



NEW MEXICO ENERGY, MINERALS and NATURAL RESOURCES DEPARTMENT

BILL RICHARDSON

Governor

Joanna Prukop

Cabinet Secretary

August 11, 2004

Mark E. Fesmire, P.E.

Director

Oil Conservation Division

**Amerada Hess Corporation
c/o James Bruce
P. O. Box 1056
Santa Fe, New Mexico 87504**

Administrative Order NSL-5095

Dear Mr. Bruce:

Reference is made to the following: (i) your application on behalf of the operator, Amerada Hess Corporation ("Amerada Hess") submitted to the New Mexico Oil Conservation Division ("Division") on August 9, 2004 (*administrative application reference No. pSEM0-422327939*); and (ii) the Division's records in Santa Fe and Hobbs: all concerning Amerada Hess's request for an unorthodox oil well location in the West Nadine-Paddock Blinebry Pool (47400), West Nadine-Tubb Pool (47530), Skaggs-Drinkard Pool (57000), and West Warren-Abo Pool (62940) for its proposed Turner "B" Well No. 7 or Fred Turner, Jr. "B" Well No. 7 to be drilled 525 feet from the South line and 1230 feet from the West line (Unit M) of Section 17, Township 20 South, Range 38 East, NMPM, Lea County, New Mexico.

The SW/4 SW/4 of Section 17, being a standard 40-acre oil spacing and proration unit for all four producing intervals, is to be dedicated to this well.

This application has been duly filed under the provisions of Division Rule 104.F, revised by Division Order No. R-11231, issued by the New Mexico Oil Conservation Commission in Case No. 12119 on August 12, 1999.

It is the Division's understanding that Amerada Hess is seeking this location exception based on its engineering and geophysical interpretation of the Blinebry formation in the immediate area, being the primary zone of interest, which indicates that a well drilled at the proposed unorthodox oil well location will be at a more favorable geologic position within the Blinebry interval than a well drilled at a location considered to be standard within the SW/4 SW/4 of Section 17, thereby increasing the likelihood of obtaining commercial production.

It is further understood that the working, overriding royalty, and royalty interest ownership within of the Fred Turner, Jr. "B" fee lease comprising the SW/4 NE/4, S/2 NW/4, SW/4, and W/2 SE/4 of Section 17 and the NW/4 NW/4 of offsetting Section 20, both in Township 20 South, Range 38 East, NMPM, Lea County, New Mexico, are identical.

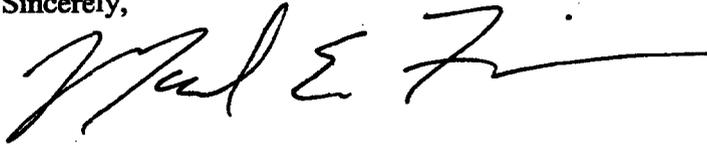
Amerada Hess Corporation
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Division Administrative Order NSL-5095

By the authority granted me under the provisions of Division Rule 104.F (2), the above-described unorthodox oil well location within the proposed 40-acre unit comprising the SW/4 SW/4 (Unit M) of Section 17 for Amerada Hess's proposed Turner "B" Well No. 7 or Fred Turner, Jr. "B" Well No. 7 within the West Nadine-Paddock Blinebry, West Nadine-Tubb, Skaggs-Drinkard, and West Warren-Abo Pools is hereby approved.

Jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark E. Fesmire", with a long horizontal flourish extending to the right.

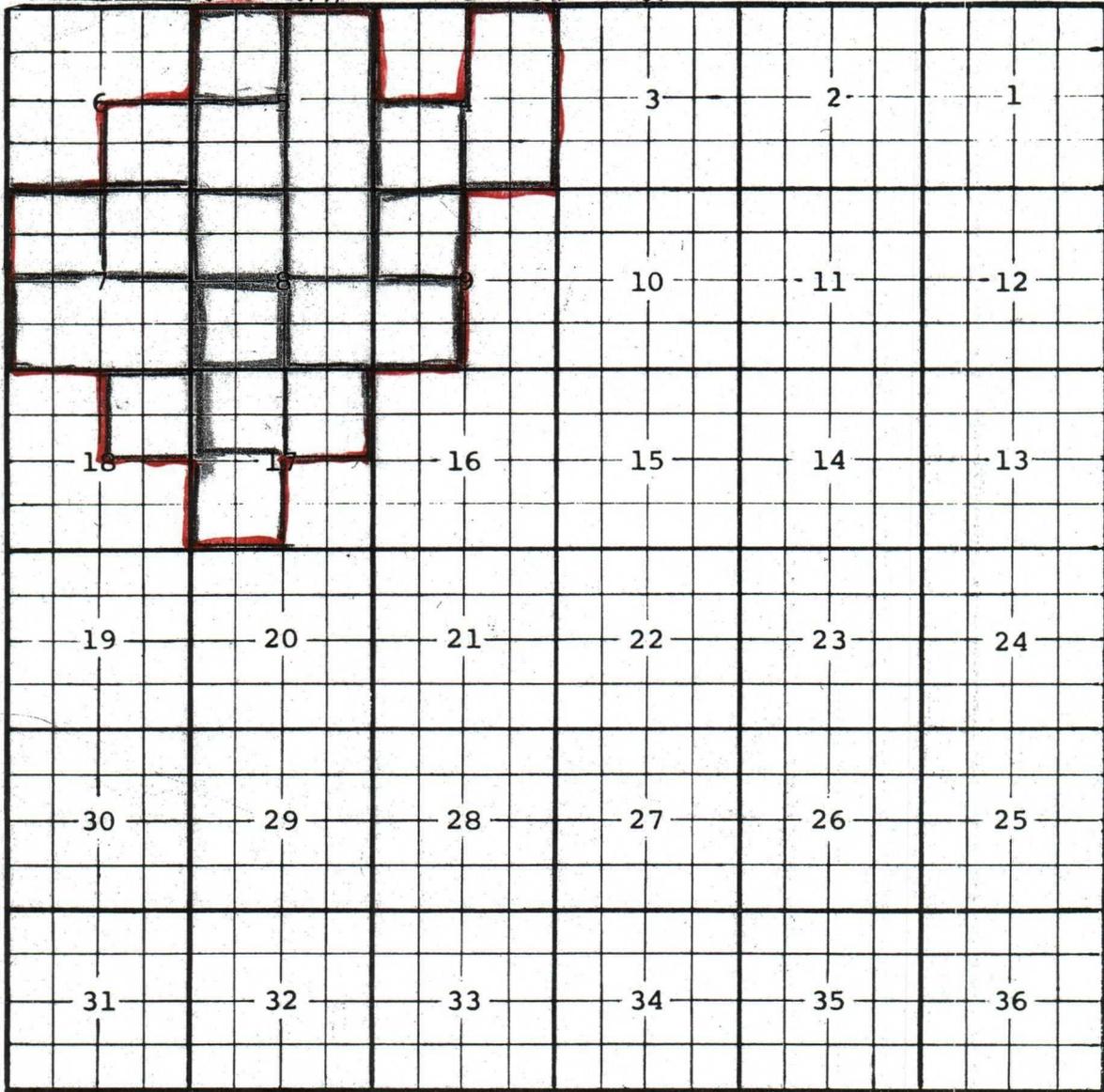
Mark E. Fesmire, P. E.
Director

MEF/mes

cc: New Mexico Oil Conservation Division - Hobbs

County Lea Pool West Nadine-Paddock-Blinebry

TOWNSHIP 20 South Range 38 East NMPM



Description: $\text{NW}/4$ Sec 9 (A-6526, 2-10-81)

Ext: $\text{E}/2$ sec 5, $\text{NE}/4$ sec 8 (R-6724, 7-16-81) Ext: $\text{SE}/4$ sec 8, $\text{SW}/4$ sec 9 (R-6876, 1-22-82) Ext: $\text{NW}/4$ sec 8 (R-6912, 3-5-82) Ext: $\text{SW}/4$ sec 5 (R-6994, 5-28-82)

Ext: Sec: 5 $\text{NW}/4$ Sec: 8 $\text{SW}/4$ (R-7048, 8-9-82)

Ext: $\text{SW}/4$ Sec. 4 (R-7131, 11-30-82) Ext: $\text{SE}/4$ Sec. 6, $\text{NE}/4$ sec. 17 (R-7396, 12-8-83)

Ext: $\text{NE}/4$ Sec. 7 (R-7437, 2-6-84) Ext: $\text{NW}/4$ Sec. 7 (R-7714, 11-7-84)

Redesignate as West Nadine Paddock-Blinebry Pool (R-9937, 8-17-93)

Ext: $\text{NW}/4$ Sec. 17 (R-11475, 10-24-00) Ext: $\text{SW}/4$ Sec. 17, $\text{NE}/4$ Sec. 18 (R-12003, 11-25-03)

Ext: $\text{E}/2$ Sec. 4, $\text{S}/2$ Sec. 7 (R-12223, 10-25-04)

**(MADERA-LOWER PENN GAS (RULES ABOLISHED) POOL -
Cont'd.)**

(4) That no evidence was presented at the reopening of Case No. 7306 to justify the continuance of the 640-acre spacing and proration provisions of Order No. R-6769, and the spacing for said pool should revert to 320-acre spacing for future development.

(5) That to avoid the creation of possible inequities resulting from abolishment of the previously approved 616.24-acre spacing and proration unit dedicated to the discovery well, said unit should be permitted to continue to exist with the provision that an infill well on said unit may be drilled in Section 34, Township 26 South, Range 33 East, NMPM, if and when conditions so warrant.

(6) That reversion of the spacing rules for the Madera-Lower Penn Gas Pool to 320 acres subject to the above terms will not cause waste nor impair correlative rights and should be approved.

IT IS THEREFORE ORDERED:

(1) That the Special Rules and Regulations for the Madera-Lower Penn Gas Pool, Lea County, New Mexico, providing for 640-acre spacing and proration units and promulgated by Division Order No. R-6769 are hereby abolished.

(2) That the 616.24-acre non-standard spacing and proration unit comprising all of Partial Sections 33 and 34, Township 26 South, Range 33 East, NMPM, and dedicated to the Getty Oil Company Federal 33 Well No. 1, located in Unit G of said Section 33, shall continue to exist, provided however, that should conditions so warrant, an infill well on said unit shall be permitted provided said infill well shall be drilled in Section 34 of said Township 26 South, Range 33 East, NMPM.

(3) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

**WEST NADINE-BLINEBRY POOL
(Gas-Oil Ratio)
Lea County, New Mexico**

Order No. R-6849, Adopting a Gas-Oil Ratio Rule for the West Nadine-Blinebry Pool, Lea County, New Mexico, December 1, 1981, as Amended by Order No. R-6849-A, February 1, 1991.

Order No. R-6849-B, April 17, 1992, continues in full force and effect the limiting gas/oil ratio adopted in Order No. R-6849.

Application of Morris R. Antweil for Special Pool Rules, Lea County, New Mexico.

CASE NO. 7419
Order No. R-6849

ORDER OF THE DIVISION

BY THE DIVISION: This cause came on for hearing at 9 a.m. on November 19, 1981, at Santa Fe, New Mexico, before Examiner Richard L. Stamets.

NOW, on this 9th day of December, 1981, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Morris R. Antweil, seeks the promulgation of special rules for the West Nadine-Blinebry Pool, Lea County, New Mexico, including a special gas-oil limitation of 4000 cubic feet of gas per barrel of oil.

(3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 4000 cubic feet of gas per barrel of liquid hydrocarbons.

(4) That in order to afford the owner of each property in the West Nadine-Blinebry Pool the opportunity to produce his just and equitable share of the oil and gas in the subject pool and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of 4000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.

IT IS THEREFORE ORDERED:

(1) That, effective December 1, 1981, Special Rules and Regulations for the West Nadine-Blinebry Pool, Lea County, New Mexico, are hereby promulgated as follows:

**SPECIAL RULES AND REGULATIONS
FOR THE
WEST NADINE-BLINEBRY POOL**

RULE 1. (As Amended by Order No. R-6849-A, February 1, 1991.) That the limiting gas-oil ratio for said West Nadine-Blinebry Pool shall be 7000 cubic feet of gas for each barrel of oil produced.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

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. 10783
Order No. R-9937

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING, REDESIGNATING, AND
EXTENDING THE VERTICAL AND HORIZONTAL
LIMITS OF CERTAIN POOLS IN LEA AND
ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on July 29, 1993,
at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 17th day of August, 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 Lea
County, New Mexico, for the production of oil from the Delaware
formation, said pool to bear the designation of Bilbrey-Delaware
Pool. Said Bilbrey-Delaware Pool was discovered by the Manzano Oil
Corporation Anderson Well No. 1 located in Unit L of Section 35,
Township 21 South, Range 32 East, NMPM. It was completed in the
Delaware formation on February 4, 1993. The top of the
perforations is at 8,657 feet.

(3) There is need for the creation of a new pool in Lea
County, New Mexico, for the production of gas from the Atoka
formation, said pool to bear the designation of North Diamondtail-
Atoka Gas Pool. Said North Diamondtail-Atoka Gas Pool was
discovered by the Pogo Producing Company Red Tank 34 Federal Well
No. 1 located in Unit B of Section 34, Township 22 South, Range 32
East, NMPM. It was completed in the Atoka formation on January 22,
1993. The top of the perforations is at 13,969 feet.

(4) There is need for the creation of a new pool in Lea
County, New Mexico, for the production of oil from the Abo
formation, said pool to bear the designation of Eight Mile Draw-Abo
Pool. Said Eight Mile Draw-Abo Pool was discovered by the Vates

Petroleum Corporation Internorth ADG State Well No. 1 located in Unit A of Section 25, Township 11 South, Range 34 East, NMPM. It was completed in the Abo formation on March 15, 1993. The top of the perforations is at 9,117 feet.

(5) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Northwest Jenkins-Atoka Gas Pool. Said Northwest Jenkins-Atoka Gas Pool was discovered by the Bright and Company Apache Well No. 1 located in Unit E of Section 5, Township 9 South, Range 34 East, NMPM. It was completed in the Atoka formation on March 3, 1993. The top of the perforations is at 10,998 feet.

(6) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of North Legg-Delaware Pool. Said North Legg-Delaware Pool was discovered by the Mitchell Energy Corporation Comanche 17 State Well No. 2 located in Unit H of Section 17, Township 21 South, Range 33 East, NMPM. It was completed in the Delaware formation on February 10, 1993. The top of the perforations is at 8,753 feet.

(7) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of East Lovington-Wolfcamp Pool. Said East Lovington-Wolfcamp Pool was discovered by the Nearburg Producing Company Western 17F State Well No. 1 located in Unit F of Section 17, Township 16 South, Range 37 East, NMPM. It was completed in the Wolfcamp formation on March 19, 1993. The top of the perforations is at 10,530 feet.

(8) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the San Andres formation, said pool to bear the designation of South Pearl-San Andres Pool. Said South Pearl-San Andres Pool was discovered by the Manzano Oil Corporation Sims State Well No. 1 located in Unit M of Section 12, Township 20 South, Range 35 East, NMPM. It was completed in the San Andres formation on April 8, 1993. The top of the perforations is at 5,277 feet.

(9) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Glorieta and Paddock formations, said pool to bear the designation of Southwest Teague Glorieta-Upper Paddock Pool. Said Southwest Teague Glorieta-Upper Paddock Pool was discovered by the Texaco Exploration & Production Inc. B. F. Harrison B Well No. 8 located in Unit D of Section 9, Township 23 South, Range 37 East, NMPM. It was completed in the Glorieta and Paddock formations on June 15, 1993. The top of the perforations is at 5,108 feet.

(10) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Bone Spring formation, said pool to bear the designation of Mid Vacuum-Bone Spring Pool. Said Mid Vacuum-Bone Spring Pool was discovered by the Yates Petroleum Corporation Nowata ADG State Well No. 1 located in Unit A of Section 25, Township 11 South, Range 34 East, NMPM. It was completed in the Bone Spring formation on March 15, 1993. The top of the perforations is at 9,117 feet.

in Unit P of Section 9, Township 18 South, Range 35 East, NMPM. It was completed in the Bone Spring formation on April 2, 1993. The top of the perforations is at 8,282 feet.

(11) There is need for the extension of the vertical limits of the West Blinebry Pool in Lea County, New Mexico, to include the Lower Paddock formation.

(12) There is need for the extension of the vertical limits of the Cline-Blinebry Pool in Lea County, New Mexico, to include the Lower Paddock formation and the redesignation of said Cline-Blinebry Pool as the Cline Lower Paddock-Blinebry Pool.

(13) There is need for the extension of the vertical limits of the North Teague-Blinebry Gas Pool in Lea County, New Mexico, to include the Lower Paddock formation and the redesignation of said North Teague-Blinebry Gas Pool as the North Teague Lower Paddock-Blinebry Gas Pool.

(14) There is need for the redesignation of the West Nadine-Blinebry Pool in Lea County, New Mexico, as the West Nadine Paddock-Blinebry Pool in order to correct the nomenclature.

(15) There is need for the extension of the South Baum-Wolfcamp Pool, the Blinebry Oil and Gas Pool, the Northwest Bootleg Ridge-Delaware Pool, the Buffalo-Yates Pool, the South Corbin-Morrow Gas Pool, the South Corbin-Wolfcamp Pool, the Diamondtail-Delaware Pool, the Fairview Mills-Wolfcamp Gas Pool, the South Fowler-Tubb Pool, the Geronimo-Delaware Pool, the Hat Mesa-Delaware Pool, the Northeast Jenkins-Devonian Pool, the East Livingston Ridge-Delaware Pool, the West Lovington-Strawn Pool, the North Lusk-Bone Spring Pool, the Midway-Strawn Pool, the Pearl-San Andres Pool, the Pearsall-Seven Rivers Pool, the Pitchfork Ranch-Morrow Gas Pool, the Quail Ridge-Delaware Pool, the Quail Ridge-Morrow Gas Pool, the Querecho Plains-Delaware Pool, the Red Tank-Bone Spring Pool, the West Red Tank-Delaware Pool, the Teague-Blinebry Pool, the Tonto-Atoka Gas Pool, the West Tonto-Bone Spring Pool, the South Tonto Yates-Seven Rivers Pool, the Tres Papalotes-Pennsylvanian Pool, the Vacuum-Drinkard Pool, and the Young-Grayburg Pool, all in Lea County, New Mexico, and the Allison-Pennsylvanian Pool in Roosevelt County, New Mexico.

(16) The effective date of this order and all creations, redesignations, and extensions of vertical and horizontal limits included herein should be August 1, 1993.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the Bilbrey-Delaware Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 35: SW/4

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

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 34: N/2

(c) A new pool in Lea County, New Mexico, classified as an oil pool for Abo production is hereby created and designated as the Eight Mile Draw-Abo Pool, consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 25: NE/4

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

TOWNSHIP 9 SOUTH, RANGE 34 EAST, NMPM
Section 5: N/2

(e) A new pool in Lea County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the North Legg-Delaware Pool, consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM
Section 17: NE/4

(f) A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production is hereby created and designated as the East Lovington-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM
Section 17: NW/4

(g) A new pool in Lea County, New Mexico, classified as an oil pool for San Andres production is hereby created and designated as the South Pearl-San Andres Pool, consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 12: SW/4

(h) A new pool in Lea County, New Mexico, classified as an oil pool for Glorieta and Paddock production is hereby created and designated as the Southwest Teague Glorieta-Upper Paddock Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 9: NW/4

(i) A new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the Mid Vacuum-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 9: SE/4

(j) The vertical limits of the West Blinebry Pool in Lea County, New Mexico, are hereby extended to include the Lower Paddock formation.

(k) The vertical limits of the Cline-Blinebry Pool in Lea County, New Mexico, are hereby extended to include the Lower Paddock formation and said Cline-Blinebry Pool is hereby redesignated as the Cline Lower Paddock-Blinebry Pool.

(l) The vertical limits of the North Teague-Blinebry Gas Pool in Lea County, New Mexico, are hereby extended to include the Lower Paddock formation and said North Teague-Blinebry Gas Pool is hereby redesignated as the North Teague Lower Paddock-Blinebry Gas Pool.

(m) The West Nadine-Blinebry Pool in Lea County, New Mexico, is hereby redesignated as the West Nadine Paddock-Blinebry Pool.

(n) The Allison-Pennsylvanian Pool in Roosevelt County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM
Section 17: SW/4

(o) The South Baum-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM
Section 6: E/2 and SW/4
Section 7: NW/4

(p) The Blinebry Oil and Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 7: SE/4
Section 18: NE/4

(q) The Northwest Bootleg Ridge-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 11: E/2 and SW/4

(r) The Buffalo-Yates Pool in Lea County, New Mexico, as

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heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 2: SE/4

(s) The South Corbin-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 20: NE/4

(t) The South Corbin-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 8: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 11: NW/4

(v) The Fairview Mills-Wolfcamp Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM
Section 3: S/2

(w) The South Fowler-Tubb Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 23: NW/4

(x) The Geronimo-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 30: SW/4

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

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 32: N/2 and SW/4

(z) The Northeast Jenkins-Devonian Pool in Lea County, New

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Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 20: NE/4

(aa) The East Livingston Ridge-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 15: SE/4
Section 16: NW/4
Section 17: SW/4
Section 18: E/2

(bb) The West Lovington-Strawn Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 1: Lots 1, 2, 3, 4, 5, 6, 7,
and 8

(cc) The North Lusk-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

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

(dd) The Midway-Strawn Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 8: SE/4

(ee) The Pearl-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM
Section 26: S/2

(ff) The Pearsall-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 31: NE/4

(gg) The Pitchfork Ranch-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM

Section 1: N/2

(hh) The Quail Ridge-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 3: SE/4

(ii) The Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM

Section 32: SW/4

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 6: SE/4

(jj) The Querecho Plains-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 26: NW/4

(kk) The Red Tank-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 25: SW/4

Section 26: W/2

Section 36: NW/4

(ll) The West Red Tank-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 23: S/2

Section 26: W/2

Section 27: SE/4

Section 28: E/2

(mm) The Teague-Blinebry Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 34: W/2

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 3: NW/4

(nn) The Tonto-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 21: N/2

(oo) The West Tonto-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 1: NW/4

(pp) The South Tonto Yates-Seven Rivers Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 31: NE/4

(qq) The Tres Papalotes-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM
Section 32: NE/4

(rr) The Vacuum-Drinkard Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 1: W/2

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 6: NW/4 and SE/4

(ss) The Young-Grayburg Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 8: S/2

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

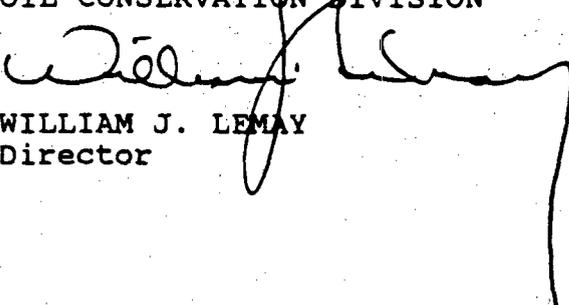
Case No. 10783
Order No. R-9937
-10-

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, redesignations, and extensions of vertical and horizontal limits included herein shall be August 1, 1993.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY
Director

S E A L

fd/

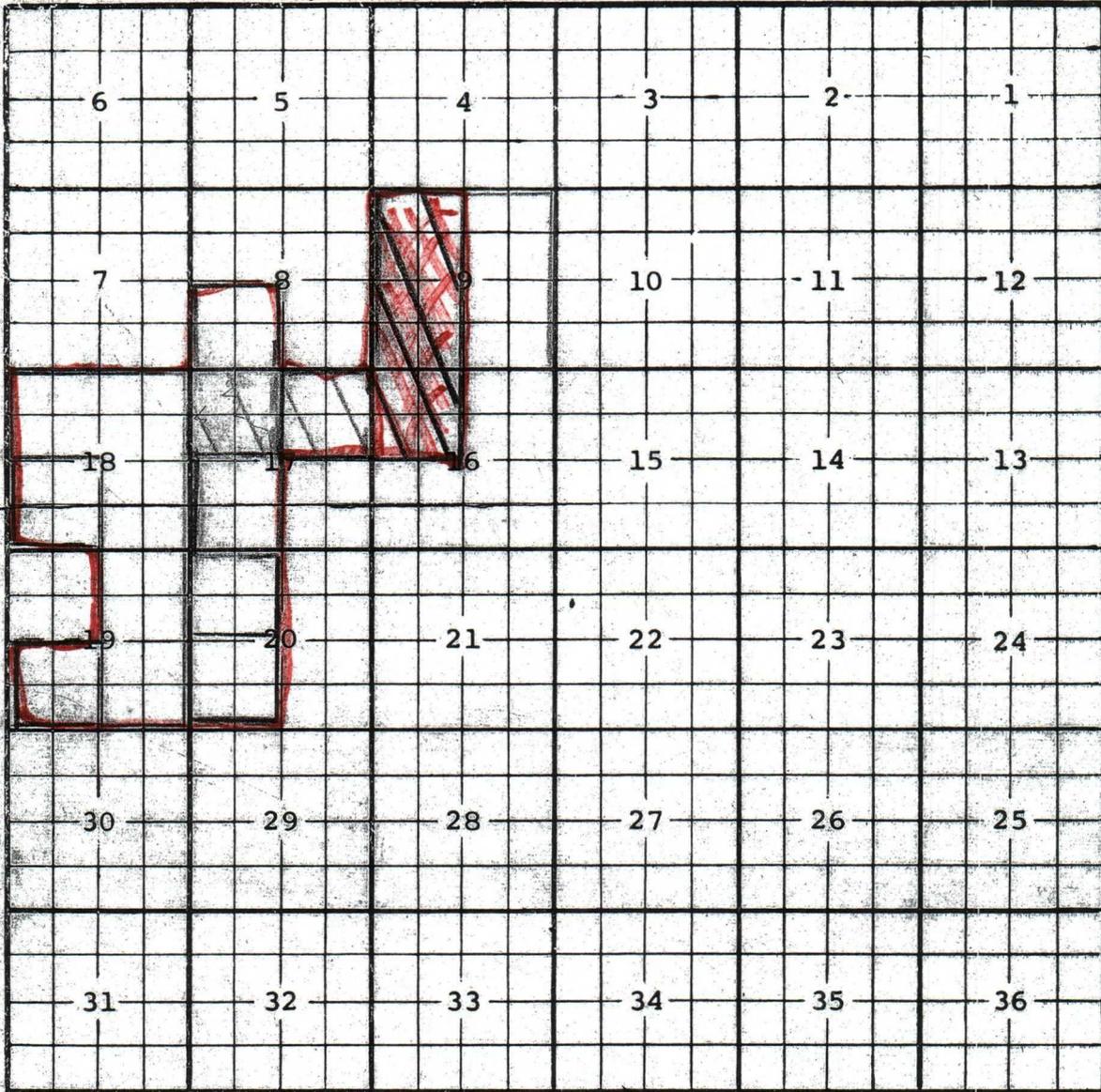
COUNTY Lea

POOL Skaggs - Drinkard

TOWNSHIP 20 south

RANGE 38 East

NMPM



Ext: $\frac{1}{2}$ & $\frac{5}{4}$ Sec 18, $\frac{1}{2}$ Sec 19 (R-4995, 5-1-75)

Ext: $\frac{1}{2}$ Sec 9, $\frac{1}{4}$ Sec 16, $\frac{1}{2}$ Sec 17 (R-6576, 2-10-81)

~~Ext: $\frac{1}{2}$ Sec 9, $\frac{1}{4}$ Sec 16, $\frac{1}{2}$ Sec 17 (R-6838, 11-8-81)~~

Ext: $\frac{1}{4}$ Sec 20 (R-7279, 5-17-83) Ext: $\frac{1}{4}$ Sec 20 (R-8214, 5-1-86)

Ext: $\frac{1}{4}$ Sec 18 (R-8299, 9-4-86) Ext: $\frac{1}{4}$ Sec 8, $\frac{1}{4}$ Sec 17 (R-8626, 4/1/88)

Ext: $\frac{1}{4}$ Sec 19 (R-10972, 4-13-98) Ext: $\frac{1}{4}$ Sec 17 (R-12046, 11-3-03)

Ext: $\frac{1}{4}$ Sec 17 (R-12223, 10-25-04)

(SEVEN LAKES-MENEFEE POOL - Cont'd.)

RULE 1. Each well completed or recompleted in the Seven Lakes-Menefee Oil Pool or in the Menefee formation within one mile thereof, and not nearer to or within the limits of another designated Menefee oil pool, shall be located no nearer than 25 feet to the outer boundary of the quarter-quarter section on which it is located; provided, however, that in no event shall said well or wells be completed or recompleted nearer than 165 feet to the boundary of acreage owned by an offset operator.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

SKAGGS-DRINKARD POOL
(Gas-Oil Ratio)
Lea County, New Mexico

Order No. R-7020, Adopting a Gas-Oil Ratio Rule for the Skaggs-Drinkard Pool, Lea County, New Mexico, July 1, 1982.

Application of Texaco Inc. for Special Pool Rules, Lea County, New Mexico.

CASE NO. 7611
Order No. R-7020

ORDER OF THE DIVISION

BY THE DIVISION: This cause came on for hearing at 9 a.m. on June 23, 1982, at Santa Fe, New Mexico, before Examiner Daniel S. Nutter.

NOW, on this 2nd day of July, 1982, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS:

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

(2) That the applicant, Texaco Inc., seeks the promulgation of special rules for the Skaggs-Drinkard Pool, Lea County, New Mexico, including a special gas-oil limitation of 10,000 cubic feet of gas per barrel of oil.

(3) That the reservoir characteristics of the subject pool presently available justify the establishment of a gas-oil ratio limitation of 10,000 cubic feet of gas per barrel of liquid hydrocarbons.

(4) That in order to afford the owner of each property in the Skaggs-Drinkard Pool the opportunity to produce his just and equitable share of the oil and gas in the subject pool and for this purpose to use his just and equitable share of the reservoir energy, a limiting gas-oil ratio of 10,000 cubic feet of gas per barrel of liquid hydrocarbons should be established for the subject pool.

IT IS THEREFORE ORDERED:

(1) That, effective July 1, 1982, Special Rules and Regulations for the Skaggs-Drinkard Pool, Lea County, New Mexico, are hereby promulgated as follows:

SPECIAL RULES AND REGULATIONS
FOR THE
SKAGGS-DRINKARD POOL

RULE 1. That the limiting gas-oil ratio for said Skaggs-Drinkard Pool shall be 10,000 cubic feet of gas for each barrel of oil produced.

(2) That jurisdiction of this cause is retained for the entry of such further orders as the Division may deem necessary.

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

PETERSON-MISSISSIPPIAN POOL
(Rules Rescinded)
Roosevelt County, New Mexico

Order No. R-6764-A, Rescinding the Temporary Operating Rules Adopted for the Peterson-Mississippian Pool, Roosevelt County, New Mexico, February 8, 1983.

In the Matter of Case 7321 Being Reopened Pursuant to the Provisions of Order No. R-6764, Which Order Promulgated Temporary Special Rules and Regulations for the Peterson-Mississippian Pool, Roosevelt County, New Mexico, Including a Provision for 80-Acre Proration Units.

CASE NO. 7321
Order No. R-6764-A

ORDER OF THE DIVISION

BY THE DIVISION: This cause came on for hearing at 9 a.m. on February 2, 1983, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 8th day of February, 1983, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

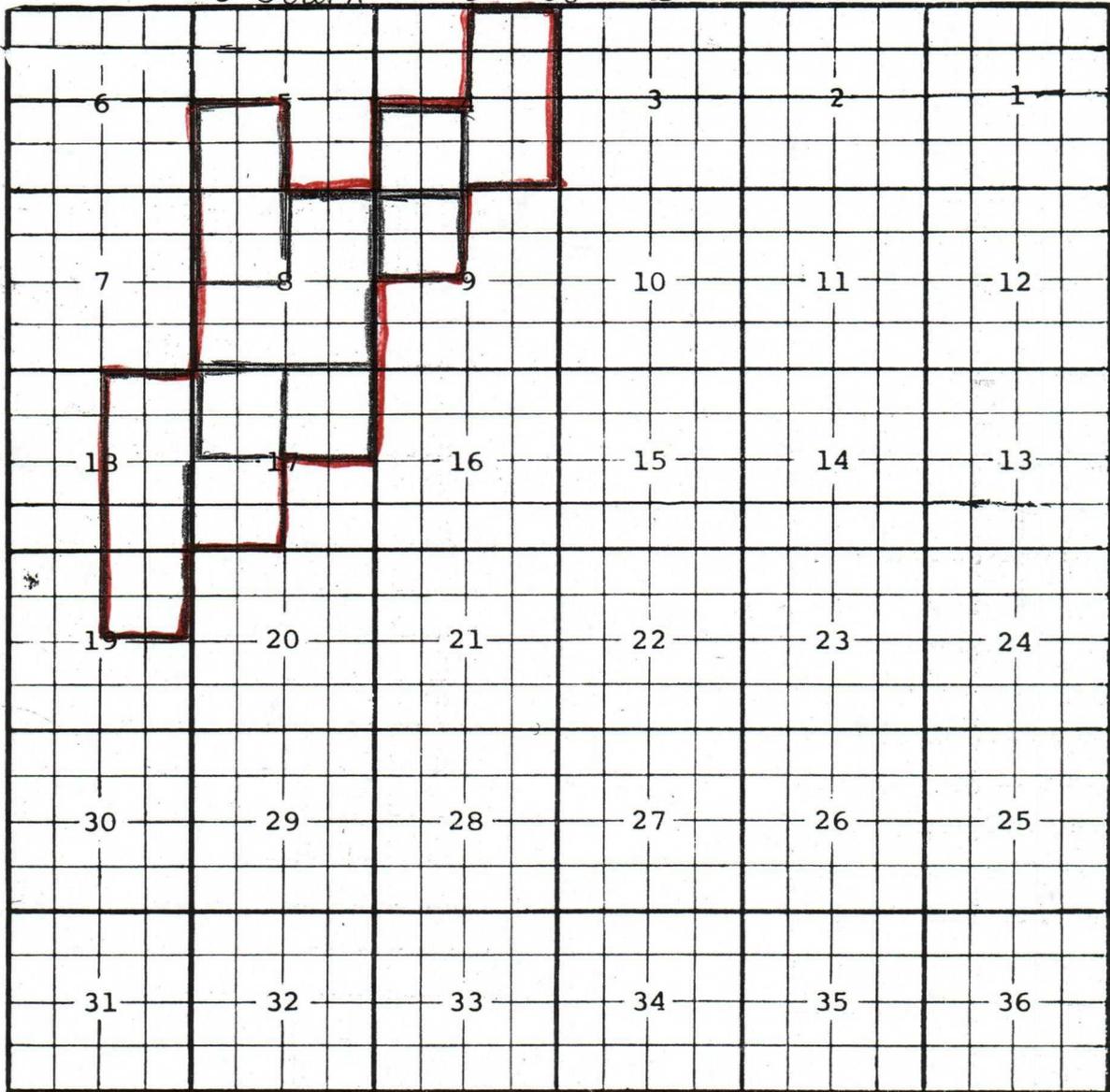
FINDS:

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

(2) That by Order No. R-6764, dated August 26, 1981, temporary Special Rules and Regulations were promulgated for the Peterson-Mississippian Pool, Roosevelt County, New Mexico, establishing temporary 80-acre spacing units.

County Lea Pool West Nadine-Tubb

TOWNSHIP 20 South Range 38 East NMPM



Description: Sec. 9 ^{NW}/₄ (R-7076-9-27-82)

Ext: ^{SW}/₄, ^{NE}/₄ Sec. 8 (R-7307, 6-14-83) Ext: ^{SW}/₄ Sec. 4 (R-10910, 10-31-92)

Ext: ^{SW}/₄ Sec. 5, ^{NW}/₄ Sec. 8 (R-10972, 4-13-98)

Ext: ^{NW}/₄ Sec. 17 (R-11533, 2-8-01) Ext: ^E/₂ Sec. 18, ^{NE}/₄ Sec. 19 (R-12046, 11-3-03)

Ext: ^{SW}/₄ Sec. 17 (R-12063, 11-29-03) Ext: ^E/₂ Sec. 4, ^{NE}/₄ Sec. 17 (R-12223, 10-25-04)