

CASE NO. 8986

EXHIBIT I

CASE 8986: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating and extending certain pools in Eddy, Lea, and Roosevelt Counties, New Mexico:

O BE

IS MISSED

- (a) CREATE a new pool in Roosevelt County, New Mexico, classified as a gas pool for Montoya production and designated as the North Dead Mans Draw-Montoya Gas Pool. The discovery well is the Marshall Pipe and Supply Company Wendell Best Well No. 1 located in Unit J of Section 27, Township 2 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 27: S/2

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the East El Mar-Delaware Pool. The discovery well is the Exxon Corporation East El Mar Federal Well No. 1 located in Unit O of Section 27, Township 26 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 33 EAST, NMPM
Section 27: SE/4

- (c) EXTEND the Bowers-Seven Rivers Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM
Section 9: NE/4

- (d) EXTEND the South Humble City-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 12: SE/4
Section 13: NE/4

- (e) EXTEND the Humble City-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 9: NE/4
Section 10: NW/4 and S/2
Section 11: SE/4

- (f) EXTEND the Johnson Ranch-Wolfcamp Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 33 EAST, NMPM
Section 27: N/2

- (g) EXTEND the South Lea-Bone Spring Pool in Lea County, New Mexico, to include therein:

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

- (h) EXTEND the Midway-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 13: SE/4

- (i) EXTEND the East Shugart-Delaware Pool in Eddy and Lea Counties, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 18: SW/4
Section 19: NW/4

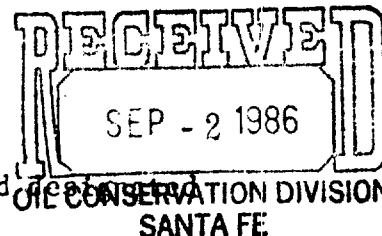
- (j) EXTEND the Skaggs-Drinkard Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 18: SW/4

- (k) EXTEND the Tubb Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 24: SW/4

NEW POOLS



It is recommended that a new Oil pool be created and designated as the East El Mar-Delaware Pool.

Vertical limits to be the Delaware formation and the horizontal limits should be as follows: As outlined in Paragraph (b) Exhibit I

Discovery well was Exxon Corporation East El Mar Federal #1 located in Unit 0 Section 27 Township 26 Range 33 and was completed on August 14, 1985. Top of perforations is at 5,083 feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____. Top of perforations is at _____ feet.

It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____. Top of perforations is at _____ feet.

COUNTY ROOSEVELT

POOL NORTH DEAD MANS DRAW-MONTOYA GAS

TOWNSHIP 2 South

RANGE 29 East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: That the proposed creation of this pool be dismissed at this time
to be re-advertised at a later date to be created with a different pool
name.

Proposed pool boundary outlined in red. Section 27: S/2

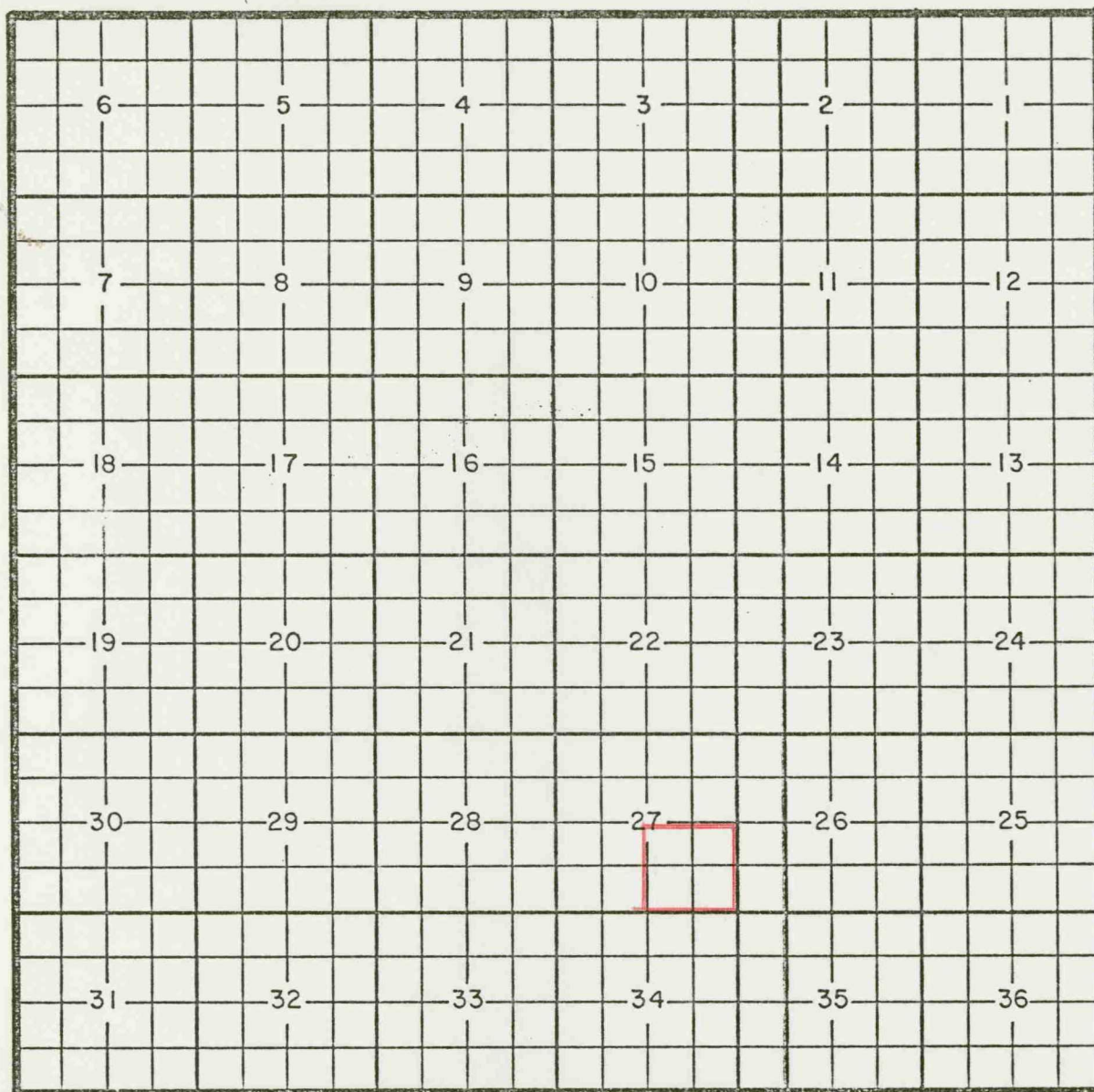
COUNTY LEA

POOL EAST EL MAR-DELAWARE

TOWNSHIP 26 South

RANGE 33 East

NMPM



PURPOSE: Once completed oil well capable of producing.

Exxon Corporation East El Mar Federal #1-0 in Sec. 27, T26S, R33E, completed August 14, 1985, in the Delaware formation. Top perforations is at 5.083 ft.

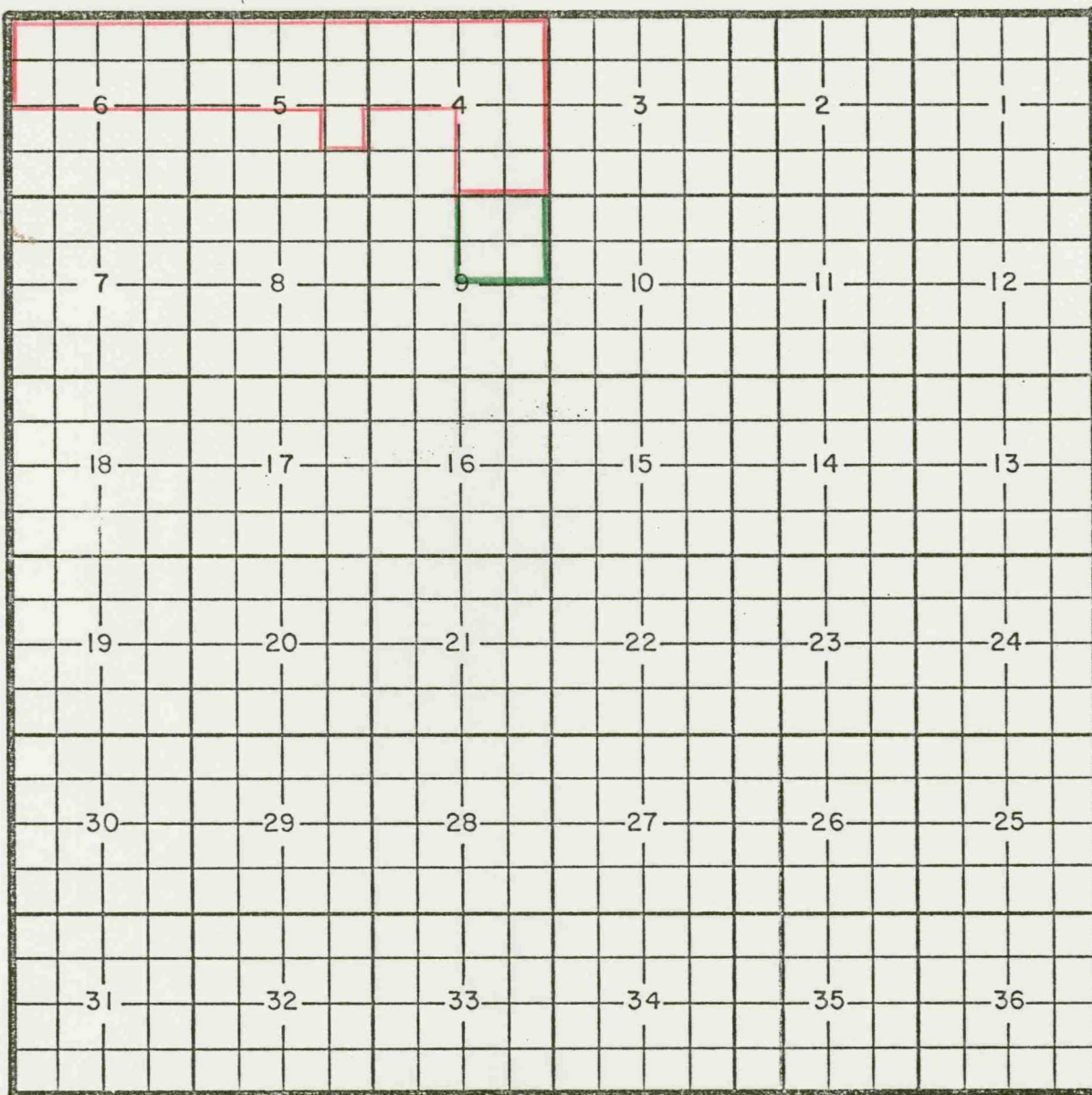
Proposed pool boundary outlined in red. Section 27: SE/4

COUNTY LEA

POOL BOWERS SEVEN RIVERS

TOWNSHIP 19 South RANGE 38 East

NMPM



PURPOSE: One completed oil well capable of producing.

Amoco Production Company State A #41-G in Sec. 9, T19S, R38E, completed July 19, 1986, in the Seven Rivers formation. Top perforations is at 3,194 ft.

Pool Boundary outlined in red.

Proposed pool extension outlined in green: Section 9: NE/4

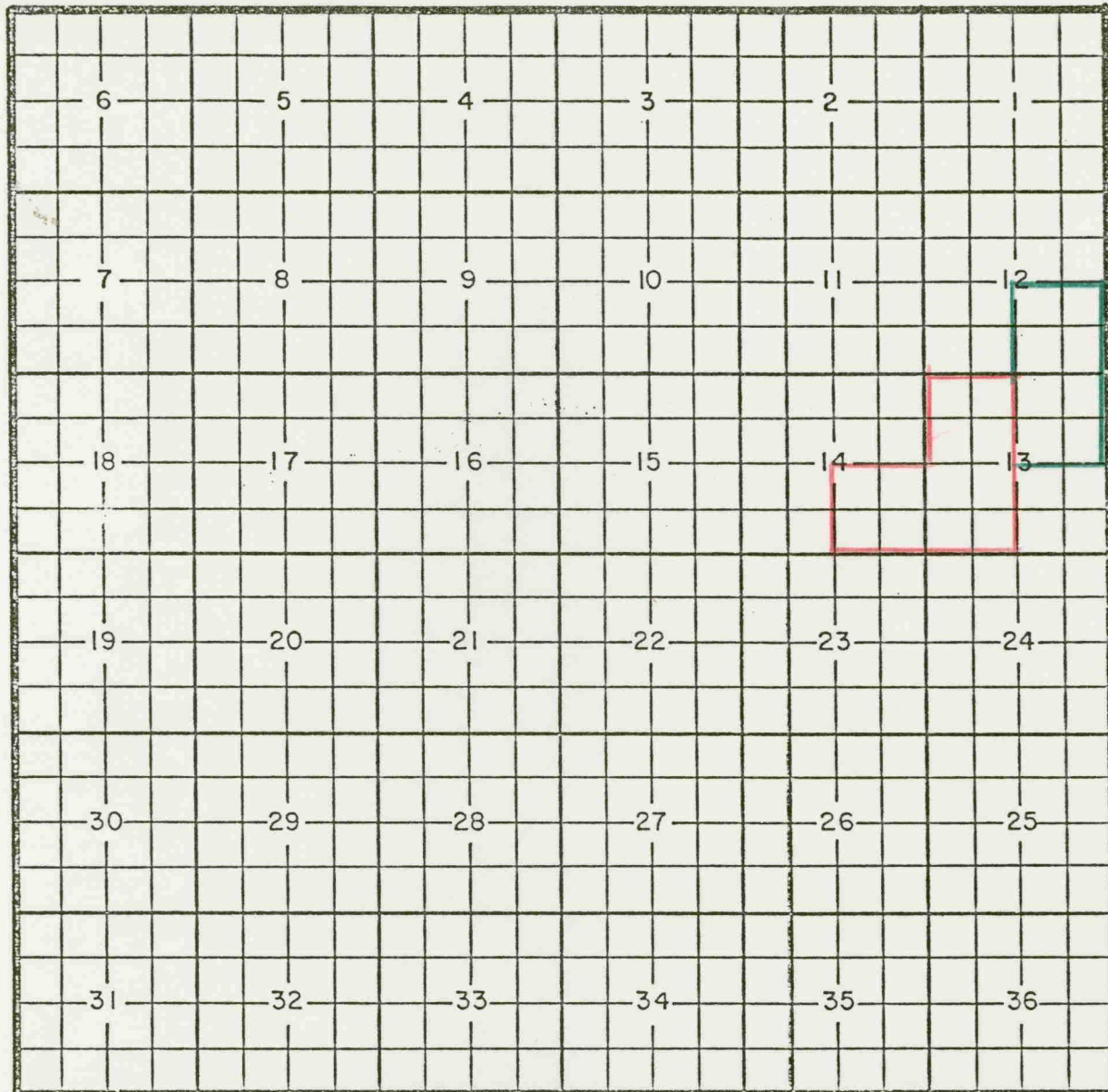
COUNTY LEA

POOL SOUTH HUMBLE CITY-STRAWN

TOWNSHIP 17 South

RANGE 37 East

NMPM



PURPOSE: One completed oil well capable of producing.

Nearburg Producing Company Wright #1-I in Sec. 12, T17S, R37E, completed May 31, 1986, in the Strawn formation. Top perforations is at 11,708 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 12: SE/4

Section 13: NE/4

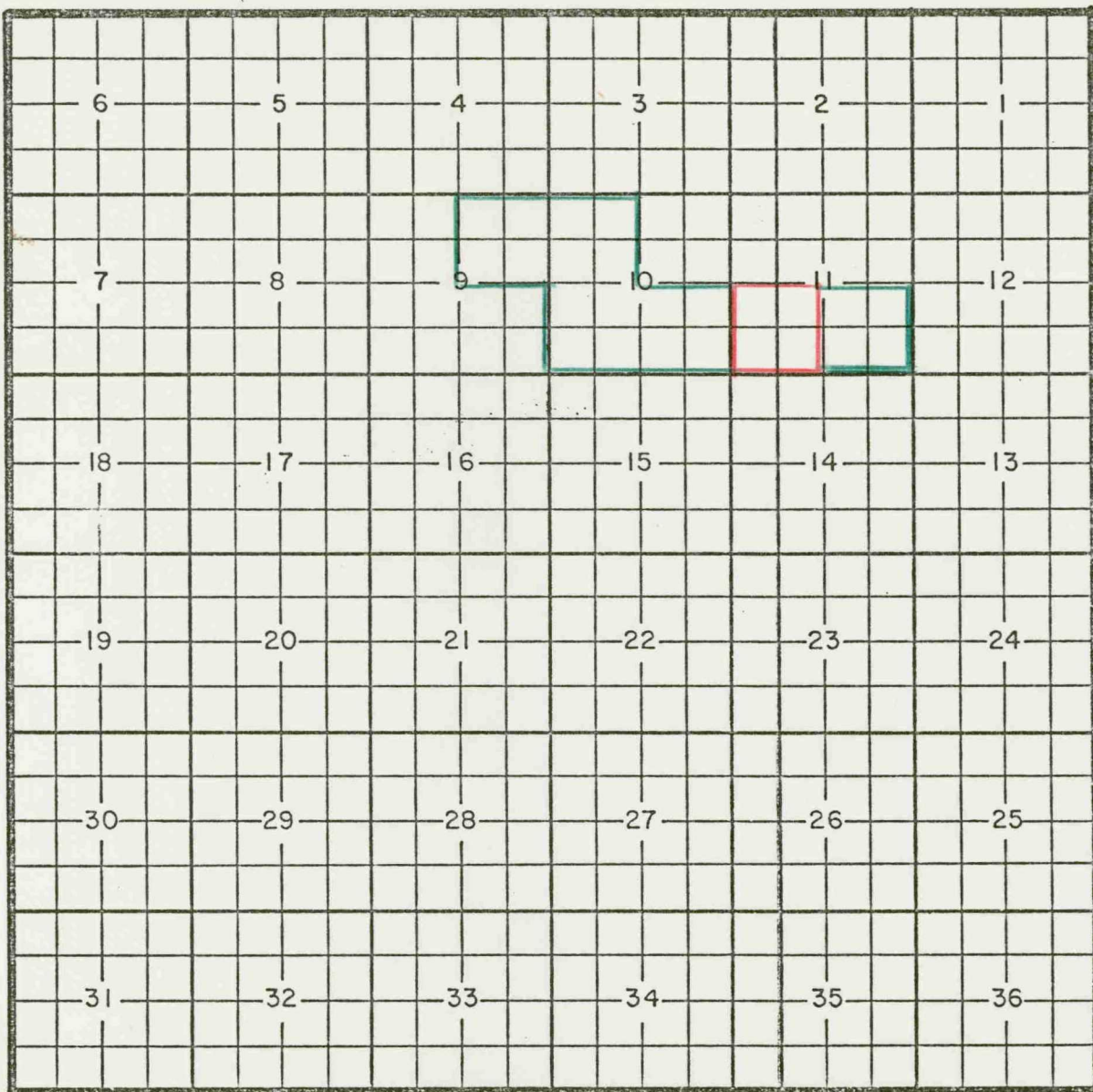
COUNTY LEA

POOL HUMBLE CITY-WOLFCAMP

TOWNSHIP 17 South

RANGE 37 East

NMPM



PURPOSE: Two completed oil wells capable of producing.

Yates Petroleum Corporation Humble City ADH #1-0 in Sec. 11, T17S, R37E, completed June 1,, 1986, in the Wolfcamp formation. Top perforations is at 10,603 feet. Exxon Corporation New Mexico EX State #1-A in Sec. 9, T17S, R37E, completed May 29, 1986, in the Wolfcamp formation. Top perforations is at 10,352 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 9: NE/4

Section : NW/4 and S/2

Section 11: SE/4

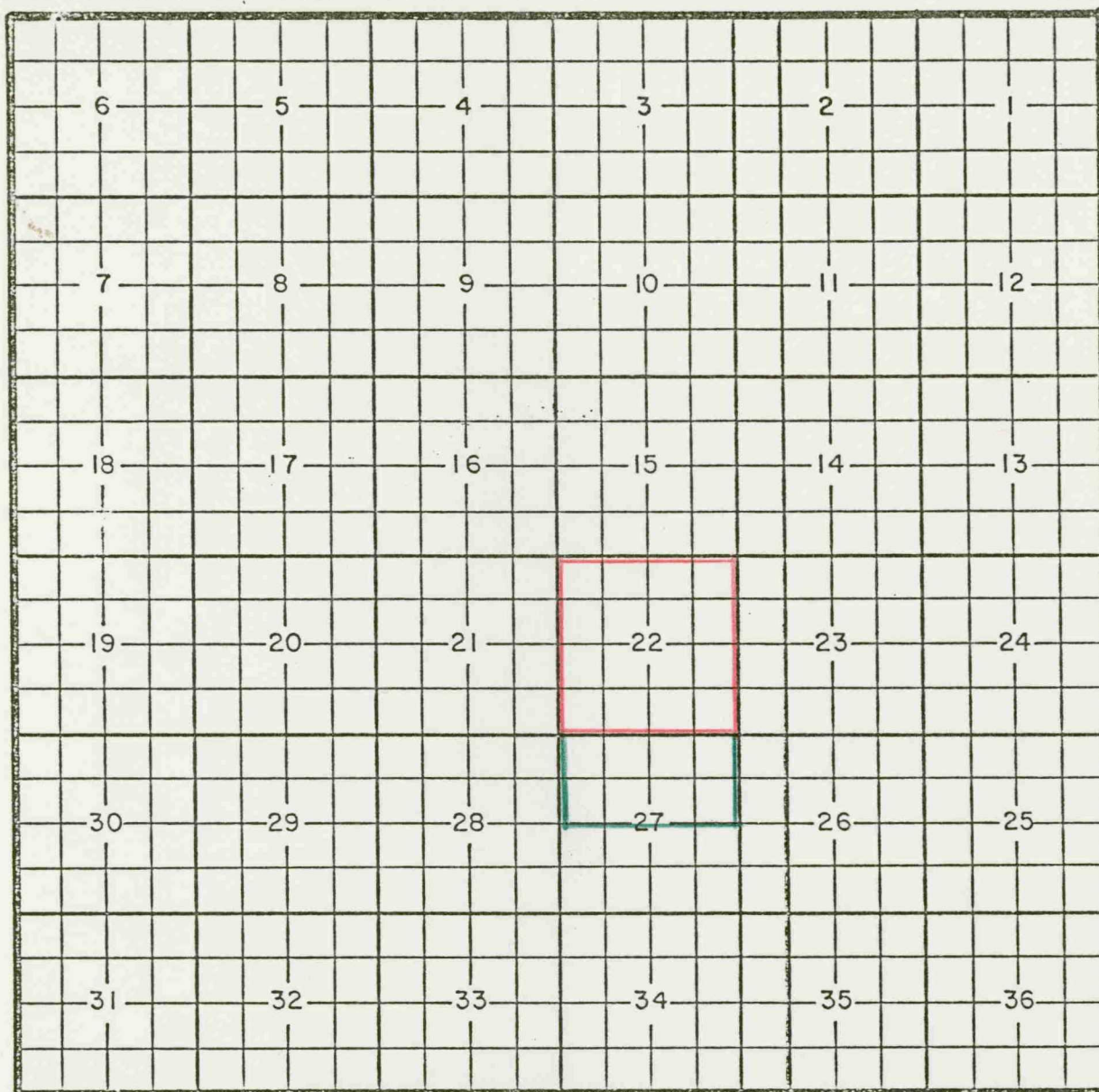
COUNTY LEA

POOL JOHNSON RANCH-WOLFCAMP GAS

TOWNSHIP 24 South

RANGE 33 East

NMPM



PURPOSE: One completed gas well capable of producing.

Southland Royalty Company Madera Ridge 27 State Com #1-B in Sec. 27, T24S, R33E, completed June 5, 1986, in the Wolfcamp formation. Top perforations is at 13,266 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 27: N/2

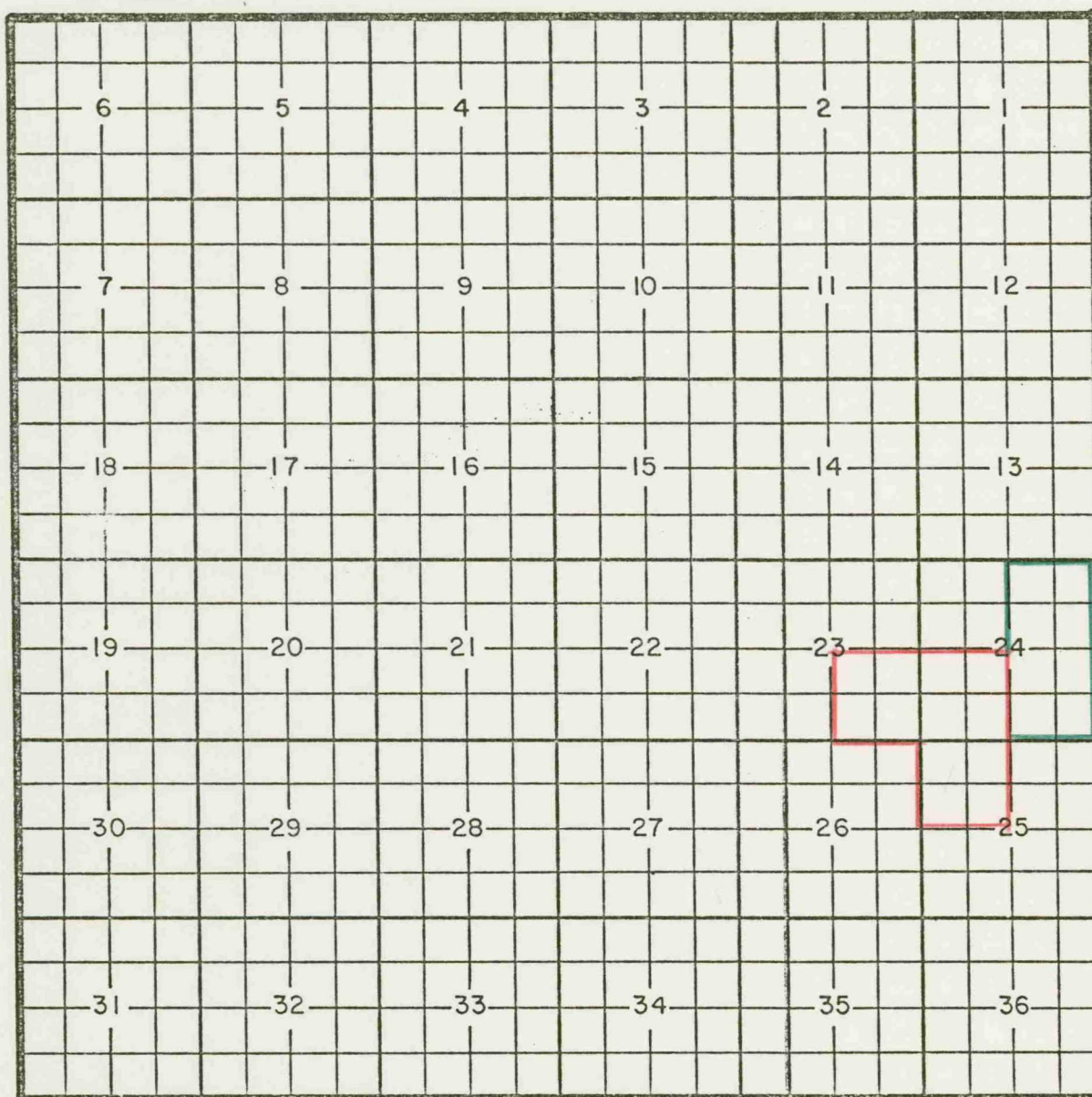
COUNTY LEA

POOL SOUTH LEA-BONE SPRING

TOWNSHIP 20 South

RANGE 34 East

NMPM



PURPOSE: One completed oil well capable of producing.

Marathon Oil Company Lea Unit #13-G in Sec. 24, T20S, R34E, completed
May 31, 1986, in the Bone Spring formation. Top perforations is at
9,560 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 24: E/2

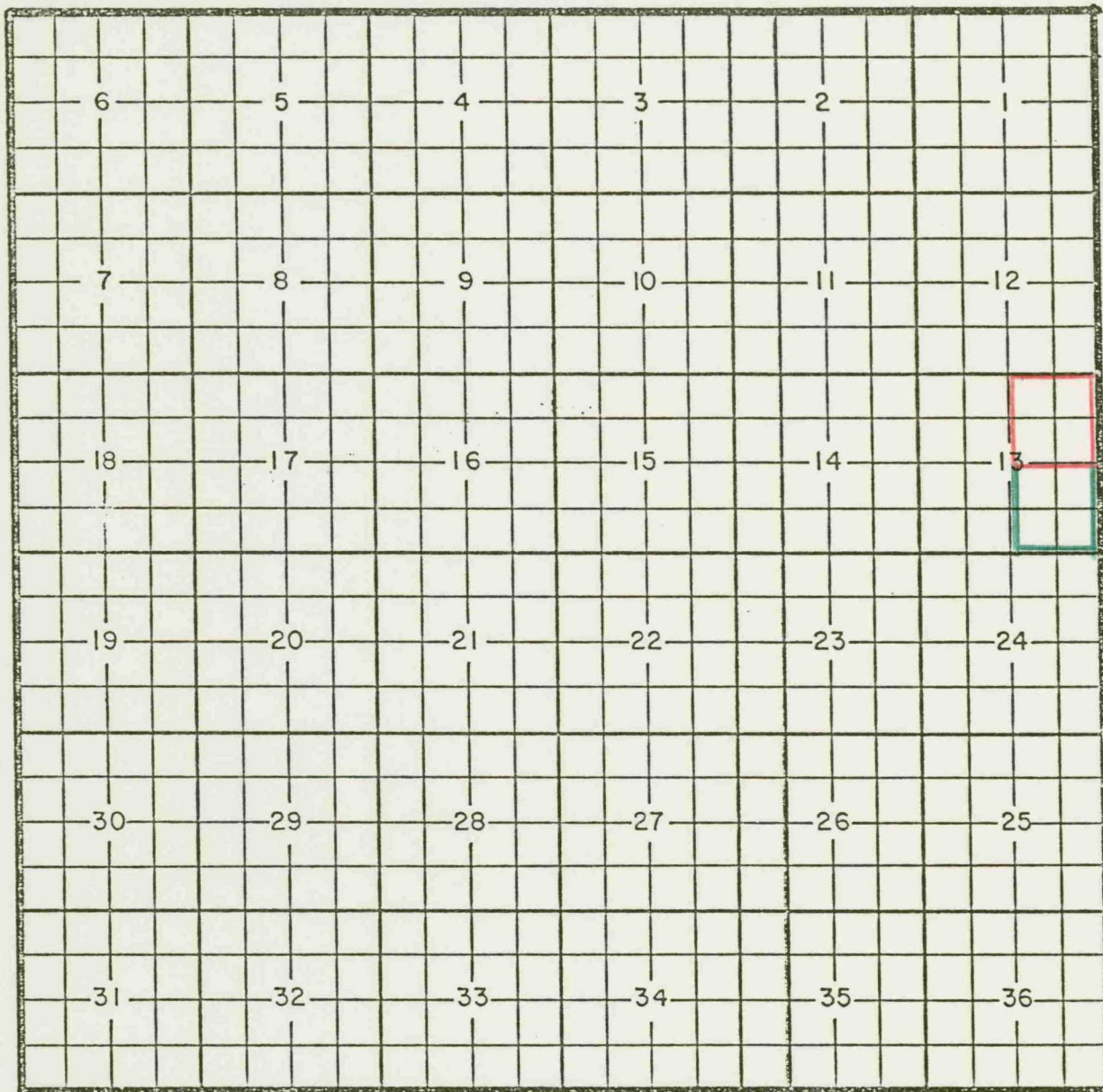
COUNTY LEA

POOL MIDWAY-ABO

TOWNSHIP 17 South

RANGE 36 East

NMPM



PURPOSE: One completed oil well capable of producing.

BTA Oil Producers Midway 8408 JV-P #3-I in Sec. 13, T17S, R36E, completed July 5, 1986, in the Abo formation. Top perforations is at 8,981 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 13: SE/4

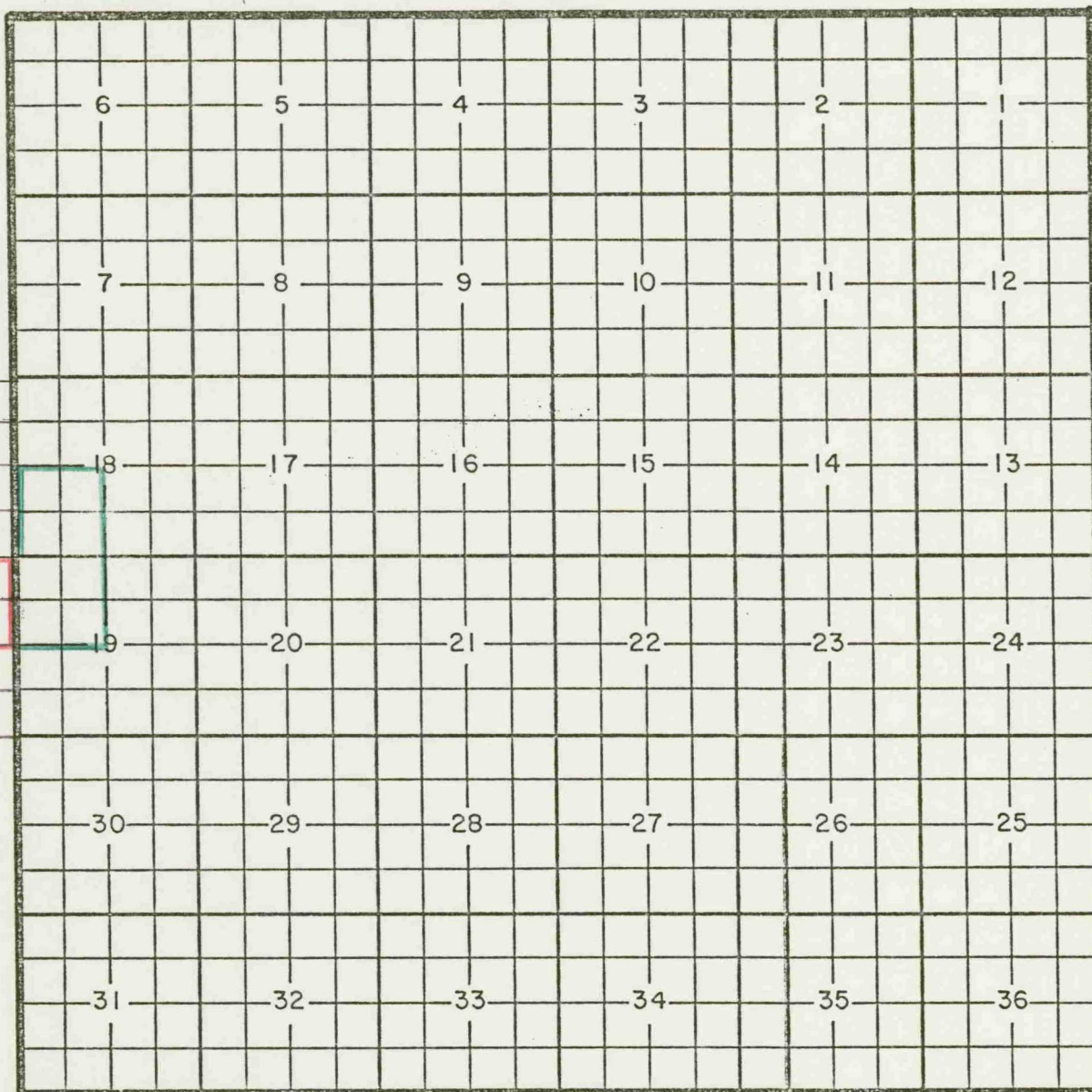
COUNTY LEA

POOL EAST SHUGART-DELAWARE

TOWNSHIP 18 South

RANGE 32 East

NMPM

EDDY CO.
T13S, R31E

T24S, R31E

PURPOSE: One completed oil well capable of producing.

Siete Oil & Gas Corporation Conoco Federal #1-M in Sec. 18, T18S, R32E,
completed July 14, 1986, in the Delaware formation. Top perforations is
at 5,190 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 18: SW/4

Section 19: NW/4

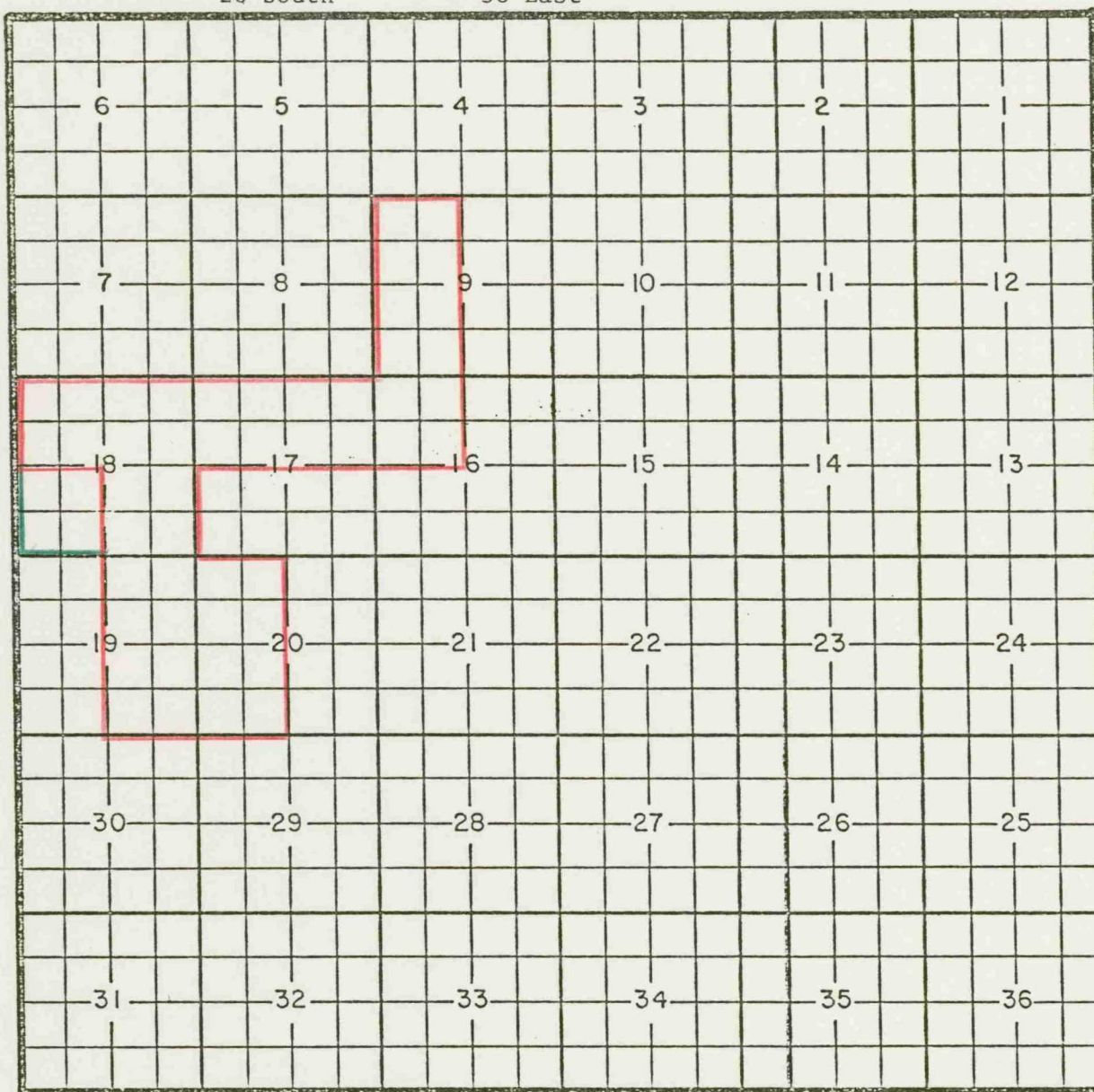
COUNTY LEA

POOL SKAGGS-DRINKARD

TOWNSHIP 20 South

RANGE 38 East

NMPM



PURPOSE: One completed oil well capable of producing.

Conoco Inc. SEMU Burger B #121-N in Sec. 18, T20S, R38E, completed September 7, 1985, in the Drinkard formation. Top perforations is at 6,638 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 18: SW/4

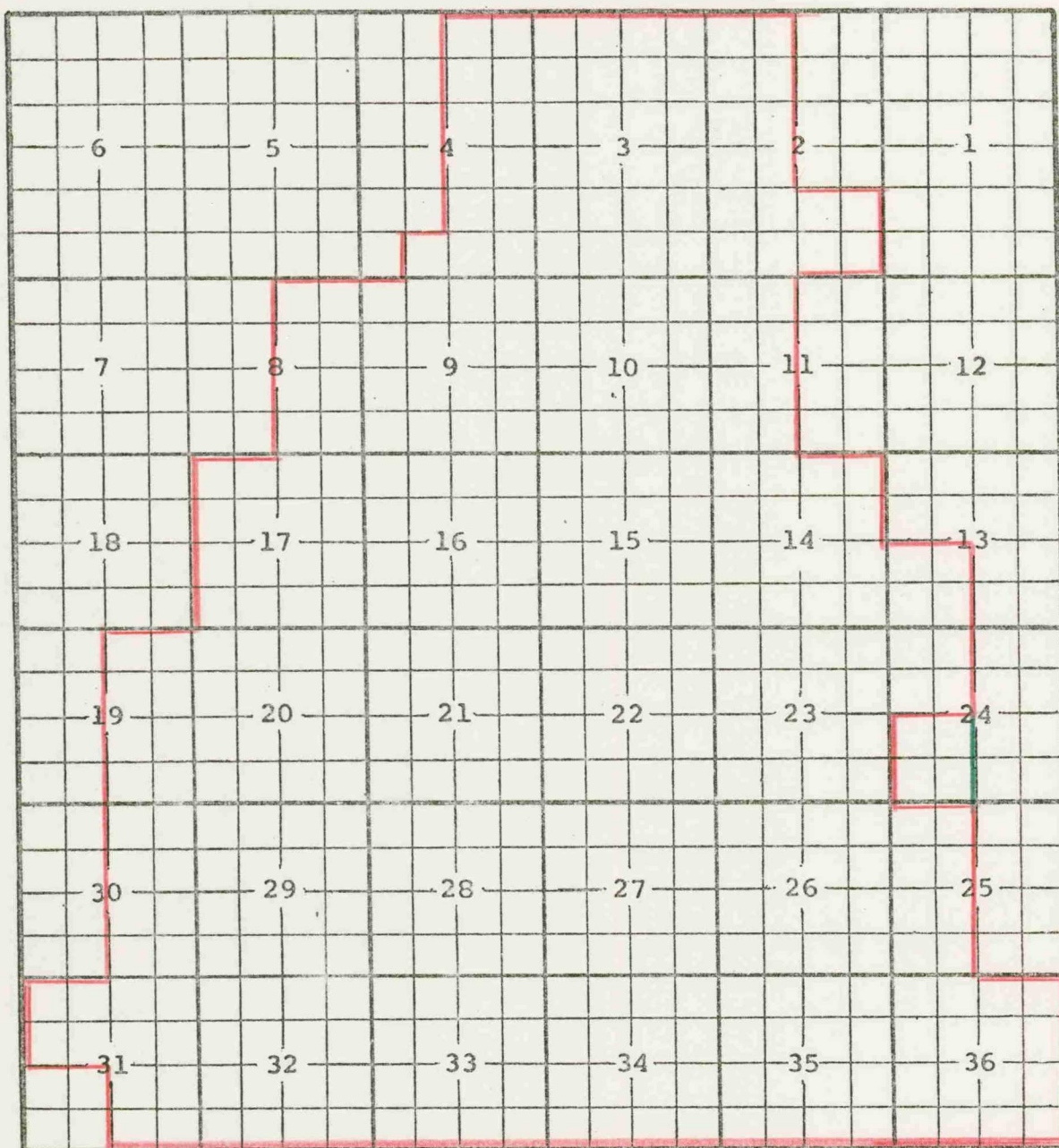
COUNTY LEA

POOL TUBB OIL AND GAS

TOWNSHIP 21 South

RANGE 37 East

NMPM



PURPOSE: One completed oil well capable of producing.

Russell E. Leeser Nancy #1-N in Sec. 24, T21S, R37E, completed March 26, 1986,
in the Tubb formation. Top perforatiosn is at 6,501 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 24: SW/4