

PROPOSED ADVERTISEMENT

Case 11957: Application of Chi Energy, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Bone Spring formation underlying the NW $\frac{1}{4}$ NE $\frac{1}{4}$ (Unit B) of Section 21, Township 24 South, Range 28 East, NMPM, to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within said vertical extent, including but not limited to the Undesignated North Willow Lake-Delaware Pool and the Undesignated Malaga-Bone Spring Pool. Said unit is to be dedicated to the re-entered Pardue Farms "21" Well No. 1, at an orthodox oil well location 990 feet from the North line and 1980 feet from the East line of the section. 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 the risk involved in drilling and the well. Said unit is located approximately 2 miles southwest of Malaga, New Mexico.