



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

GARY E. JOHNSON
Governor
Jennifer A. Salisbury
Cabinet Secretary

Lori Wrotenbery
Director
Oil Conservation Division

MEMORANDUM

TO: Producers, Purchasers and Transporters of Natural Gas from Prorated Gas Pools

FROM: Lori Wrotenbery, Division Director *LW*
Oil Conservation Division

SUBJECT: Prorated Natural Gas Pool Allowables Beginning October 1, 2000

DATE: September 21, 2000

Since 1991, allocation of allowable production from prorated natural gas pools in New Mexico has been established every six months, beginning in April and October. For recent allocation periods, non-marginal allocation factors have remained almost constant in most pools. Declining pool production and increased demand for New Mexico gas have resulted in a reduction in the number of non-marginal wells and the assignment of marginal allowables to most wells in prorated pools. These conditions have resulted in no change to the allocation factors in recent allocation periods.

At the February 25, 2000 hearing of the Oil Conservation Commission, during which the allocation factors for the six-month period beginning April 2000 was discussed, an operator challenged the longstanding practice. The operator claimed the Commission lacked authority to set allowables or to prorate in the Jalmat and Eumont gas pools.

After the Commission voted to continue the allocation factors, the operator appealed the order to the District Court, which reversed and remanded the matter for rehearing. The Commission asked the Court of Appeals to reverse the District Court's decision on a number of grounds, and review by the Court of Appeals is ongoing. An automatic stay applies to the District Court's ruling during the appellate review (*see* NMSA 1978, § 39-3-23) and it may be months before the outcome is clear.

Whatever the outcome, the case raises difficult issues and has prompted internal review of prorating practices. Jim Morrow has been placed under contract to assist with this process and it is planned that Mr. Morrow will report and provide recommendations during the November 2000 meeting of the Commission. Subsequent proceedings and hearings may be required to implement changes to present practice.

Because this issue is under study and this agency's practices are under legal attack, the question arises what allocation factors should apply during the period that would ordinarily begin October 1, 2000. The Division proposes to leave in place the present factors for the immediate future unless a need exists to make modifications in a particular pool. Depending on Mr. Morrow's recommendations, a hearing on the biannual allocation factors may be scheduled subsequently.

Attached is a copy of the allocation factors for the period beginning April 2000, for your reference. As noted, these factors will apply until future notice to the contrary.

**Oil Conservation Division
Proposed Allowable Allocation Factors
New Mexico Prorated Pools
April, 2000 through September, 2000**

Southeast New Mexico

Pool	Monthly Allocation Factor (F.)
Atoka Penn	24,000
Blinebry Oil and Gas	70,200
Buffalo Valley Penn	33,000
Eumont Yates 7 Rivers Queen	38,000
Indian Basin Upper Penn	200,000
Jalmat Tansill Yates 7 Rivers	18,300
Justis Glorieta	18,300
Tubb Oil and Gas	18,425

Northwest New Mexico

Pool	Monthly Allocation Factor (F1)	Monthly Acreage x Deliverability Factor (F2)
Basin Dakota	11,163	14.04
Blanco Mesaverde	5,771	26.14
Blanco P. C. South	440	28.18
Tapacito Pictured Cliffs	467	19.79

DOCKET: EXAMINER HEARING - THURSDAY - OCTOBER 5, 2000

8:15 A.M. - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos. 29-00 and 30-00 are tentatively set for October 19 and November 2, 2000. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 12420: Continued from September 7, 2000, Examiner Hearing - This Case Will be Dismissed.

Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests underlying the W/2 of Section 5, Township 17 South, Range 27 East, to form a standard 320-acre gas spacing and proration unit or units for all formations and/or pools developed on 320-acre spacing within that vertical extent, including, but not limited to the Undesignated Crow Flats Morrow Gas Pool. The units are to be dedicated to applicant's proposed Dog Canyon 5 Fed. Com. Well No. 1 to be drilled at a standard location 660 feet from the South and West lines of Section 5. 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 Nearburg Producing Company, L.L.C. as operator of the well and a charge for risk involved in drilling said well. The proposed well location is approximately 2 miles northeast of Artesia, New Mexico.

CASE 12490: Continued from September 21, 2000, Examiner Hearing.

Application of Permian Resources Incorporated for produced water disposal, Lea County, New Mexico. Applicant seeks approval to re-enter the existing Harrison Well No. 2-22, located in the NE/4 SE/4 of Section 22, Township 25 South, Range 37 East, and utilize the well to dispose of produced water into the Queen formation through the open hole interval from approximately 3,218 feet to 3,366 feet. This area is located approximately 2 miles east of Jal, New Mexico.

CASE 12497: **Application of OXY USA Inc., for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the top of the Wolfcamp to the base of the Morrow formation underlying the W/2 of Section 21, Township 22 South, Range 26 East, to form a standard 320-acre spacing and proration unit for any and all formations and/or pools developed on 320-acre gas spacing within the vertical extent, including the South Happy Valley-Atoka Gas Pool and the Happy Valley-Morrow Gas Pool, to be dedicated to its Wonder Federal Well No. 1 to be drilled and completed at a standard gas well location in Unit N of this section. Also to be considered will be the costs of drilling and completing this well and the allocation of the costs in accordance with COPAS Bulletin No. 2 as well as actual operating costs and charges for supervision, designation of the applicant as the operator of the well, a charge for risk involved in this well and provisions for the drilling of an optional second well in accordance with Division Rule 104. This unit is located approximately 4-1/2 miles southwest of Carlsbad, New Mexico.

CASE 12488: Continued from September 7, 2000, Examiner Hearing.

Application of EOG Resources, Inc. for surface commingling and off lease storage and measurement, Lea County, New Mexico. Applicant seeks authority to commingle in its Diamondtail "34" Battery located in Unit J of Section 34, Township 23 South, Range 32 East, production from the Triste Draw-Delaware Pool and the Triste Draw-Bone Spring Pool from the following leases and wells:

Federal Oil and Gas Lease No. NM 62225: (W/2, N/2 NE/4, Section 34, Township 23 South, Range 32 East):

Diamond "34" Federal Well No. 1 Unit F

Diamond "34" Federal Well No. 2 Unit B

Diamond "34" Federal Well No. 3 Unit N

Federal Oil and Gas Lease No. NM 94616: (S/2 NE/4, SE/4, Section 34, Township 23 South, Range 32 East):

Diamondtail "34" Federal Well No. 1 Unit J

Diamondtail "34" Federal Well No. 2 Unit O

Diamondtail "34" Federal Well No. 3 Unit G

Federal Oil and Gas Lease No. NM 94850: (All except NE/4 SW/4, Section 3, Township 24 South, Range 32 East):

Diamondtail "3" Federal Well No. 1 Unit B

The leases and wells are located approximately 30 miles northwest of Jal, New Mexico.

CASE 12441: Continued from September 21, 2000, Examiner Hearing.

Application of LG&E Natural Pipeline LLC for special rules for the Grama Ridge Morrow Gas Storage Unit, Lea County, New Mexico. Applicant seeks an order establishing special rules applicable to wells drilled and completed or recompleted in the Morrow formation within its Grama Ridge Morrow Gas Storage Unit and within each 320-acre spacing unit immediately adjacent to the Unit in the following described area:

Grama Ridge Morrow Gas Storage Agreement

Township 21 South, Range 34 East

Section 33: All

Section 34: All

Township 22 South, Range 34 East

Section 3: All

Section 4: All

Section 10: All

Acreage Adjacent to Unit

Township 21 South, Range 34 East

Section 26: NW/4, S/2

Section 27: All

Section 28: All

Section 29: E/2, SW/4

Section 32: All

Section 35: All

Township 22 South, Range 34 East

Section 2: All

Section 5: All

Section 8: N/2, SE/4

Section 9: All

Section 11: All

Section 14: N/2, SW/4

Section 15: All

Section 16: N/2, SE/4

The application requests the Division establish rules requiring operators of all newly drilled or recompleted wells in the Morrow formation to provide the operator of the Unit with information and data obtained during drilling, completion, and production to determine whether such wells are in communication with the unitized formation or would otherwise interfere with Unit operations. The special project rules would also include provisions requiring the operators of wells determined to be in communication with the Unitized Interval to demonstrate how such well may be produced without interfering with Unit operations or to take such other action determined to be appropriate. The Grama Ridge Morrow Gas Storage Unit is approximately 18 miles west of Eunice, New Mexico.

CASE 12498: **Application of Yates Petroleum Corporation for an unorthodox well location, Eddy County, New Mexico.** Applicant seeks authorization to drill its Chosa "ATR" Federal Well No. 1 (API No. 30-015-31215) to the Morrow formation, Undesignated Chosa Draw-Morrow Gas Pool, at an unorthodox well location 2250 feet from the South line and 1060 feet from the West line (Unit L) of Section 8, Township 25 South, Range 26 East. The W/2 of Section 8 is to be dedicated to the well. The unit is located approximately 18 miles southwest of Carlsbad, New Mexico.

CASE 12386: Continued from August 10, 2000, Examiner Hearing.

Application of Threshold Development Company for Compulsory Pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation, underlying the following described acreage in Section 16, Township 24 South, Range 33 East, and in the following manner: (a) the W/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within this vertical extent which presently includes the Undesignated Johnson Ranch-Wolfcamp Gas Pool; (b) the NW/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 within said vertical extent; and (c) the NE/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within this vertical extent. These three units are to be dedicated to a single well, the proposed Johnson Ranch State "16" Well No. 1, to be drilled within the NE/4 NW/4 of Section 16 at a location considered to be standard for all three units. Also to be considered will be the cost of drilling and completing the well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and units, and a charge for risk involved in drilling the well. The proposed well location is approximately four miles west-northwest of the junction of New Mexico State Road 128 and the Delaware Basin Road.

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CASE 12432: Continued from August 24, 2000, Examiner Hearing.

Application of Amerada Hess Corporation for approval to convert the NMGSAU Well Nos. 215 and 503 to injection in the North Monument Grayburg San Andres Unit, Lea County, New Mexico. Applicant seeks approval to convert its NMGSAU Well Nos. 215 and 503 to injection in the North Monument Grayburg San Andres Unit (NMGSAU). These wells are designed to improve recovery efficiency of the waterflood patterns and enhance production of the NMGSAU secondary recovery project. The wells are located in the following locations in Township 19 South, Range 37 East:

NMGSAU No. 215: Section 18, Unit O, and
NMGSAU No. 503: Section 19, Unit C

Water will be injected into the unitized interval of the Grayburg-San Andres formation, Eunice Monument Grayburg San Andres Pool through the gross perforated and/or open hole interval from approximately 3720 feet to 3965 feet at an expected rate of 1000 barrels of water per day and with a maximum injection pressure of 710 pounds per square inch. This area is located approximately 4 miles northwest of Monument, New Mexico.

CASE 12484: Readvertised - Continued from September 21, 2000, Examiner Hearing.

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 developed on 320-acre spacing from the base of the Pictured Cliffs Formation to the base of the Dakota Formation in Lots 3, 4, S/2 NW/4, SW/4 (W/2 Equivalent) of Section 4, Township 25 North, Range 2 West. The units are to be dedicated to its Cougar Com "4" Well No. 2 to be drilled to a depth sufficient to test all formations to the base of the Dakota formation, Basin-Dakota Gas Pool, at a standard location in the NW/4 NW/4 of Section 4. Also to be considered will be the cost of drilling and completing the 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 the well. The area is located approximately 9.5 miles north of Lindrieth, New Mexico.

CASE 12320: Continued from September 21, 2000, 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

CASE 12499: **Application of Southwestern Energy Production Company for a Unit Agreement, Lea County, New Mexico.** Applicant seeks approval of the Geronimo State Unit Agreement, an exploratory unit comprising 1280 acres of state land in Sections 28 and 33, Township 22 South, Range 35 East. The unit area is centered approximately 13½ miles southwest of Eunice, New Mexico.

CASE 12500: **Application of Southwestern Energy Production Company for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the base of the San Andres formation to the base of the Morrow formation underlying the following described acreage in Section 31, Township 17 South, Range 28 East, and in the following manner: The N/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated Southeast Logan Draw-Atoka Gas Pool and Undesignated North Illinois Camp-Morrow Gas Pool; the NE/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 within that vertical extent, including the Undesignated Logan Draw-Wolfcamp Gas Pool; and the NE/4 NE/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Undesignated Logan Draw-Wolfcamp Pool. The units are to be dedicated to applicant's Big Bluff "31" State Com. Well No. 1, to be drilled at an orthodox location 660 feet from the North and East lines of Section 31. Also to be considered will be the cost of drilling and completing the 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 completing the well. The units are located approximately 11½ miles southeast of Artesia, New Mexico.

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CASE 12439: Continued from September 21, 2000 Examiner Hearing.

Application of Arch Petroleum Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from 7100 feet subsurface to the base of the Ellenburger formation underlying the SW/4 SE/4 of Section 27, Township 23 South, Range 37 East, to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within that vertical extent, including but not limited to the Teague (Simpson) Pool. The unit is to be dedicated to applicant's E.C. Hill "A" Well No. 7, to be drilled at a location 540 feet from the South line and 1850 feet from the East line of Section 27. Also to be considered will be the cost of drilling and completing the 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 completing the well. The unit is located approximately 1 1/2 miles south of Eunice, New Mexico.

CASE 12501: **Application of Santa Fe Snyder Corporation for pool creation and special pool rules, Eddy County, New Mexico.** Applicant seeks the creation of the North Hackberry-Bone Spring Pool, covering the SE/4 of Section 6, Township 19 South, Range 31 East, and the promulgation of Special Pool Rules for the North Hackberry-Bone Spring Pool, including provisions for 160-acre spacing, special well location requirements, and a gas:oil ratio of 30,000 cubic feet of gas for each barrel of oil produced. The proposed pool is centered approximately 10 miles southeast of Loco Hills, New Mexico.

CASE 12502: In the matter of the hearing called by the New Mexico Oil Conservation Division on its own motion to amend Division Order No. R-5878, as amended. The Division seeks to further amend its "*Special Rules for Applications for Wellhead Price Ceiling Category Determinations*", as promulgated by Division Order No. R-5878, as amended, as necessary in order to comply with the Federal Energy Regulatory Commission's Order No. 616, which reinstates wellhead determination procedures for Section 107 gas that qualifies for a federal tax credit under Section 29 of the Internal Revenue Code.

CASE 12503: **Application of the Oil Conservation Division for an order requiring Adams Oil & Gas Producers to properly plug six wells, Lea County, New Mexico.** Applicant seeks an order requiring Adams Oil & Gas Producers to appear and show cause why six (6) wells located in Sections 6, 7, 17, 33, Townships 23 and 24 South, Ranges 33 and 36 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12456: Continued from July 13, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring Strata Production Company to properly plug one well, Eddy County, New Mexico. Applicant seeks an order requiring Strata Production Company to appear and show cause why one (1) well located in Section 32, Township 19 South, Range 29 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12459: Continued from July 13, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring I. T. Properties to properly plug one well, Eddy County, New Mexico. Applicant seeks an order requiring I. T. Properties to appear and show cause why one (1) well located in Section 23, Township 19 South, Range 28 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

CASE 12457: Continued from July 27, 2000, Examiner Hearing.

Application of the Oil Conservation Division for an order requiring Jack J. Grynberg to properly plug five wells, Chaves County, New Mexico. Applicant seeks an order requiring Jack J. Grynberg to appear and show cause why five (5) wells located in Sections 16 and 32, Township 5 South, Range 24 East, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug these wells, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. *In The Absence of Objection, This Case Will be Taken Under Advisement.*

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CASE 12489: Continued from September 7, 2000, Examiner Hearing.

Application of Ray Westall-Operator for approval to convert the Taylor Federal Wells No. 2, 4 and 11 to injection on its Taylor Unit (A. C. Taylor Lease) in the Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool, Eddy County, New Mexico. Applicant seeks approval to convert its Taylor Federal Wells 2, 4, and 11 to injection to improve the recovery efficiency of the waterflood patterns and enhance production of this waterflood project which was approved by the Division by order WFX-243 on September 19, 1966. The wells are located in Township 18 South, Range 31 East, NMPM, as follows: Well No. 2 – 1980 feet from the South and East lines of Section 12, Unit J; Well No. 4 – 1980 feet from the South line and 660 feet from the West line of Section 12, Unit L; and Well No. 11 – 660 feet from the North line and 1980 feet from the East line of Section 13, Unit B. Water will be injected into the Queen formation in the Shugart (Yates-Seven Rivers-Queen-Grayburg) Pool. Injection will occur at an expected maximum rate of 300 barrels of water per day per well and an expected pressure of 800 pounds per square inch. This area is located approximately 12 miles southeast of Loco Hills, New Mexico.

CASE 12504: In the matter of the hearing of the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Foster Draw-Delaware Pool. The discovery well is the Fasken Oil & Ranch, Ltd. El Paso Federal Well No. 10 located in Lot 34 of Section 2, Township 21 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 2: SE/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Laguna Grande-Wolfcamp Gas Pool. The discovery well is the Kukui Operating Company Goodnight "35" Federal Well No. 1 located in Unit N of Section 35, Township 23 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM
Section 35: S/2

- (c) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Lost Lake-Wolfcamp Pool. The discovery well is the Southwestern Energy Production Company Lost Lake "25" Well No. 1 located in Unit M of Section 25, Township 8 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 29 EAST, NMPM
Section 25: SW/4

- (d) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Owen Mesa-Wolfcamp Gas Pool. The discovery well is the Mitchell Energy Corporation Corral Fly "35" Federal Com. Well No. 1 located in Unit F of Section 35, Township 24 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 35: N/2

- (e) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Northwest Winchester-Wolfcamp Pool. The discovery well is the Marathon Oil Company Lightfoot "20" State Well No. 1 located in Unit M of Section 20, Township 19 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 20: SW/4

- (f) EXTEND the Artesia-Glorieta-Yeso Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM
Section 25: S/2

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 4: NW/4
Section 5: N/2
Section 6: W/2 and NE/4

- (g) EXTEND the Avalon-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 10: E/2

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

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM

Section 33: S/2

Section 34: S/2

(i) EXTEND the South Empire-Morrow Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 26: N/2

(j) EXTEND the Southwest Forty Niner Ridge-Delaware Pool in Eddy County, New Mexico, to include:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM

Section 30: NW/4

(k) EXTEND the West Lusk-Morrow Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM

Section 16: N/2

(l) EXTEND the Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 33: SW/4

(m) EXTEND the Northeast Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico, to include:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 26: E/2

(n) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 20: E/2

Section 29: NE/4

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