXTEND the East Burton Flat-Morrow Gas Pool (**Pool Code 73320**) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 33: E/2

- (j) EXTEND the East Carlsbad-Morrow Gas Pool (**Pool Code 73920**) in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM

Section 30: E/2

- (k) EXTEND the Cottonwood Creek-Wolfcamp Gas Pool (**Pool Code 75250**) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 25 EAST, NMPM

Section 4: S/2

Section 5: Lots 9, 20, 15, 16 and Units I, J, O and P

Section 9: All

Section 16: All

- (l) EXTEND the West Cottonwood Creek-Wolfcamp Gas Pool (**Pool Code 75260**) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 24 EAST, NMPM

Section 1: S/2

Section 11: NE/4

- (m) EXTEND the Crooked Canyon-Atoka-Morrow Gas Pool (**Pool Code 97158**) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM

Section 32: W/2

- (n) EXTEND the Empire-Abo Pool (**Pool Code 22040**) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 17: SE/4

Section 20: E/2

Section 29: NE/4

- (o) EXTEND the Four Mile Draw-Wolfcamp Gas Pool (**Pool Code 97415**) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 23 EAST, NMPM

Section 30: All

- (p) EXTEND the Southwest Four Mile Draw-Wolfcamp Gas Pool (**Pool Code 97553**) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM

Section 10: S/2

Section 11: All

- (q) EXTEND the Golden Lane-Atoka Gas Pool (**Pool Code 77520**) in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM

Section 5: Lots 9 through 16

- (r) EXTEND the Hackberry Hills-Canyon Gas Pool (**Pool Code 77920**) in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Section 29: S/2

- (s) EXTEND the Happy Valley-Morrow Gas Pool (**Pool Code 78060**) in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 6: N/2

- (t) EXTEND the Lake Arthur-Wolfcamp Gas Pool (**Pool Code 97574**) in Chaves County, New Mexico to include:

TOWNSHIP 14 SOUTH, RANGE 26 EAST, NMPM

Section 27: E/2

- (u) EXTEND the Lusk-Bone Spring Pool (**Pool Code 41440**) in Lea County, New Mexico to include the following acreage in Eddy County, New Mexico:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM

Section 12: SE/4

- (v) EXTEND the West Malaga-Morrow Gas Pool (**Pool Code 80925**) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 18: N/2

- (w) EXTEND the Mosley Canyon-Upper Pennsylvanian Gas Pool (**Pool Code 97134**) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM

Section 5: N/2

Section 6: N/2

(x) EXTEND the Nash Draw-Delaware/Bone Spring (Avalon Sand) Pool (**Pool Code 47545**) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 12: NE/4

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM

Section 31: SW/4

TOWNSHIP 25 SOUTH, RANGE 30 EAST, NMPM

Section 6: NW/4

(y) EXTEND the Penasco Draw-Permo Pennsylvanian Gas Pool (**Pool Code 82775**) in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM

Section 12: S/2

Section 14: S/2

(z) EXTEND the East Pierce Crossing-Bone Spring Pool (**Pool Code 96473**) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 36: W/2

TOWNSHIP 25 SOUTH, RANGE 29 EAST, NMPM

Section 1: N/2

TOWNSHIP 25 SOUTH, RANGE 30 EAST, NMPM

Section 6: NW/4

(aa) EXTEND the Rio Penasco-Wolfcamp Gas Pool (**Pool Code 97512**) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 23 EAST, NMPM

Section 12: E/2

Section 13: E/2

(bb) EXTEND the Salt Draw-Atoka Gas Pool (**Pool Code 84415**) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 28: NW/4

Section 29: N/2

(cc) EXTEND the West Sand Dunes-Atoka Gas Pool (**Pool Code 84640**) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM

Section 8: N/2

(dd) EXTEND the West Sand Dunes-Delaware Pool (**Pool Code 53815**) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM

Section 20: NE/4

Section 21: E/2 and NW/4

(ee) EXTEND the Sand Tank-Morrow Gas Pool (**Pool Code 84872**) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 26: E/2

- (ff) EXTEND the Sheep Draw-Strawn Gas Pool (**Pool Code 85200**) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM

Section 9: W/2 and NE/4

Section 10: N/2

- (gg) EXTEND the Tamano-Bone Spring Pool (**Pool Code 58040**) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM

Section 23: SW/4

- (hh) EXTEND the Willow Lake-Delaware Pool (**Pool Code 64453**) in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 29 EAST, NMPM

Section 6: SE/4

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.