

CASE 11946: Continued from October 8, 1998 Examiner Hearing.

Application of Oil Conservation Division for an order requiring McKay Oil Corporation to properly plug eleven (11) wells, Chaves County, New Mexico. Applicant seeks an order requiring McKay Oil Corporation to properly plug the below-listed eleven (11) wells in Chaves County, New Mexico, authorizing the Division to plug said wells, and ordering a forfeiture of the plugging bond, if any. Said wells are located in an area approximately 30 miles north of Roswell, New Mexico.

West Fork Unit# 1, Section 32, Township 4 South, Range 22 East, Unit C
Bonnie# 1, Section 30, Township 5 South, Range 22 East, Unit O
Wolf State# 1, Section 16, Township 6 South, Range 23 East, Unit J
Pipeline Com.# 2, Section 26, Township 6 South, Range 22 East, Unit K
Macho State# 1, Section 32, Township 6 South, Range 23 East, Unit G
Desert Rose# 1, Section 12, Township 6 South, Range 22 East, Unit M
Inexico# 2, Section 32, Township 5 South, Range 22 East, Unit J
Inexico# 5, Section 33, Township 5 South, Range 22 East, Unit K
Inexico# 7, Section 33, Township 5 South, Range 22 East, Unit J
Camp State# 1, Section 25, Township 5 South, Range 22 East, Unit J
Aikman# 1, Section 36, Township 5 South, Range 26 East, Unit P 1

CASE 12116: In the matter of the hearing of the Oil Conservation Division for an order creating and extending certain pools in Eddy County, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Cisco production and designated as the Turkey Track-Cisco Pool. The discovery well is the Harvey E. Yates Company Palmillo "6" State Well No. 1 located in Unit K of Section 6, Township 19 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 6: SW/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Southwest Willow Lake-Delaware Pool. The discovery well is the Santa Fe Energy Resources, Incorporated Chapparral "10" Well No. 1 located in Unit F of Section 10, Township 25 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM

Section 10: NW/4

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

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

Section 32: E/2

Section 33: N/2

Section 34: NW/4

- (d) EXTEND the Cedar Lake-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 19: NW/4

- (e) EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM

Section 12: All

Section 13: N/2

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM

Section 7: W/2

Section 18: N/2

- (f) EXTEND the Cotton Draw-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM

Section 3: E/2

Section 10: NE/4

- (g) EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 9: N/2

- (h) EXTEND the East Eagle Creek-Atoka-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM

Section 14: All

- (i) EXTEND the Livingston Ridge-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 31 EAST, NMPM

Section 26: SW/4

- (j) EXTEND the Loco Hills-Paddock Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM

Section 17: NE/4

Section 22: SE/4

- (k) EXTEND the Logan Draw-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

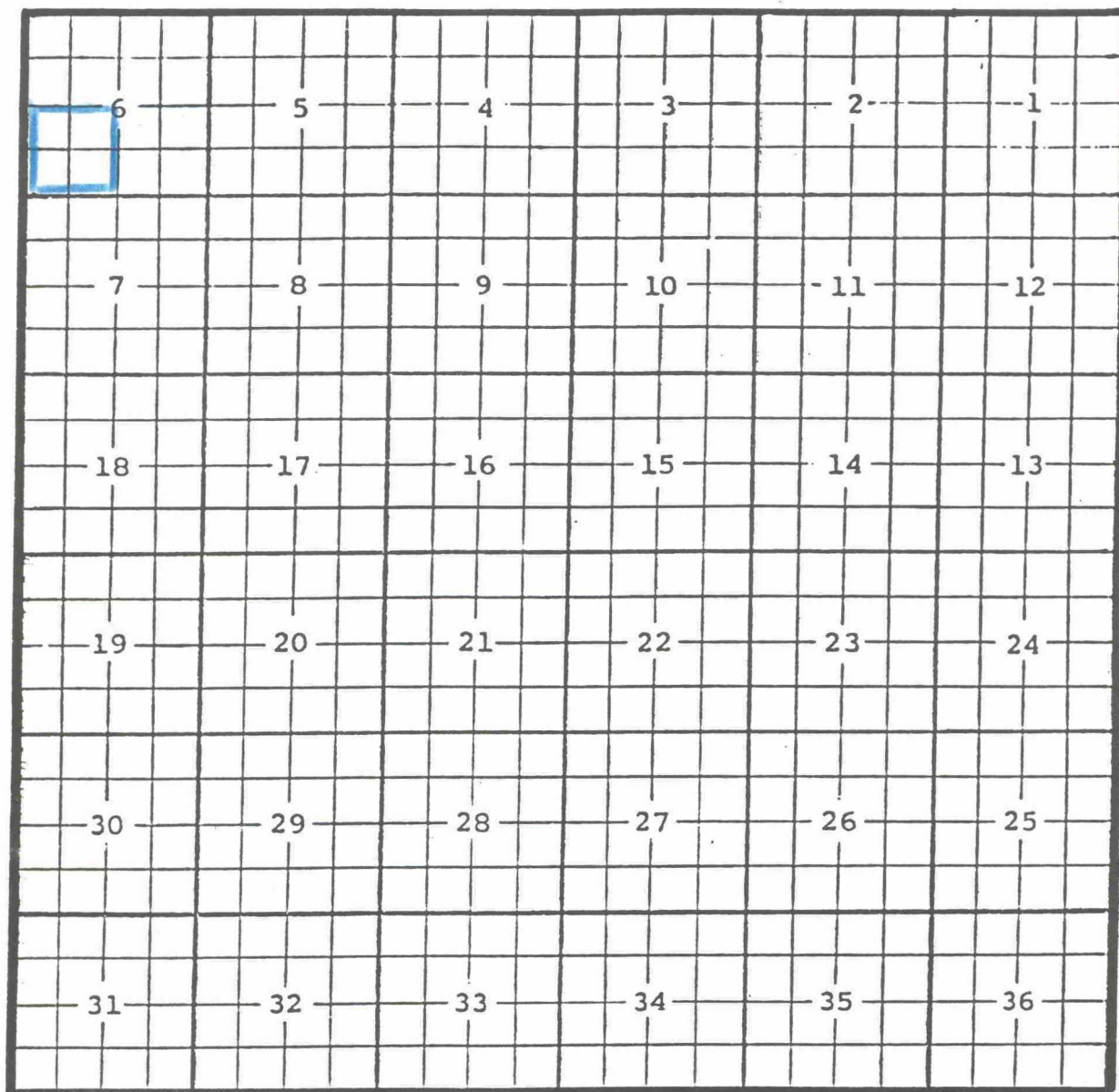
Section 15: E/2

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

Eddy County, New Mexico

Turkey Track; Cisco Oil Pool

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM



Purpose: One completed oil well capable of producing.

Harvey E. Yates Company, Palmillo "6" State #1

Location: Unit K, Sec. 6, Township 19 South, Range 29 East, NMPM

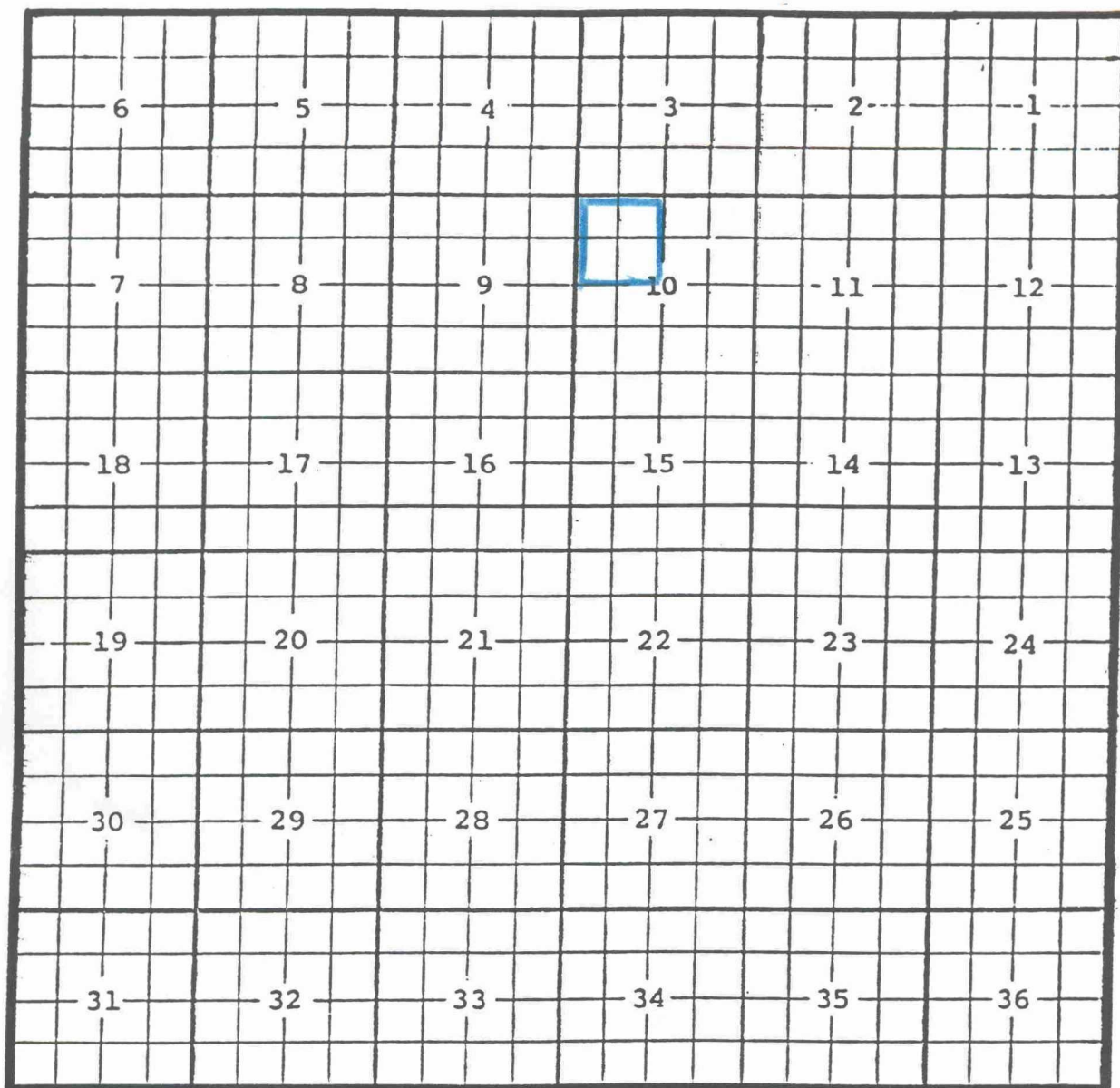
Completed 10/6/98 in the Cisco formation.

Top of perforations: 9562'

Eddy County, New Mexico

Willow Lake; Delaware, Southwest Oil Pool

TOWNSHIP 25 SOUTH, RANGE 28 EAST, NMPM



Purpose: One completed oil well capable of producing.

Santa Fe Energy Resources, Inc., Chapparal "10" #1

Location: Unit F, Sec. 10, Township 25 South, Range 28 East, NMPM

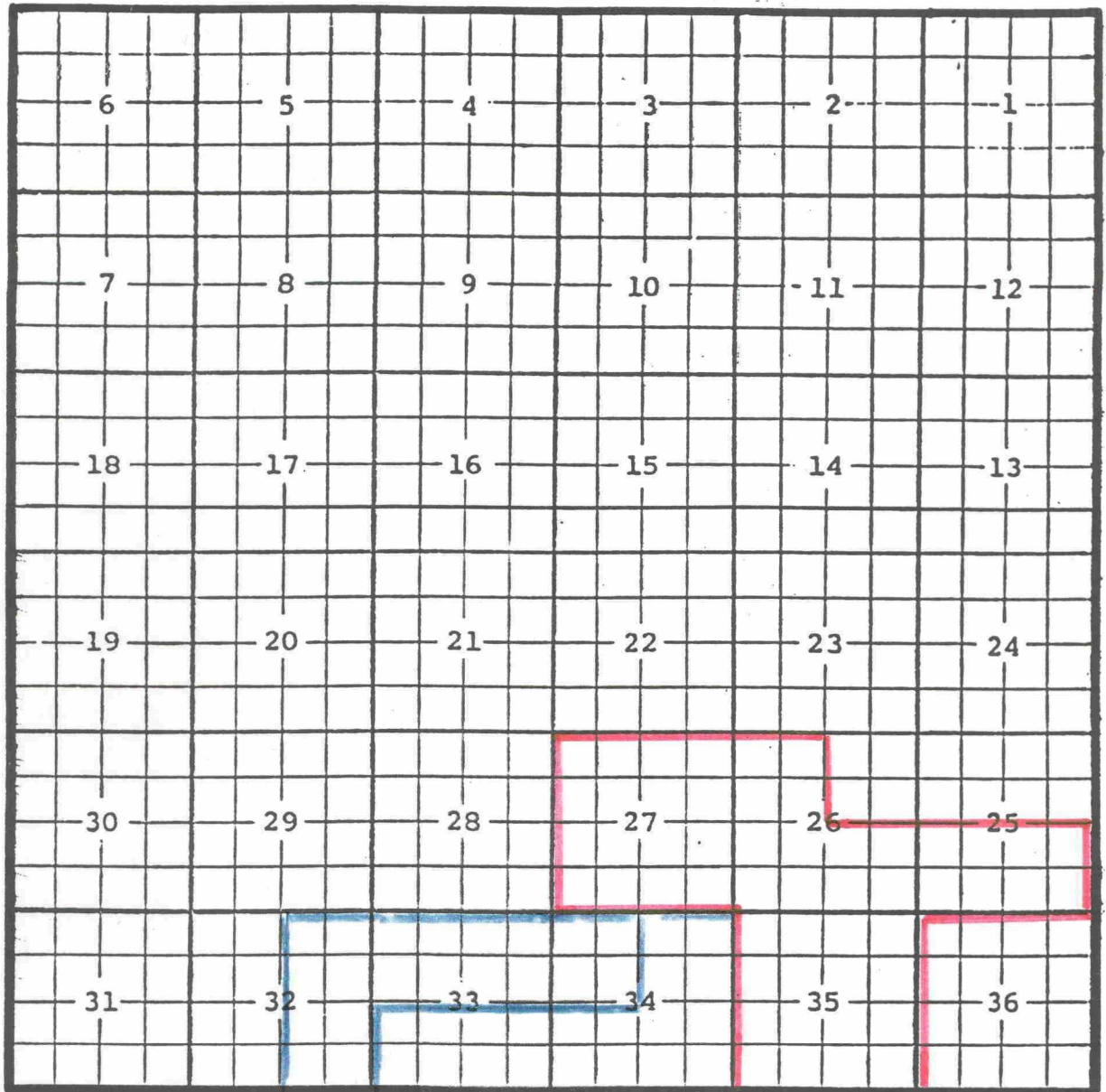
Completed 9/22/98 in the Delaware formation.

Top of perforations: 4776'

Eddy County, New Mexico

Black River; Atoka, North Gas Pool

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM



Purpose: One completed gas well capable of producing.

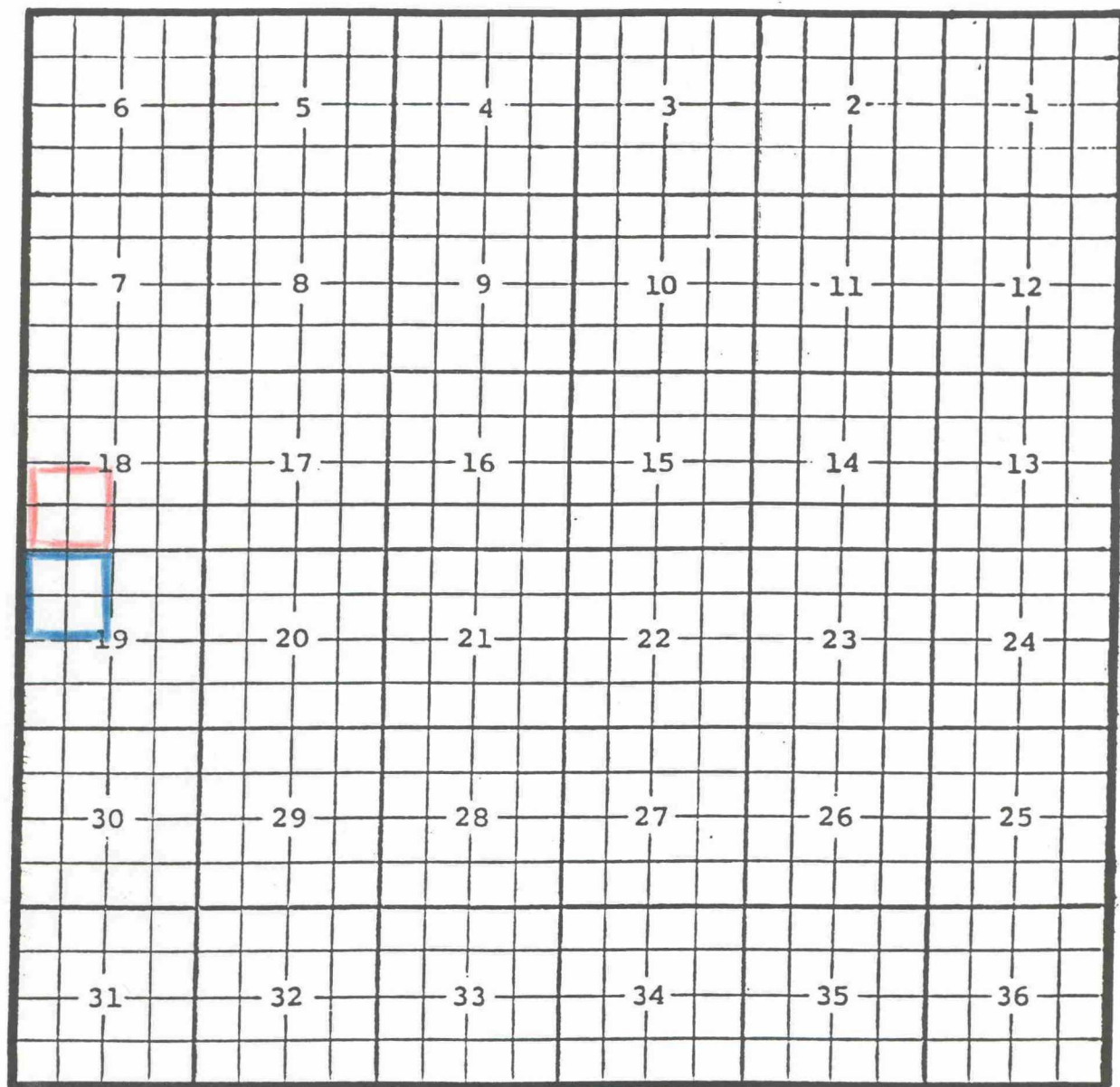
Oxy USA, Inc., Oxy Zepher State #1

Location: Unit I, Sec. 32, Township 23 South, Range 26 East, NMPM

Completed 8/26/98 in the Atoka formation.

Top of perforations: 10,650'

Eddy County, New Mexico Cedar Lake; Yeso Oil Pool
TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM



Purpose: One completed oil well capable of producing.

Marbob Energy Corporation, Tony Federal #8

Location: Lot 2, Sec. 19, Township 17 South, Range 31 East, NMPM

Completed 11/26/98 in the Yeso formation.

Top of perforations: 4708'.

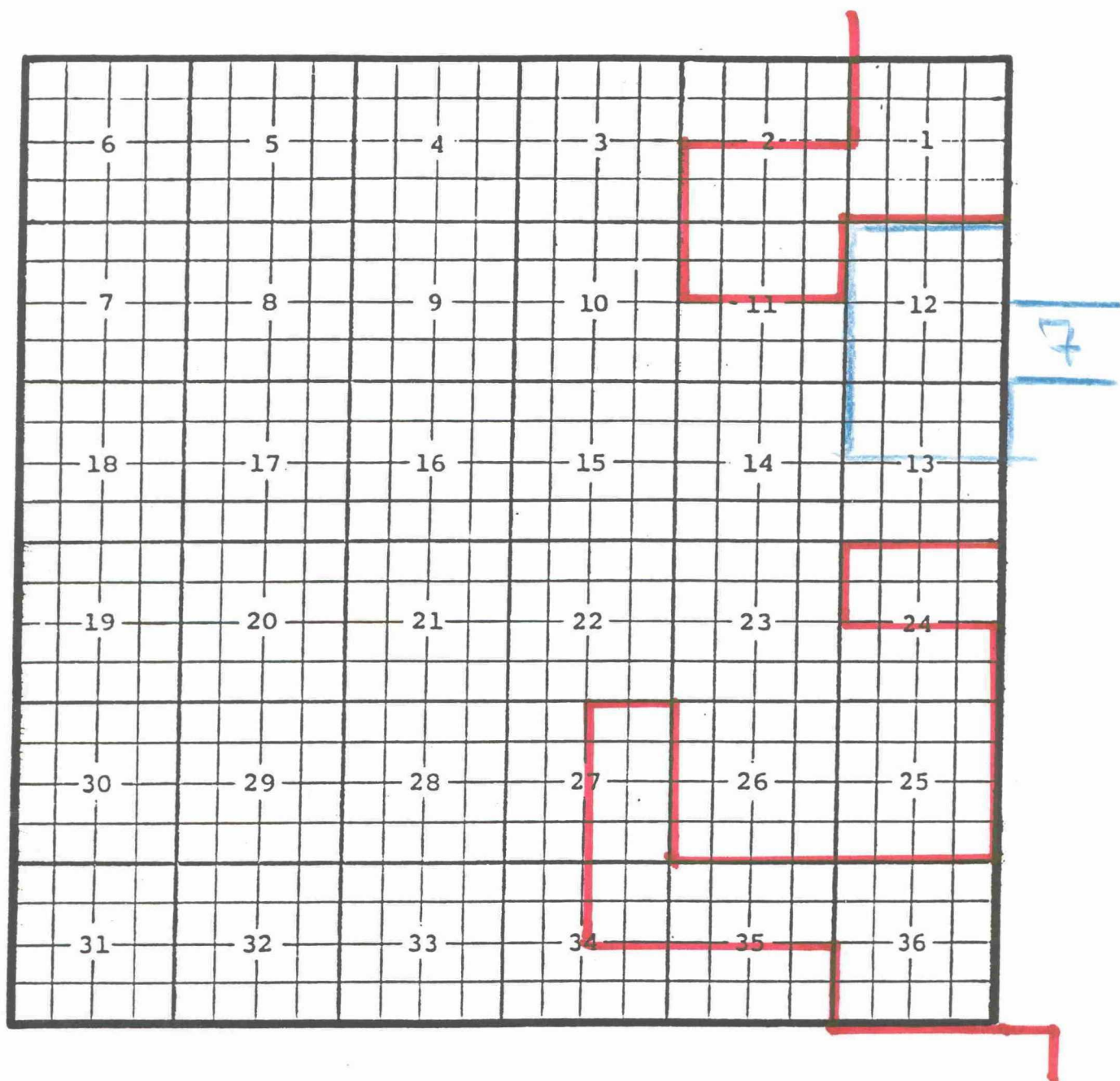


Top of perforations: 9300'

Eddy County, New Mexico

Cemetery; Morrow Gas Pool

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM



Purpose: One completed gas well capable producing.

Yates Petroleum Corporation, Ceniza "AGZ" Com. #3

Location: Unit E, Sec. 13, Township 20 South, Range 24 East, NMPM

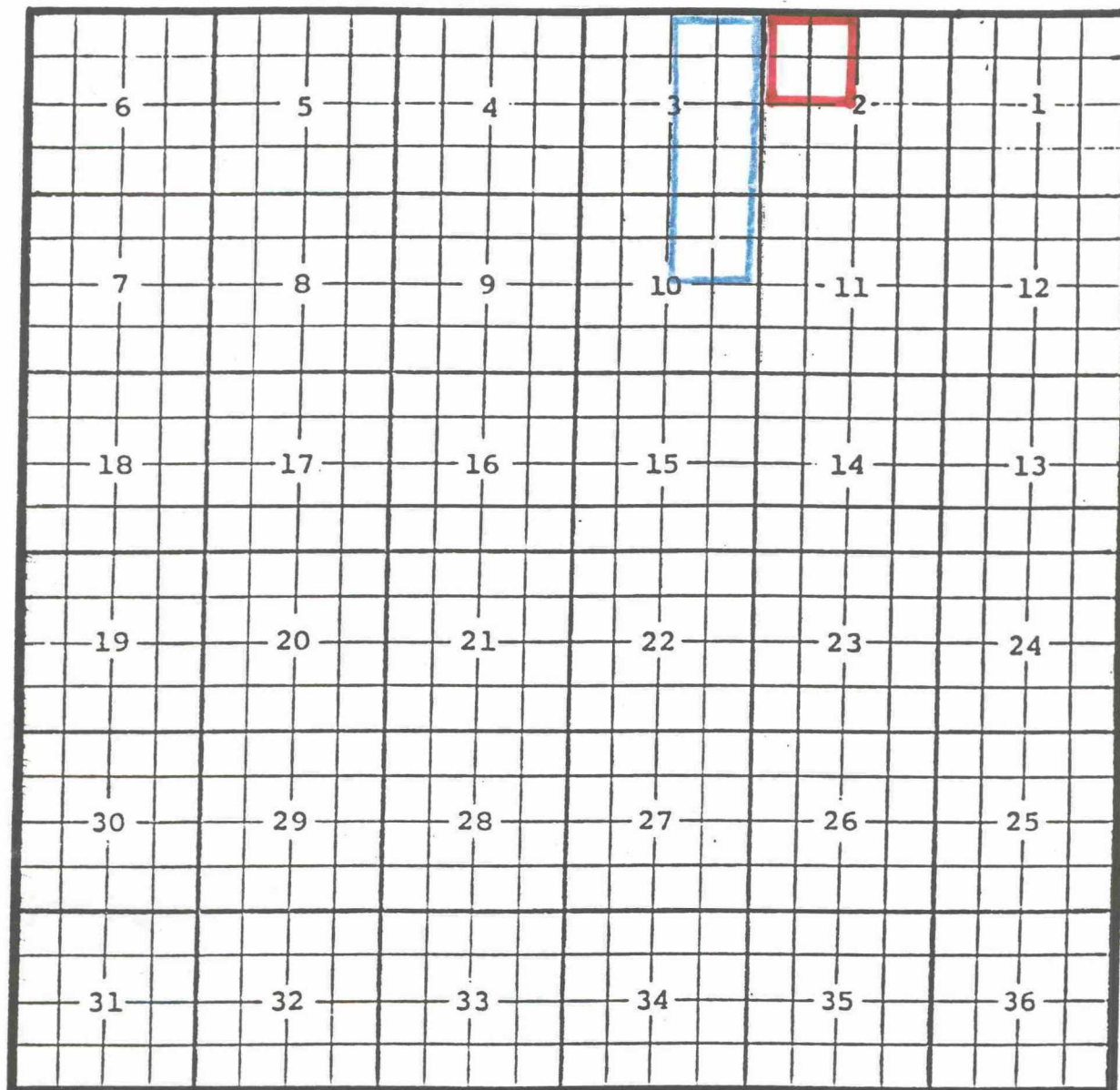
Completed 7/02/98 in the Morrow formation.

Top of perforations: 9276'

Eddy County, New Mexico

Cotton Draw; Bone Spring Oil Pool

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM



Purpose: One completed oil well capable of producing.

Sonat Exploration & Production Company, Lotos "11" Federal #1

Location: Unit G, Sec. 10, Township 24 South, Range 31 East, NMPM

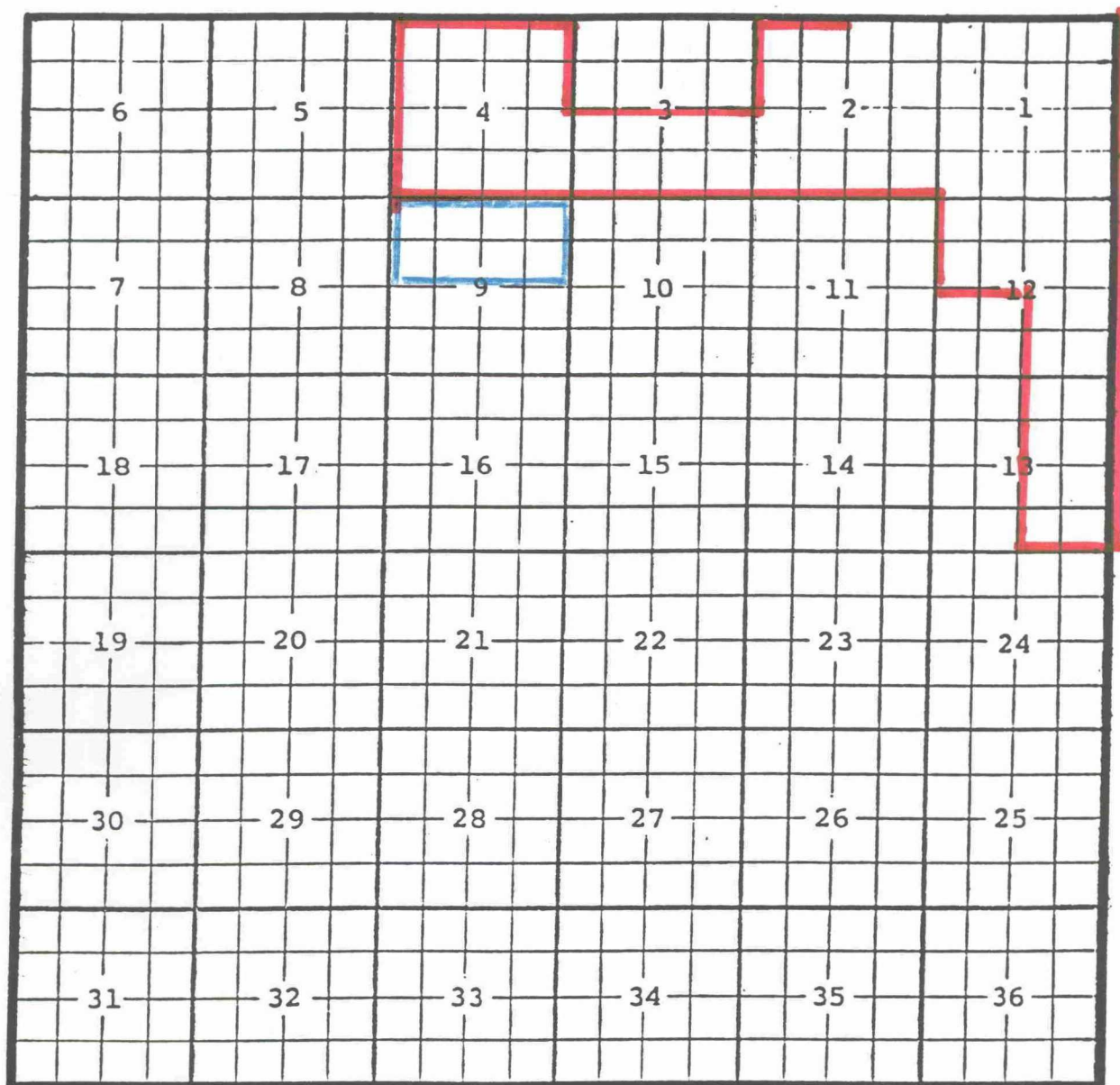
Completed 10/27/98 in the Bone Spring formation

Top of perforations: 11,530'.

Eddy County, New Mexico

Crow Flats; Morrow, Gas Pool

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM



Purpose: One completed gas well capable of producing.

Oxy USA, Inc., Oxy Wallace State #1

Location: Unit F, Sec. 9, Township 17 South, Range 27 East, NMPM

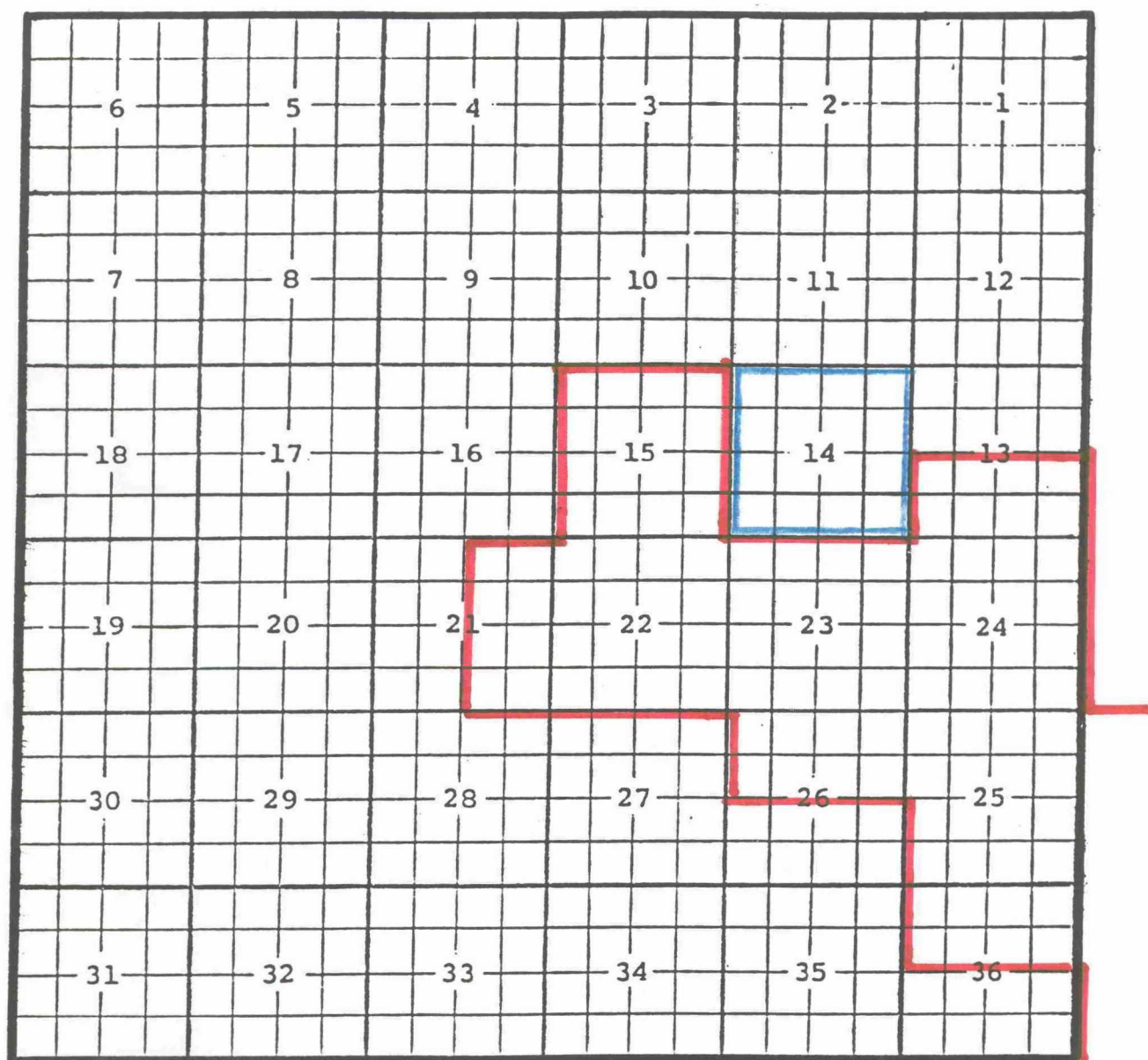
Completed on 9/05/98 in the Morrow formation.

Top of perfs: 8890'

Eddy County, New Mexico

Eagle Creek; Atoka-Morrow, East Gas Pool

TOWNSHIP 17 SOUTH, RANGE 25 EAST, NMPM



Purpose: One completed gas well capable of producing.

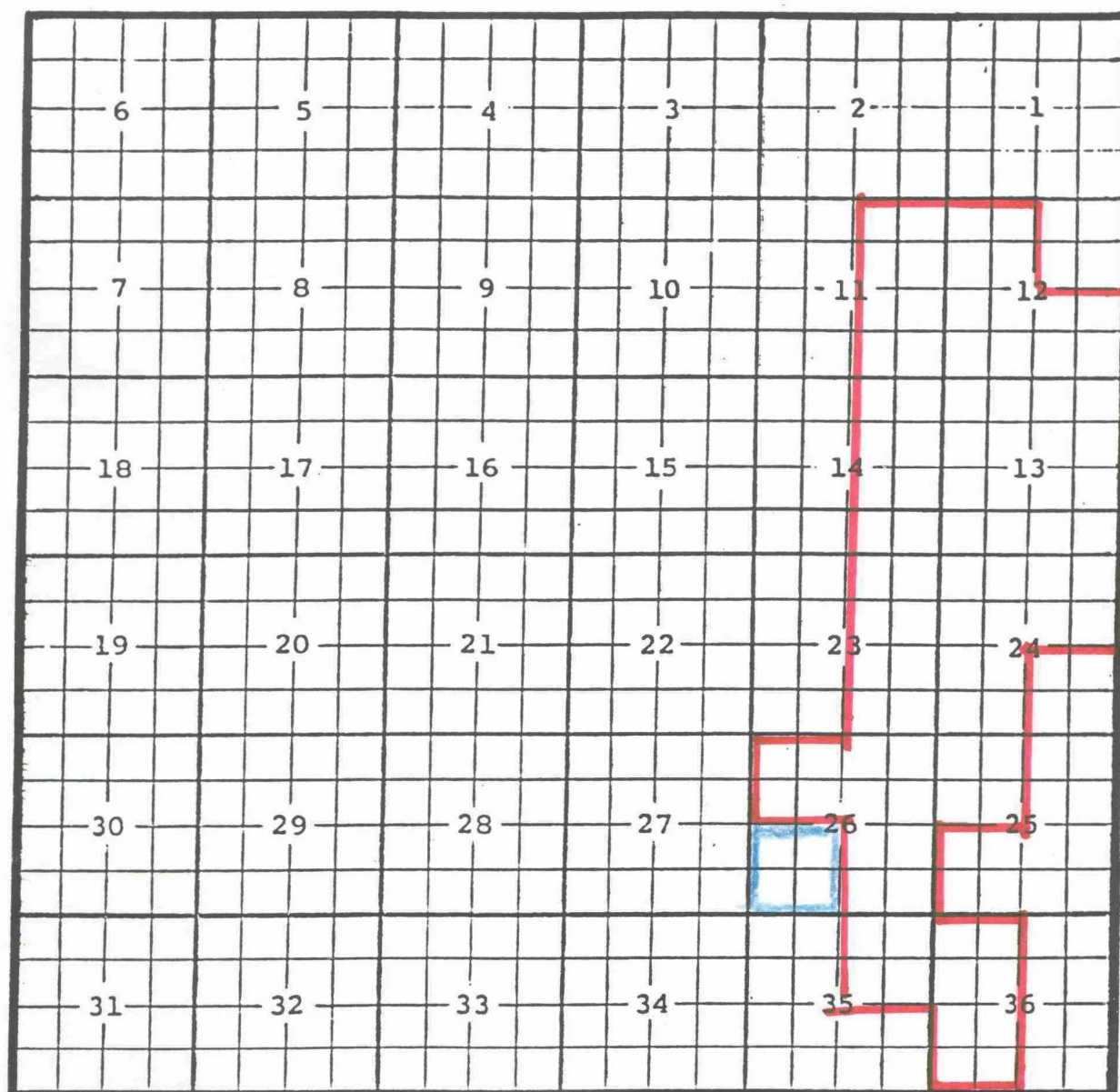
Nearburg Producing Company, Eagle Creek "14" #1

Location: Unit C, Sec. 14, Township 17 South, Range 25 East, NMPM

Completed 10/08/98 in the Atoka-Morrow formation

Top of perforations: 7862'.

Eddy County, New Mexico Livingston Ridge; Delaware Oil Pool
TOWNSHIP 22 SOUTH, RANGE 31 EAST, NMPM



Purpose: One completed oil well capable of producing

Pogo Producing Company, Federal "26" #9

Location: Unit L, Sec. 26, Township 22 South, Range 31 East, NMPM

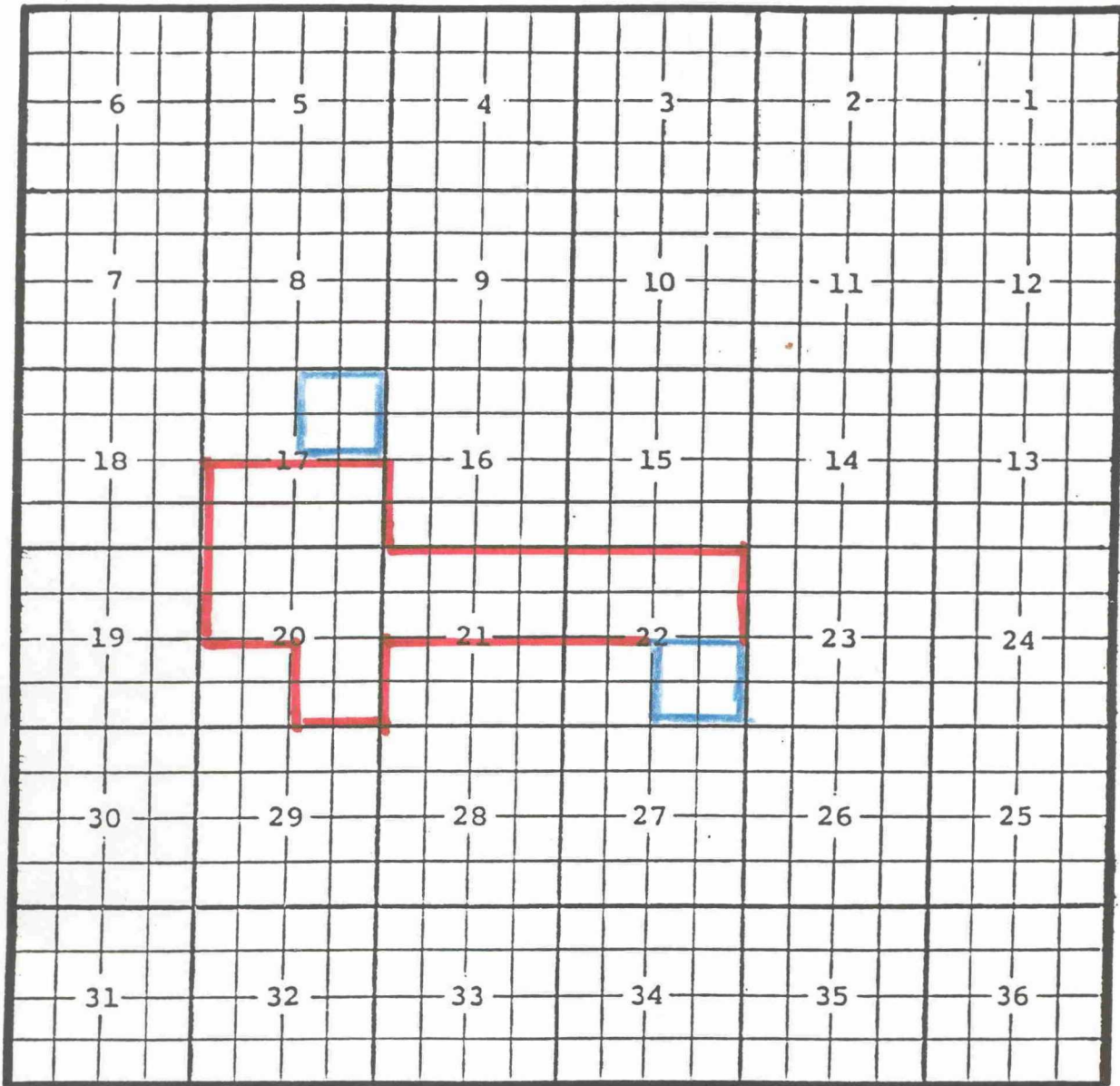
Completed 11/02/98 in the Delaware formation.

Top of perfs 7976'

Eddy County, New Mexico

Loco Hills; Paddock Oil Pool

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM



Purpose: Two completed oil wells capable of producing.

1)Marbob Energy Corporation, Birdie Federal #5

Location: Unit H, Sec. 17, Township 17 South, Range 30 East, NMPM

Completed 11/21/98 in the Paddock formation.

Top of perforations: 4280'.

2) Mack Energy Corporation, Dexter #6

Location: Unit J, Sec. 22, Township 17 South, Range 30 East, NMPM

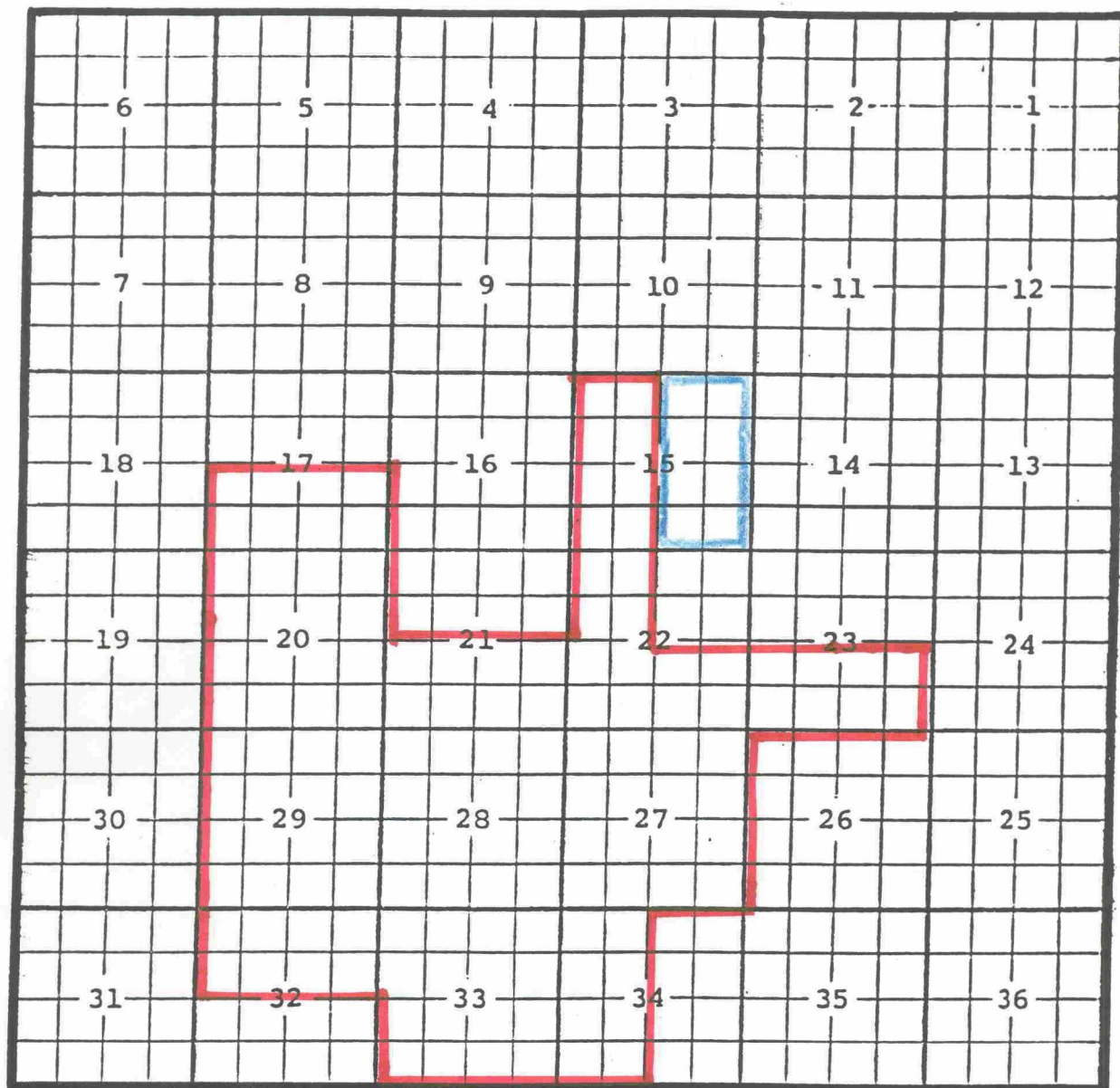
Cpmpleted 10/01/98 in the Paddock formation.

Top of perforations: 4627'.

Eddy County, New Mexico

Logan Draw; Morrow Gas Pool

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM



Purpose: One completed gas well capable of producing.

Yates Petroleum Corporation, Logan "ASO" Federal Com. #1

Location: Unit J, Sec. 15, Township 17 South, Range 27 East, NMPM

Completed 9/15/98 in the Morrow formation.

Top of Morrow perms: 9162'.