

Case 10889
Order R-10042

**OIL CONSERVATION DIVISION
ARTESIA, NEW MEXICO
DISTRICT II**

NOMENCLATURE ADVERTISEMENT FOR JANUARY 1994

In the matter of the application of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department upon its own motion for an order for the creation, discovery allowable assignment and extension of certain existing pools in Eddy County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof, to show cause why such creations, discovery allowable assignment and extensions should not be made.

(a) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Upper Penn production and designated as the Dagger Draw-Upper Penn, Northwest Gas Pool. The discovery well is the Yates Petroleum Corp. Irish Hills KW State No. 3 located in Unit A of Section 2, Township 19 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM ✓
Section 2: N/2

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production and designated as the Indian Basin-Strawn, Northwest Gas Pool. The discovery well is the Central Resources, Inc. Shell Federal No. 1 located in Unit R of Section 6, Township 21 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM ✓
Section 6: S/2

(c) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Livingston Ridge-Atoka, Northeast Gas Pool. The discovery well is the Mitchell Energy Corp. Apache 13 Federal No. 1 located in Unit H of Section 13, Township 22 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM ✓
Section 13: E/2

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Livingston Ridge-Delaware, South Pool. The discovery well is the Devon Energy Corp. Barclay 11G Federal No. 7 located in Unit G of Section 11, Township 23 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM ✓
Section 11: NE/4

(e) CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Siluro-Devonian production and designated as the Long Arroyo-Siluro Devonian Pool. Further, assign a discovery allowable of approximately 39,655 barrels of oil to the discovery well, the Hanagan Petroleum Corp. Charlie State No. 1 located in Unit G of Section 7, Township 13 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 28 EAST, NMPM ✓
Section 7: NE/4

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the McMillan-Atoka, Southwest Gas Pool. The discovery well is the Barbara Fasken Lake McMillan Federal No. 1 located in Unit I of Section 30, Township 19 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM ✓
Section 30: E/2

(g) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production and designated as the Poker Lake-Delaware, Southwest Pool. The discovery well is the Fortson Oil Co. Poker Lake Unit No. 78 located in Unit A of Section 25, Township 24 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM ✓
Section 25: NE/4

(h) EXTEND the Acme-San Andres, Southeast Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM ✓
Section 1: SW/4
Section 12: NW/4

(i) Extend the Avalon-Bone Spring, East Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM ✓
Section 29: S/2
Section 32: NW/4

(j) EXTEND the Brushy Draw-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM ✓
Section 9: N/2

(k) EXTEND the Burton-Yates, South Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM ✓
Section 28: NW/4

(l) EXTEND the Burton Flat-Strawn, West Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM ✓
Section 12: S/2

(m) EXTEND the Cabin Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM ✓
Section 2: NW/4
Section 12: SW/4

(n) Extend the Dagger Draw-Upper Penn, South Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM ✓
Section 34: E/2

(o) EXTEND the Dos Hermanos-Morrow, Northeast Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM ✓
Section 12: ~~E~~/2 and NE/4

(p) EXTEND the Hackberry-Strawn, South Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM ✓
Section 4: N/2, N/2 ~~and~~ SW/4 ~~or~~ SE/4

(q) EXTEND the Herradura Bend-Delaware, East Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM ✓
Section 1: NW/4

(r) EXTEND the Illinois Camp-Morrow, North Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM ✓
Section 17: W/2

(s) Extend the Indian Basin-Upper Penn Associated Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM ✓
Section 2: W/2

(t) EXTEND the Indian Draw-Delaware, East Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM ✓
Section 3: SE/4

(u) EXTEND the Indian Flats-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM ✓
Section 26: NE/4 and S/2

(v) EXTEND the Ingle Wells-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM ✓
Section 23: SE/4
Section 24: NW/4
Section 36: NW/4
TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM ✓
Section 11: NW/4
Section 2: SW/4

(w) EXTEND the La Huerta-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM ✓
Section 16: NE/4

(x) Extend the Logan Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM ✓
Section 35: E/2 and NW/4

(y) EXTEND the Los Medanos-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM ✓
Section 8: SE/4
Section 16: NE/4

(z) EXTEND the Nash Draw-Brushy Canyon Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM ✓
Section 13: SE/4
TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM ✓
Section 18: NW/4

(aa) EXTEND the Power-Grayburg San Andres Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM ✓
Section 1: SE/4

(bb) EXTEND the Quahada Ridge-Delaware, Southeast Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM ✓
Section 1: N/2

(cc) EXTEND the Red Lake-Atoka Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM ✓
Section 14: W/2

^{ee}
(~~dd~~) EXTEND the Sand Dunes-Delaware, West Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM ✓
Section 33: SW/4
TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM ✓
Section 4: NW/4
Section 5: E/2

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^{dd}
(~~ee~~) EXTEND the Sand Dunes-Delaware, South Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM ✓
Section 6: SE/4

(ff) Extend the Walters Lake-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM ✓
Section 11: NW/4

(gg) EXTEND the Willow Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM ✓
Section 36: ~~NE/4~~ E/2
TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM ✓
Section 31: SW/4

The extension of the following pools in Eddy County:

South Carlsbad-Morrow Gas

Cedar Lake-Strawn

South Culebra Bluff-Bone Spring

Empire Yates-Seven Rivers

Frontier Hills-Strawn Gas

Happy Valley-Delaware

Indian Basin-Morrow Gas

Indian Basin-Upper Pennsylvanian Associated

Ingle Wells-Delaware

Los Medanos-Delaware

East Loving-Brushy Canyon

East Millman Queen-Grayburg-San Andres

Penasco Draw-Permo Pennsylvanian Gas

West Sand Dunes-Delaware

The correction of the location for the South Burton-Yates Pool in Eddy County as created by Division Order No. R-9709 dated August 25, 1992, from Township 20 South, Range 29 East to Township 20 South, Range 28 East.

Given under the Seal of the State of New Mexico Oil Conservation Commission at Santa Fe, New Mexico on this 19th day of August, 1993.

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

William J. Lemay
WILLIAM J. LEMAY *by FD*
Director

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 10889
Order No. R-10042

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, ASSIGNING A DISCOVERY
ALLOWABLE, AND EXTENDING CERTAIN POOLS
IN CHAVES AND EDDY COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on December 16, 1993, at Santa Fe, New Mexico, before Examiner Jim Morrow.

NOW, on this 28th day of December, 1993, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Upper Pennsylvanian formation, said pool to bear the designation of Northwest Dagger Draw-Upper Pennsylvanian Gas Pool. Said Northwest Dagger Draw-Upper Pennsylvanian Gas Pool was discovered by the Yates Petroleum Corporation Irish Hills KW State Well No. 3 located in Unit A of Section 2, Township 19 South, Range 24 East, NMPM. It was completed in the Upper Pennsylvanian formation on March 26, 1993. The top of the perforations is at 6,487 feet.

(3) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Strawn formation, said pool to bear the designation of Northwest Indian Basin-Strawn Gas Pool. Said Northwest Indian Basin-Strawn Gas Pool was discovered by the Central Resources, Inc. Shell Federal Well No. 1 located in Unit R of Section 6,

Township 21 South, Range 24 East, NMPM. It was completed in the Strawn formation on March 5, 1980. The top of the perforations is at 8,772 feet.

(4) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Northeast Livingston Ridge-Atoka Gas Pool. Said Northeast Livingston Ridge-Atoka Gas Pool was discovered by the Mitchell Energy Corporation Apache 13 Federal Well No. 1 located in Unit H of Section 13, Township 22 South, Range 30 East, NMPM. It was completed in the Atoka formation on September 22, 1993. The top of the perforations is at 12,836 feet.

(5) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of South Livingston Ridge-Delaware Pool. Said South Livingston Ridge-Delaware Pool was discovered by the Devon Energy Corporation Barclay 11G Federal Well No. 7 located in Unit G of Section 11, Township 23 South, Range 31 East, NMPM. It was completed in the Delaware formation on October 24, 1993. The top of the perforations is at 8,056 feet.

(6) There is need for the creation of a new pool in Chaves County, New Mexico, for the production of oil from the Siluro-Devonian formation, said pool to bear the designation of Long Arroyo-Siluro Devonian Pool. Further, the discovery well for said Long Arroyo-Siluro Devonian Pool, the Hanagan Petroleum Corporation Charlie State Well No. 1 located in Unit G of Section 7, Township 13 South, Range 28 East, NMPM, is entitled to and should receive a bonus discovery allowable in the amount of 39,655 barrels of oil to be assigned over a two-year period. Said discovery well was completed in the Siluro-Devonian formation on September 21, 1993. The top of the perforations is at 7,931 feet.

(7) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Southwest McMillan-Atoka Gas Pool. Said Southwest McMillan-Atoka Gas Pool was discovered by the Barbara Fasken Lake McMillan Federal Well No. 1 located in Unit I of Section 30, Township 19 South, Range 27 East, NMPM. It was completed in the Atoka formation on September 16, 1993. The top of the perforations is at 9,436 feet.

(8) There is need for the creation of a new pool in Eddy County, New Mexico, for the production of oil from the Delaware formation, said pool to be designated as the

Southwest Poker Lake-Delaware Pool. Said Southwest Poker Lake-Delaware Pool was discovered by the Fortson Oil Company Poker Lake Unit Well No. 78 located in Unit A of Section 25, Township 24 South, Range 30 East, NMPM. It was completed in the Delaware formation on September 5, 1993. The top of the perforations is at 7,856 feet.

(9) There is need for the amendment of the location of the South Burton-Yates Gas Pool in Eddy County, New Mexico, as created by Division Order No. R-9709 dated August 25, 1992, from Township 20 South, Range 29 East, to Township 20 South, Range 28 East.

(10) There is need for certain extensions to the Southeast Acme-San Andres Pool in Chaves County, New Mexico, and the East Avalon-Bone Spring Gas Pool, the Brushy Draw-Delaware Pool, the South Burton-Yates Gas Pool, the West Burton Flat-Strawn Gas Pool, the Cabin Lake-Delaware Pool, the South Dagger Draw-Upper Pennsylvanian Associated Pool, the Northeast Dos Hermanos-Morrow Gas Pool, the South Hackberry-Strawn Pool, the East Herradura Bend-Delaware Pool, the North Illinois Camp-Morrow Gas Pool, the Indian Basin-Upper Pennsylvanian Associated Pool, the East Indian Draw-Delaware Pool, the Indian Flats-Delaware Pool, the Ingle Wells-Delaware Pool, the La Huerta-Delaware Pool, the Logan Draw-Wolfcamp Gas Pool, the Los Medanos-Delaware Pool, the Nash Draw-Brushy Canyon Pool, the Power Grayburg-San Andres Pool, the Southeast Quahada Ridge-Delaware Pool, the Red Lake Atoka-Morrow Gas Pool, the South Sand Dunes-Delaware Pool, the West Sand Dunes-Delaware Pool, the Walters Lake-Bone Spring Pool, and the Willow Lake-Delaware Pool, all in Eddy County, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Eddy County, New Mexico, classified as a gas pool for Upper Pennsylvanian production is hereby created and designated as the Northwest Dagger Draw-Upper Pennsylvanian Gas Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 24 EAST, NMPM
Section 2: N/2

(b) A new pool in Eddy County, New Mexico, classified as a gas pool for Strawn production is hereby created and designated as the Northwest Indian Basin-Strawn Gas Pool, consisting of the following described area:

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TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 6: S/2

(c) A new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production is hereby created and designated as the Northeast Livingston Ridge-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 13: E/2

(d) A new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the South Livingston Ridge-Delaware Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 11: NE/4

(e) A new pool in Chaves County, New Mexico, classified as an oil pool for Siluro-Devonian production is hereby created and designated as the Long Arroyo-Siluro Devonian Pool, consisting of the following described area:

TOWNSHIP 13 SOUTH, RANGE 28 EAST, NMPM
Section 7: NE/4

Further, the discovery well for said Long Arroyo-Siluro Devonian Pool, the Hanagan Petroleum Corporation Charlie State Well No. 1 located in Unit G of Section 7, Township 13 South, Range 28 East, NMPM, is hereby assigned a bonus discovery allowable of 39,655 barrels to be produced over a two-year period.

(f) A new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production is hereby created and designated as the Southwest McMillan-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 30: E/2

(g) A new pool in Eddy County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the Southwest Poker Lake-Delaware Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM
Section 25: NE/4

(h) The Southeast Acme-San Andres Pool in Chaves County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM
Section 1: SW/4
Section 12: NW/4

(i) The East Avalon-Bone Spring Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 29: S/2
Section 32: NW/4

(j) The Brushy Draw-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 9: N/2

(k) The location of the South Burton-Yates Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby amended to read Township 20 South, Range 28 East, NMPM, and said pool is hereby extended to include therein:

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

(l) The West Burton Flat-Strawn Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 12: S/2

(m) The Cabin Lake-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 2: NW/4
Section 12: SW/4

(n) The South Dagger Draw-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM
Section 34: E/2

(o) The Northeast Dos Hermanos-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 30 EAST, NMPM
Section 12: W/2 and NE/4

(p) The South Hackberry-Strawn Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 31 EAST, NMPM
Section 4: N/2, N/2 SE/4, and SW/4 SE/4

(q) The East Herradura Bend-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 28 EAST, NMPM
Section 1: NW/4

(r) The North Illinois Camp-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 17: W/2

(s) The Indian Basin-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 24 EAST, NMPM
Section 2: W/2

(t) The East Indian Draw-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 28 EAST, NMPM
Section 3: SE/4

(u) The Indian Flats-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

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TOWNSHIP 21 SOUTH, RANGE 28 EAST, NMPM
Section 26: NE/4 and S/2

(v) The Ingle Wells-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 23: SE/4
Section 24: NW/4
Section 36: NW/4

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 2: SW/4
Section 11: NW/4

(w) The La Huerta-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section, 16: NE/4

(x) The Logan Draw-Wolfcamp Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM
Section 35: E/2 and NW/4

(y) The Los Medanos-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 8: SE/4
Section 16: NE/4

(z) The Nash Draw-Brushy Canyon Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM
Section 13: SE/4

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 18: NW/4

(aa) The Power Grayburg-San Andres Pool in Eddy County, New Mexico, as heretofore classified, defined, and described,

is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 1: SE/4

(bb) The Southeast Quahada Ridge-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 1: N/2

(cc) The Red Lake Atoka-Morrow Gas Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 14: W/2

(dd) The South Sand Dunes-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 6: SE/4

(ee) The West Sand Dunes-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 33: SW/4

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 4: NW/4
Section 5: E/2

(ff) The Walters Lake-Bone Spring Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM
Section 11: NW/4

(gg) The Willow Lake-Delaware Pool in Eddy County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM
Section 36: E/2

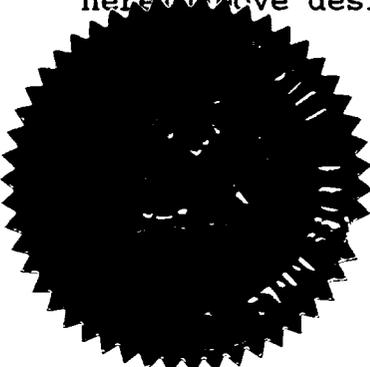
TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 31: SW/4

IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

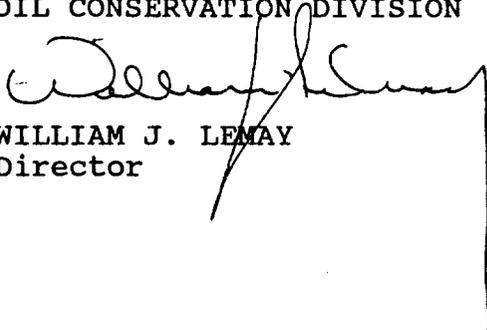
(2) The effective date of this order and all creations, assignments of discovery allowables, amendments of pool locations, and extensions included herein shall be January 1, 1994.

DONE at Santa Fe, New Mexico, on the day and year herein above designated.



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

fd/