

PROPOSED ADVERTISEMENT

Case 12840: Application of David H. Arrington Oil & Gas, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the following described acreage in Section 36, Township 14 South, Range 34 East, NMPM, and in the following manner: The SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36 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 the Undesignated North Morton-Permo Pennsylvanian Pool and Undesignated Morton-Wolfcamp Pool; the E $\frac{1}{2}$ SE $\frac{1}{4}$ of Section 36 to form a standard 80 acre oil spacing and proration unit for any and all formations and/or pools developed on 80 acre spacing within that vertical extent, including the Undesignated Morton-Lower Wolfcamp Pool; the SE $\frac{1}{4}$ of Section 36 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; and the S $\frac{1}{2}$ of Section 36 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 the Undesignated North Morton-Atoka Gas Pool and Undesignated Morton-Mississippian Gas Pool. The unit is to be dedicated to applicant's Red Eyed Squealy Worm Well No. 1, to be drilled at an orthodox location in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 36. 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 or its designee as operator of the well, and a charge for the risk involved in drilling and completing the well. The unit is located approximately 10 miles northwest of Lovington, New Mexico.

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