

DATE IN 5/5/08	SUSPENSE	ENGINEER Brooks	LOGGED 5/9/08	NSL PRURO813030519 TYPE SD
-------------------	----------	--------------------	------------------	-------------------------------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

NSL: Chevron USA INC
GC Matthews #5
SD: Chevron USA INC

ADMINISTRATIVE APPLICATION COVERSHEET GC Matthews #5, 12

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]
- [DD-Directional Drilling] [SD-Simultaneous Dedication]
- [DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
- [PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
- [WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
- [SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
- [EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] **TYPE OF APPLICATION** - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM
- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

RECEIVED
 2008 MAY 8 PM 1 49

[2] **NOTIFICATION REQUIRED TO:** - Check Those Which Apply, or Does Not Apply

- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner *5/28*
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] **INFORMATION / DATA SUBMITTED IS COMPLETE** - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Richard A Jenkins

RICHARD A JENKINS
Signature

Petro. Engineer

5/5/2008

Print or Type Name

Title

Date



Richard A. Jenkins
Petroleum Engineer
Permian Basin

Mid-Continent Business Unit
Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705
Tel 432-687-7120
Fax 432-687-7871
rjdg@chevron.com

May 5, 2008

Request for Administrative Approval
Unorthodox Well Location & Simultaneous Dedication
G.C. Matthews #5
2310' FSL & 2310' FEL
Unit J, Section 6, T20S, R37E
Lea County, New Mexico

New Mexico Oil Conservation Division
Attn: David Brooks
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Dear Mr. Brooks:

Attached is a copy of an administrative application for NMOCD approval for an unorthodox well location.

9581
With your approval it is our intention to recomplete the G.C. Matthews #5 as a gas well in the Monument; Tubb (west) reservoir. The subject well has been temporarily abandoned since 2003. The proposed recompletion to the Tubb would create an unorthodox well location, as well as a need for simultaneous dedication with the G.C. Matthews #12. The #12 (api: 30-025-05953) is currently producing from the Tubb at a rate of 1 bopd, 1 bwpd, and 107 mcf/gpd. If approved, the wells will be both produce as part of the Monument; Tubb (west) field.

A copy of this letter was mailed via certified mail to all affected offset operators. A list of all offset operators is attached.

If you have any questions concerning this application, please contact Richard Jenkins at (432) 631-3281.

Sincerely,

Richard A. Jenkins
Production Engineer

C-102 for #5
to offset operators -
Recomplete #5 well - abandoned since 2003
what about #12 well

check both wells -
get everything on there
30-025-05946
30-025-05953

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-05946		² Pool Code 96968		³ Pool Name Monument; Tubb (West)			
⁴ Property Code 2688		⁵ Property Name Matthews, G.C.				⁶ Well Number 5	
⁷ OGRID No. 4323		⁸ Operator Name Chevron U.S.A. Inc.				⁹ Elevation 3,559' GL	

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	6	20S	37E		2310'	South	2310'	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
¹² Dedicated Acres 160		¹³ Joint or Infill		¹⁴ Consolidation Code		¹⁵ Order No.			

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

Handwritten notes on diagram:
 $2640 - 2310 = 330'$
 330'
 330'

11

1
OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature **Richard A Jenkins**

Printed Name **Petr. Engineer**

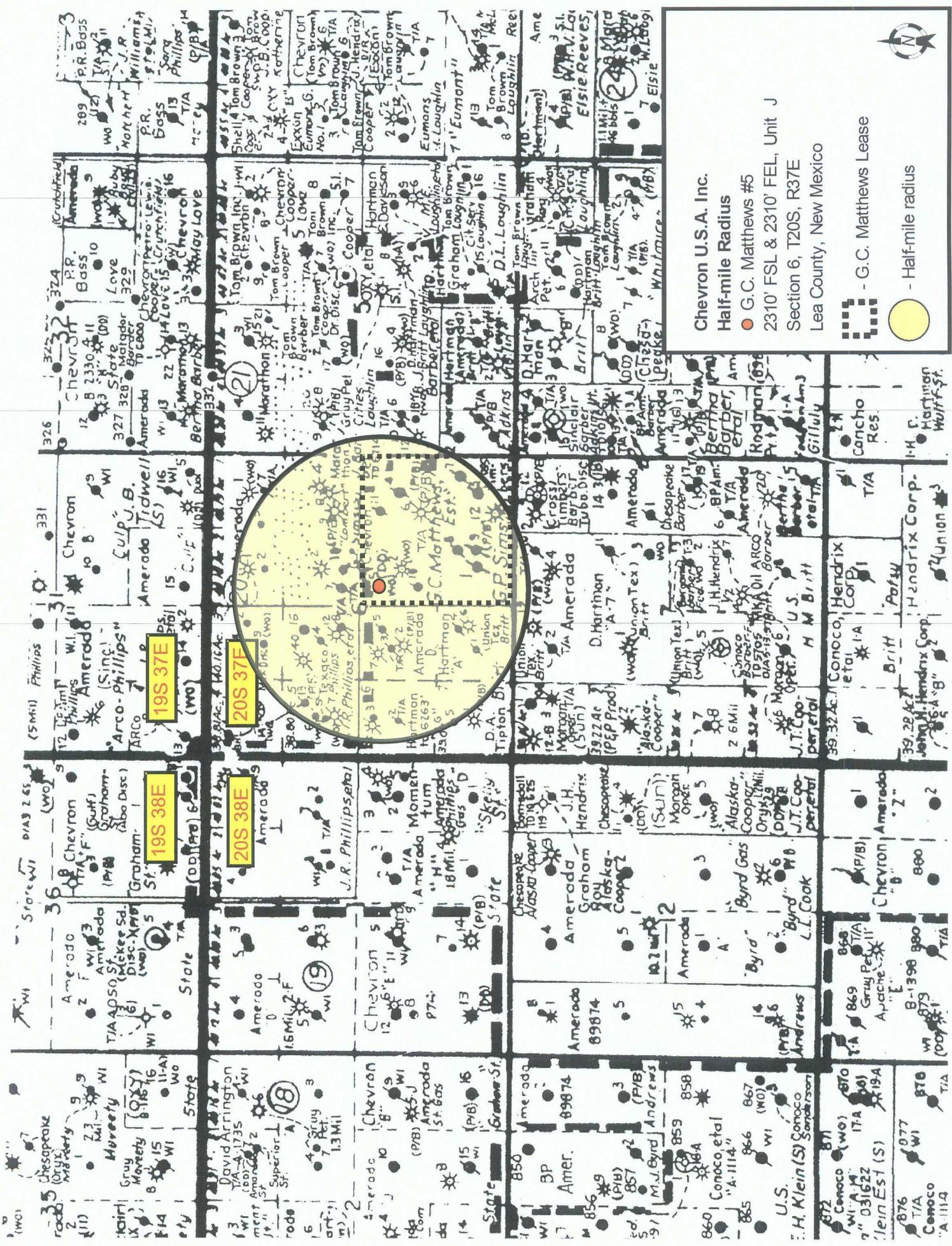
Title **May 5, 2008**

1
SURVEYOR CERTIFICATION

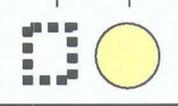
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.

Signature and Seal of Professional Surveyor:

Certificate Number



Chevron U.S.A. Inc.
 Half-mile Radius
 ● G.C. Matthews #5
 2310' FSL & 2310' FEL, Unit J
 Section 6, T20S, R37E
 Lea County, New Mexico



19S 37E

20S 37E

19S 38E

20S 38E



**G.C. Matthews #5
Chevron U.S.A. Inc.
Unorthodox Well Location
Request for Administrative Approval
List of Affected Offset Operators**

- 1) Apache Corp.
6120 S. Yale St.
Suite 1500
Tulsa, OK 74136
- 2) Chesapeake Operating, Inc.
P.O. Box 18496
Oklahoma City, OK 73154
- 3) Cimarex Energy Co.
15 East 5th Street
Suite 1000
Tulsa, OK 74103
- 4) Enervest Operating L.L.C.
1001 Fannin St.
Suite 800
Houston, TX 77002
- 5) Marathon Oil Co.
P.O. Box 3128
Houston, TX 77056
- 6) Rice Operating Co.
112 W. Taylor St.
Hobbs, NM 88240

DATE IN	SUSPENSE	ENGINEER	LOGGED	TYPE
---------	----------	----------	--------	------

ABOVE THIS LINE FOR DIVISION USE ONLY

NEW MEXICO OIL CONSERVATION DIVISION
- Engineering Bureau -

ADMINISTRATIVE APPLICATION COVERSHEET

THIS COVERSHEET IS MANDATORY FOR ALL ADMINISTRATIVE APPLICATIONS FOR EXCEPTIONS TO DIVISION RULES AND REGULATIONS

Application Acronyms:

- [NSP-Non-Standard Proration Unit] [NSL-Non-Standard Location]**
[DD-Directional Drilling] [SD-Simultaneous Dedication]
[DHC-Downhole Commingling] [CTB-Lease Commingling] [PLC-Pool/Lease Commingling]
[PC-Pool Commingling] [OLS - Off-Lease Storage] [OLM-Off-Lease Measurement]
[WFX-Waterflood Expansion] [PMX-Pressure Maintenance Expansion]
[SWD-Salt Water Disposal] [IPI-Injection Pressure Increase]
[EOR-Qualified Enhanced Oil Recovery Certification] [PPR-Positive Production Response]

[1] TYPE OF APPLICATION - Check Those Which Apply for [A]

- [A] Location - Spacing Unit - Directional Drilling
 NSL NSP DD SD

Check One Only for [B] and [C]

- [B] Commingling - Storage - Measurement
 DHC CTB PLC PC OLS OLM

- [C] Injection - Disposal - Pressure Increase - Enhanced Oil Recovery
 WFX PMX SWD IPI EOR PPR

[2] NOTIFICATION REQUIRED TO: - Check Those Which Apply, or Does Not Apply

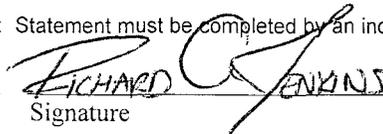
- [A] Working, Royalty or Overriding Royalty Interest Owners
- [B] Offset Operators, Leaseholders or Surface Owner
- [C] Application is One Which Requires Published Legal Notice
- [D] Notification and/or Concurrent Approval by BLM or SLO
U.S. Bureau of Land Management - Commissioner of Public Lands, State Land Office
- [E] For all of the above, Proof of Notification or Publication is Attached, and/or,
- [F] Waivers are Attached

[3] INFORMATION / DATA SUBMITTED IS COMPLETE - Statement of Understanding

I hereby certify that I, or personnel under my supervision, have read and complied with all applicable Rules and Regulations of the Oil Conservation Division. Further, I assert that the attached application for administrative approval is accurate and complete to the best of my knowledge and where applicable, verify that all interest (WI, RI, ORRI) is common. I understand that any omission of data, information or notification is cause to have the application package returned with no action taken.

Note: Statement must be completed by an individual with supervisory capacity.

Richard A Jenkins


Signature

Petro. Engineer

5/5/2008

Print or Type Name

Title

Date



Richard A. Jenkins
Petroleum Engineer
Permian Basin

Mid-Continent Business Unit
Chevron U.S.A. Inc.
15 Smith Road
Midland, Texas 79705
Tel 432-687-7120
Fax 432-687-7871
rjdg@chevron.com

May 5, 2008

Request for Administrative Approval
Unorthodox Well Location & Simultaneous Dedication
G.C. Matthews #5
2310' FSL & 2310' FEL
Unit J, Section 6, T20S, R37E
Lea County, New Mexico

New Mexico Oil Conservation Division
Attn: David Brooks
1220 S. St. Francis Dr.
Santa Fe, NM 87505

Dear Mr. Brooks:

Attached is a copy of an administrative application for NMOCD approval for an unorthodox well location.

With your approval it is our intention to recomplete the G.C. Matthews #5 as a gas well in the Monument; Tubb (west) reservoir. The subject well has been temporarily abandoned since 2003. The proposed recompletion to the Tubb would create an unorthodox well location, as well as a need for simultaneously dedication with the G.C. Matthews #12. The #12 (api: 30-025-05953) is currently producing from the Tubb at a rate of 1 bopd, 1 bwpd, and 107 mcfgpd. If approved, the wells will be both produce as part of the Monument; Tubb (west) field.

A copy of this letter was mailed via certified mail to all affected offset operators. A list of all offset operators is attached.

If you have any questions concerning this application, please contact Richard Jenkins at (432) 631-3281.

Sincerely,

A handwritten signature in black ink that reads "Richard A. Jenkins". The signature is written in a cursive, flowing style.

Richard A. Jenkins
Production Engineer

District I
1625 N. French Dr., Hobbs, NM 88240

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

District II
811 South First, Artesia, NM 88210

OIL CONSERVATION DIVISION

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

District III
1000 Rio Brazos Rd., Aztec, NM 87410

2040 South Pacheco
Santa Fe, NM 87505

AMENDED REPORT

District IV
2040 South Pacheco, Santa Fe, NM 87505

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-05946	² Pool Code 96968	³ Pool Name Monument; Tubb (West)
⁴ Property Code 2688	⁵ Property Name Matthews, G.C.	
⁷ OGRID No. 4323	⁸ Operator Name Chevron U.S.A. Inc.	⁶ Well Number 5
		⁹ Elevation 3,559' GL

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	6	20S	37E		2310'	South	2310'	East	Lea

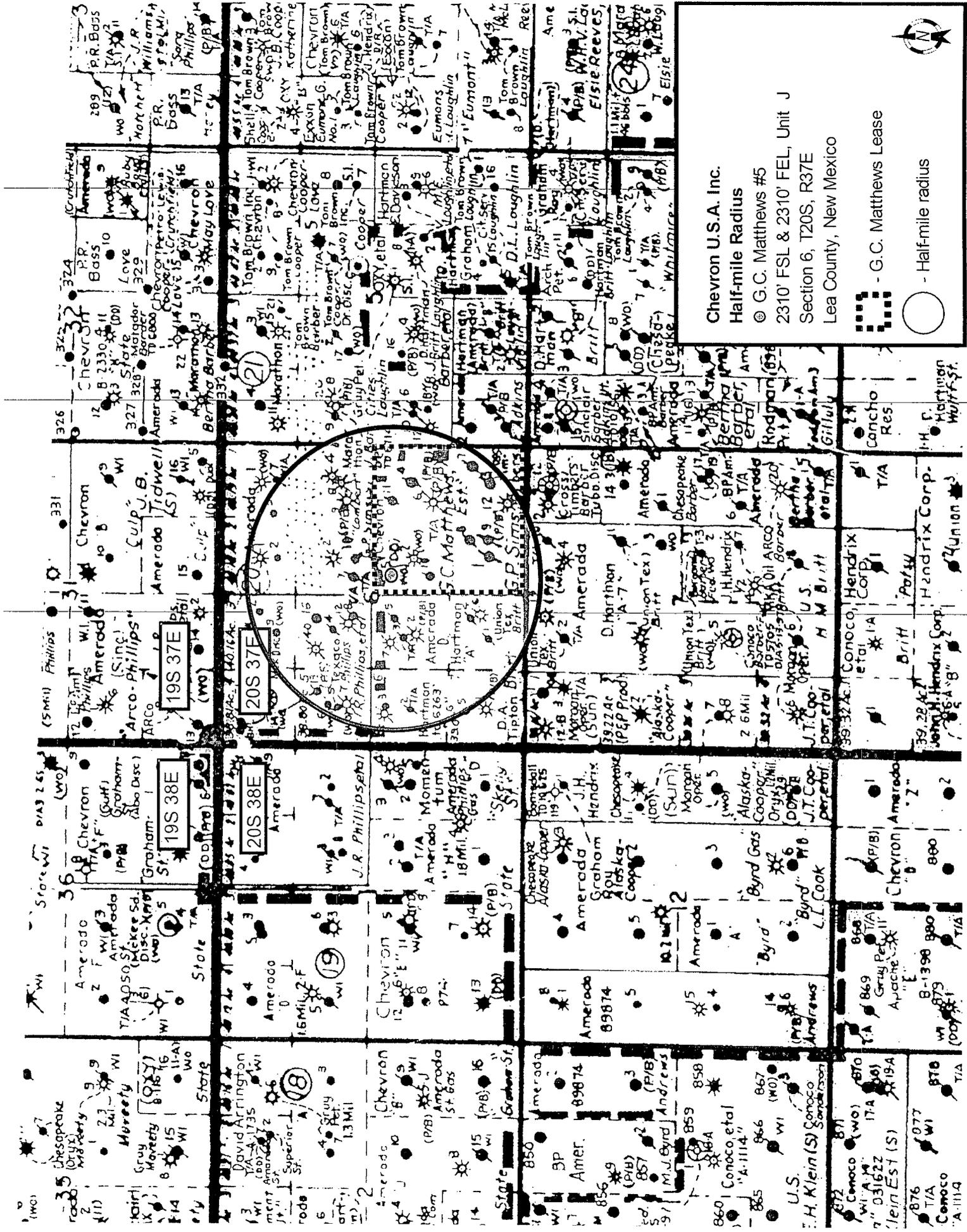
¹¹ Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 160	¹³ Joint or Infill	¹⁴ Consolidation Code	¹⁵ Order No.
--------------------------------------	-------------------------------	----------------------------------	-------------------------

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p style="text-align: right;">11</p> <p>1</p> <p style="text-align: center;">OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p style="text-align: center;"></p> <p>Signature Richard A Jenkins</p> <p>Printed Name Petr. Engineer</p> <p>Title May 5, 2008</p>
	<p>1</p> <p style="text-align: center;">SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Signature and Seal of Professional Surveyor:</p> <p style="text-align: right;">Certificate Number</p>



Chevron U.S.A. Inc.

Half-mile Radius

© G.C. Matthews #5

2310' FSL & 2310' FEL, Unit J

Section 6, T20S, R37E

Lea County, New Mexico



- G.C. Matthews Lease



- Half-mile radius

**G.C. Matthews #5
Chevron U.S.A. Inc.
Unorthodox Well Location
Request for Administrative Approval
List of Affected Offset Operators**

- 1) Apache Corp.
6120 S. Yale St.
Suite 1500
Tulsa, OK 74136

- 2) Chesapeake Operating, Inc.
P.O. Box 18496
Oklahoma City, OK 73154

- 3) Cimarex Energy Co.
15 East 5th Street
Suite 1000
Tulsa, OK 74103

- 4) Enervest Operating L.L.C.
1001 Fannin St.
Suite 800
Houston, TX 77002

- 5) Marathon Oil Co.
P.O. Box 3128
Houston, TX 77056

- 6) Rice Operating Co.
112 W. Taylor St.
Hobbs, NM 88240

Submit 3 copies to Appropriate District Office

State of New Mexico Energy, Minerals and Natural Resources Department

Form C-103 Revised 1-1-89

DISTRICT I

P.O. Box 1980, Hobbs, NM 88240

DISTRICT II

P.O. Box Drawer DD, Artesia, NM 88210

DISTRICT III

1000 Rio Brazos Rd., Aztec, NM 87410

JIL CONSERVATION DIVISION

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

WELL API NO.	30-025-05946
5. Indicate Type of Lease	STATE <input checked="" type="checkbox"/> FEE <input type="checkbox"/>
6. State Oil / Gas Lease No.	
7. Lease Name or Unit Agreement Name	G. C. MATTHEWS
8. Well No.	5
9. Pool Name or Wildcat	MONUMENT ABO
10. Elevation (Show whether DF, RKB, RT,GR, etc.)	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT (FORM C-101) FOR SUCH PROPOSALS.

1. Type of Well:	OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>
2. Name of Operator	CHEVRON USA INC
3. Address of Operator	15 SMITH ROAD, MIDLAND, TX 79705
4. Well Location	Unit Letter <u>J</u> : <u>2310'</u> Feet From The <u>SOUTH</u> Line and <u>2310'</u> Feet From The <u>EAST</u> Line Section <u>6</u> Township <u>20-S</u> Range <u>37-E</u> NMPM <u>LEA</u> COUNTY
10. Elevation (Show whether DF, RKB, RT,GR, etc.)	

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:	SUBSEQUENT REPORT OF:		
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPERATION <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	OTHER: <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	OTHER: <input checked="" type="checkbox"/> REQUEST TA STATUS

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

1-09-03: MIRU PU.
 1-10-03: RU SWAB. TIH W/CSG SCRAPER TO 6810'.
 1-13-03: TIH W/CIBP TO 6787'. SET CIBP. CIRC W/240 BBLs PKR FLUID. TEST CSG W/CHART TO 580# FOR 30 MINS. (ORIGINAL CHART & COPY OF CHART ATTACHED).
 1-14-03: RIG DOWN.

WELL IS TEMPORARILY ABANDONED.

This Approval of Temporary Abandonment Expires 1-28-08

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Denise Leake TITLE Regulatory Specialist DATE 1/22/2003
 TYPE OR PRINT NAME Denise Leake Telephone No. 915-687-7375

(This space for State Use)

APPROVED
CONDITIONS OF APPROVAL, IF ANY:

TITLE ORIGINAL SIGNED BY DATE JAN 28 2003
GARY W. WINK
DC FIELD REPRESENTATIVE II/STAFF MANAGER

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 PO Drawer DD, Artesia, NM 88211-0719
 District III
 1000 Rio Brazos Rd., Artec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

Form C-104
 Revised October 18, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address Chevron U.S.A. Inc. P.O. Box 1150 Midland, TX 79702		² OGRID Number 4323
⁴ API Number 30-0 30-025-05946		³ Reason for Filing Code CG EFFECTIVE 7/1/98
⁷ Property Code 2688	⁵ Pool Name MONUMENT: ABO	⁶ Pool Code 46970
	⁸ Property Name G. C. MATTHEWS	⁹ Well Number 5

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	6	20S	37E		2.410	South	2.910	EAST	

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	6	20S	37E		2.410	South	2.910	EAST	

¹² Lse Code P	¹³ Producing Method Code P	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁵ C-129 Effective Date	¹⁷ C-129 Expiration Date
-----------------------------	--	-----------------------------------	-----------------------------------	------------------------------------	-------------------------------------

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
037480	EOTT ENERGY PIPELINE LP P. O. BOX 4666 HOUSTON, TX 77210-4666	0710710	0	I-06-20S-37E
024650	DYNEGY MIDSTREAM SERVICES, LP 1000 LOUISIANA, SUITE 5800 HOUSTON, TX 77002-5050	0710730	G	I-06-20S-37E

IV. Produced Water

²³ POD 0710750	²⁴ POD ULSTR Location and Description
------------------------------	--

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBDT	²⁹ Perforations	³⁰ DHC, DC, MC
³¹ Hole Size	³² Casing & Tubing Size	³³ Depth Set	³⁴ Sacks Cement		

VI. Well Test Data

³⁵ Date New Oil	³⁶ Gas Delivery Date	³⁷ Test Date	³⁸ Test Length	³⁹ Tbg. Pressure	⁴⁰ Csg. Pressure
⁴¹ Choke Size	⁴² Oil	⁴³ Water	⁴⁴ Gas	⁴⁵ AOF	⁴⁶ Test Method

⁴⁷ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief. Signature: <i>J. K. Ripley</i>		OIL CONSERVATION DIVISION	
Printed name: J. K. RIPLEY		Approved by: _____	
Title: TECHNICAL ASSISTANT		Title: _____	
Date: 2/17/99		Approval Date: _____	
Phone: (915)687-7148			

⁴⁸ If this is a change of operator fill in the OGRID number and name of the previous operator

Previous Operator Signature	Printed Name	Title	Date
-----------------------------	--------------	-------	------

District I
 PO Box 1980, Hobbs, NM 88241-1980
 District II
 811 S. 1st Street, Artesia, NM 88210-2834
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 PO Box 2088, Santa Fe, NM 87504-2088

State of New Mexico
 Energy, Minerals & Natural Resources Department

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, NM 87504-2088

Form C-104
 Revised February 10, 1994
 Instructions on back
 Submit to Appropriate District Office
 5 Copies

AMENDED REPORT

I. REQUEST FOR ALLOWABLE AND AUTHORIZATION TO TRANSPORT

¹ Operator name and Address		² OGRID Number
Chevron U.S.A. Inc. P.O. Box 1150 Midland, TX 79702		004323
		³ Reason for Filing Code
		CO EFFECTIVE 11-1-93
⁴ API Number	⁵ Pool Name	⁶ Pool Code
30-025-05946	Monument: Abo	46970
⁷ Property Code	⁸ Property Name	⁹ Well Number
002688	G C Matthews	5

II. ¹⁰ Surface Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County
J	6	20S	37E		2310	South	2310	East	Lea

¹¹ Bottom Hole Location

UL or lot no.	Section	Township	Range	Lot. Idn	Feet from the	North/South Line	Feet from the	East/West line	County

¹² Use Code	¹³ Producing Method Code	¹⁴ Gas Connection Date	¹⁵ C-129 Permit Number	¹⁶ C-129 Effective Date	¹⁷ C-129 Expiration Date
P	P	unknown			

III. Oil and Gas Transporters

¹⁸ Transporter OGRID	¹⁹ Transporter Name and Address	²⁰ POD	²¹ O/G	²² POD ULSTR Location and Description
037480	EOTT Energy Pipeline LP P.O. Box 4666 Houston, TX 77210-4666	0710710	0	EOTT transports oil on this lease effective 11-1-93. Battery location: I-6-20S-37E
024650	Warren Petroleum Corp. P.O. Box 1589 Tulsa, OK 74102	0710730	G	Warren transports gas on this lease Battery location: I-6-20S-37E

IV. Produced Water

²³ POD	²⁴ POD ULSTR Location and Description

V. Well Completion Data

²⁵ Spud Date	²⁶ Ready Date	²⁷ TD	²⁸ PBD	²⁹ Perforations
³⁰ Hole Size	³¹ Casing & Tubing Size	³² Depth Set	³³ Sacks Cement	

VI. Well Test Data

³⁴ Date New Oil	³⁵ Gas Delivery Date	³⁶ Test Date	³⁷ Test Length	³⁸ Tbg. Pressure	³⁹ Csg. Pressure
⁴⁰ Choke Size	⁴¹ Oil	⁴² Water	⁴³ Gas	⁴⁴ AOF	⁴⁵ Test Method

⁴⁶ I hereby certify that the rules of the Oil Conservation Division have been complied with and that the information given above is true and complete to the best of my knowledge and belief.		OIL CONSERVATION DIVISION	
Signature: <i>J.K. Ripley</i>		Approved by: _____	
Printed name: J.K. Ripley		Title: _____	
Title: Technical Assistant		Approval Date: JUN 11 1996	
Date: 5/31/96	Phone: _____		

⁴⁷ If this is a change of operator fill in the OGRID number and name of the previous operator			
Previous Operator Signature	Printed Name	Title	Date

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department
OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240
DISTRICT II
P.O. Drawer Dd, Artesia, NM 88210
DISTRICT III
1000 Rio Brazos Rd., Aztec, Nm 87410

API NO. (assigned by OCD on New Wells) 30-025-05946	
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>	
6. State Oil & Gas Lease No. N/A	
7. Lease Name or Unit Agreement Name G. C. MATTHEWS	
8. Well No. 5	
9. Pool name or Wildcat MONUMENT ABO	
10. Elevation(Show whether DF, AKB, RT, GR, etc.) 3559' GL	

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK
DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT"
(FORM C-101) FOR SUCH PROPOSALS.)

1. Type of Well: OIL WELL <input checked="" type="checkbox"/> GAS WELL <input type="checkbox"/> OTHER <input type="checkbox"/>	
2. Name of Operator CHEVRON U.S.A. INC.	
3. Address of Operator P.O. BOX 1150 MIDLAND, TX 79702 ATTN: NITA RICE	
4. Well Location Unit Letter <u>J</u> : <u>2310</u> Feet From The <u>SOUTH</u> Line and <u>2310</u> Feet From The <u>EAST</u> Line Section <u>6</u> Township <u>20S</u> Range <u>37E</u> NMPM <u>LEA</u> County	

11 Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

PERFORM REMEDIAL WORK PLUG AND ABANDON
 TEMPORARILY ABANDON CHANGE PLANS
 PULL OR ALTER CASING
 OTHER:

SUBSEQUENT REPORT OF:

REMEDIAL WORK ALTER CASING
 COMMENCE DRILLING OPNS. PLUG AND ABAN.
 CASING TEST AND CMT JOB
 OTHER: PLUG BACK, SAME ZONE

12. Describe Proposed or Completed Operations(Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

WORK STARTED 04/08/94. MIRU, ND WH, NU BOP. SET CICR @7330'.
 MIX & PUMP 150 SX CMT. CMT IN FORM 127 SX, IN CSG 16 SX, REV TO PIT 7 SX.
 PICKLE TBG W/500 GALS 15% HCL. SPOT 150 GALS 15% ACID @7000'. SWAB.
 PERF F/6242'-6946', 6956'-6962', 6966'-6985'. SWAB.
 ACDZ 3500 GALS 15% NEFE ACID. SWAB. RD CLEAN LOCATION. TURN OVER TO PROD 04/20/94.

I hereby certify that the information provided is true and complete to the best of my knowledge and belief.

SIGNATURE Wendi Kingston TITLE TECH. ASSISTANT DATE: 04/28/94

TYPE OR PRINT NAME WENDI KINGSTON TELEPHONE NO. (915)687-7436

APPROVED BY _____ ORIGINAL SIGNED BY _____ DATE MAY 6 1994
 TITLE DISTRICT I SUPERVISOR

CONDITIONS OF APPROVAL, IF ANY:

Submit 3 Copies
to Appropriate
District Office

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-103
Revised 1-1-89

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL API NO.
30-025-05946

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
(DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name

G. C. Matthews

1. Type of Well:
OIL WELL GAS WELL OTHER

8. Well No.
5

2. Name of Operator
Chevron U.S.A., Inc.

9. Pool name or Wildcat
Monument Abo

3. Address of Operator
P. O. Box 1150, Midland, TX 79702

4. Well Location
Unit Letter J : 2310 Feet From The South Line and 2310 Feet From The East Line
Section 6 Township 20S Range 37E NMPM Lea County

10. Elevation (Show whether DF, RKB, RT, GR, etc.)
3559' GR

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING CPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>		CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <u>Abandon Lower Abo; Complete Upper Abo</u> <input checked="" type="checkbox"/>		OTHER: _____ <input type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work) SEE RULE 1103.

POH w/tbg. Set CICR 7030', test 200 psi. Squeeze 7045'-7252', top w/20' cmt. Spot acid. Perf 6862-70', 6956-62', 6942-46', 6966'86' w/4 JHPF. Acidize.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J. K. Ripley TITLE T.A. DATE 3/15/94
TYPE OR PRINT NAME _____ TELEPHONE NO. _____

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

ORIGINAL SIGNED BY JERRY SEXTON
DISTRICT I SUPERVISOR

MAR 22 1994

District I
1625 N. French Dr., Hobbs, NM 88240

District II
811 South First, Artesia, NM 88210

District III
1000 Rio Brazos Rd., Aztec, NM 87410

District IV
2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
Energy, Minerals & Natural Resources Department

Form C-102
Revised March 17, 1999

OIL CONSERVATION DIVISION
2040 South Pacheco
Santa Fe, NM 87505

Submit to Appropriate District Office
State Lease - 4 Copies
Fee Lease - 3 Copies

AMENDED REPORT

WELL LOCATION AND ACREAGE DEDICATION PLAT

¹ API Number 30-025-05946		² Pool Code 96968		³ Pool Name Monument; Tubh (West)	
⁴ Property Code 2688		⁵ Property Name Matthews, G.C.			⁶ Well Number 5
⁷ OGRID No. 4323		⁸ Operator Name Chevron U.S.A. Inc.			⁹ Elevation 3,559' GL

¹⁰ Surface Location

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County
J	6	20S	37E		2310'	South	2310'	East	Lea

¹¹ Bottom Hole Location If Different From Surface

UL or Lot No.	Section	Township	Range	Lot Idn	Feet from the	North/South line	Feet from the	East/West line	County

¹² Dedicated Acres 160 ¹³ Joint or Infill ¹⁴ Consolidation Code ¹⁵ Order No

NO ALLOWABLE WILL BE ASSIGNED TO THIS COMPLETION UNTIL ALL INTERESTS HAVE BEEN CONSOLIDATED OR A NON-STANDARD UNIT HAS BEEN APPROVED BY THE DIVISION

	<p>1 OPERATOR CERTIFICATION</p> <p><i>I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.</i></p> <p><i>Richard A Jenkins</i></p> <p>Signature <u>Richard A Jenkins</u></p> <p>Printed Name <u>Petr. Engineer</u></p> <p>Title <u>May 5, 2008</u></p>
	<p>1 SURVEYOR CERTIFICATION</p> <p><i>I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my belief.</i></p> <p>Signature and Seal of Professional Surveyor</p> <p>Certificate Number</p>

G.C. Matthews #5
 Eunice Monument; GB-SA
 T20S, R37E, Section 6
 2310' FSL & 2310' FEL
 30-025-05946

04/25/08

Job: Complete Tubb Formation

Note: *CVX owns from 3493' and deeper

Procedure:

1. *This procedure is based on the most recent information regarding wellbore configuration and equipment that could be found in the Midland Office well files and computer databases as of 04/25/08. Verify what is in the hole with the well file in the Eunice Field office. Discuss w/ WEO Engineer, Workover Rep, OS, ALS, and FS prior to rigging up on well regarding any hazards or unknown issues pertaining to the well.*
2. Displace flowline with fresh water. Have field specialist close valve at header. Pressure line according to the type of line. Buried fiberglass lines will be tested with 300 psi. All polypipe (SDR7 and SDR11) will be tested w/100 psi. All steel lines will be tested w/500 psi. If a leak is found, contact Donnie Ives for repair/replacement. If test is good, bleed off pressure and **open** valve at header. Document this process in the morning report.
3. MIRU BakerAtlas WL. GIH with 3-1/8" slick casing guns and perforate the following intervals with 4 JSPF at 120 degree phasing using 23 gram premium charges:

22 pf?

Top Perf	Bottom Perf	Net Ft	Number of Perfs
6332	6340	8	16
6344	6352	8	16
6362	6370	8	16
6374	6378	4	8
6407	6410	3	6
6420	6428	8	16
		39	78

Note: Use Gray Wireline CNL/GR/CCL Log dated 02/13/2008 for depth correction.

4. RIH w/ 4-1/2" packer with 2.25" profile, and on/off tool, on 2-7/8" workstring to 6430'.
5. MI & RU DS Services. Spot 5 bbl 15% acid over Tubb perfs. Set pkr @ 6250'. Load backside to 350 psi. Acidize Tubb perfs with 3,000 gal 15% NEFE HCl acid* at a maximum rate 5 BPM and a maximum surface pressure of 4000 psi. Drop a total of 250, 1.3 SG ball sealers. Drop slugs of around 30 balls per 300 gallons.

Displace acid with 8.6 PPG cut brine water -- do not over displace. Record ISIP, 5 & 10 minute SIP's. RD and release DS services.

* Acid system to contain:	1 GPT A264	Corrosion Inhibitor
	8 GPT L63	Iron Control Agents
	2 PPT A179	Iron Control Aid
	20 GPT U66	Mutual Solvent
	2 GPT W53	Non-Emulsifier

6. Leave SI for 3 hours. RU swab and recover 100% of treatment and load volumes before shutting well in for night, if possible. Report recovered volumes, pressures, and/or swabbing fluid levels. **Note: notify engineering of swab results.**
7. Open well. Release packer. TOH w/ packer and WS. LD packer.
8. PU and GIH w/ 4-1/2" Arrow-Set 10k pkr & On-Off tool w/ 2.25" "F" profile, 3 jts of 2-7/8 EUE 8R L-80 WS, 2-7/8" to 3-1/2" crossover, and 171 jts of 3-1/2" EUE 8R L-80 work string, testing to 8000 psi. Set pkr at approximately 5394'. Install frac head. Pressure annulus to 350 psi to test csg and pkr. Leave pressure on csg during frac job to aid in observing communication.
9. MI & RU DS Services and Rita Dickey (432)-553-2526. Frac well down 3 1/2" tubing assembly at **40 BPM** with 38,000 gals of YF125, 82,000 lbs. 20/40 mesh **resin-coated** proppant, ramping from 2 PPG to 6 PPG throughout job. Observe a maximum surface treating pressure of **8,000 psi**. Pump job as follows:
 - Pump 2,000 gals WF125FT **at 20 BPM**
 - Pump 8,000 gals YF125FT pad containing 5 GPT J451 Fluid Loss Additive at **40 BPM**
 - Pump 2,000 gals YF125FT containing 1 PPG 20/40 resin-coated sand & 5 GPT J451 FL Additive **at 40 BPM**
 - Pump 8,000 gals YF125FT pad containing 5 GPT J451 Fluid Loss Additive **at 40 BPM**
 - Pump 14,000 gals YF125FT ramping from 2 PPG to 6 PPG 20/40 resin-coated sand **at 40 BPM**
 - Pump 4,000 gals YF125FT containing 6 PPG resin-coated sand **at 40 BPM**

Flush to 6230'. **Do not overflush.** Shut well in. Record ISIP, 5, 10, and 15 minute SI tbg pressures. SWI. RD & Release DS Services and Rita Dickey. **Leave well SI overnight.**
10. Open well. Bleed pressure from well, if any. POH. Release pkr. POH LD 3 1/2" tubing assembly, on-off tool, and pkr.
11. PU and GIH with 3-3/4" bit (size bit for 4-1/2" 11.6# liner)" on 2 7/8" work string to approximately 6600'. If fill is tagged above 6600', cleanout to 6752' using 8.6# PPG cut brine water using air unit if necessary. POH with 2-7/8" tbg and bit. LD workstring and bit.
12. PU & GIH with 4-1/2" Arrow-set pkr on 2-7/8" production tubing 6230'. Set pkr at 6230'. Open well. GIH and swab well until there is no sand inflow. Release pkr and TOH. LD packer.
13. PU and GIH w/ 2-7/8" production tubing and TAC. Remove BOP's and install WH. GIH with rods, weight bars, and pump per ALS recommended design. RD & release workover unit.

14. Turn well over to production. Report producing rates, choke sizes, flowing pressures and/or fluid levels.

Engineer – Richard Jenkins
432-687-7120 Office
432-631-3281 Cell

Well: **G.C. Matthews #5**

Field: **Monument**

Reservoir: **TA'd**

Location:

2310' FSL & 2310' FEL
Section: 6 Unit Letter: J
Township: 20S
Range: 37E
County: Lea State: NM

Elevations:

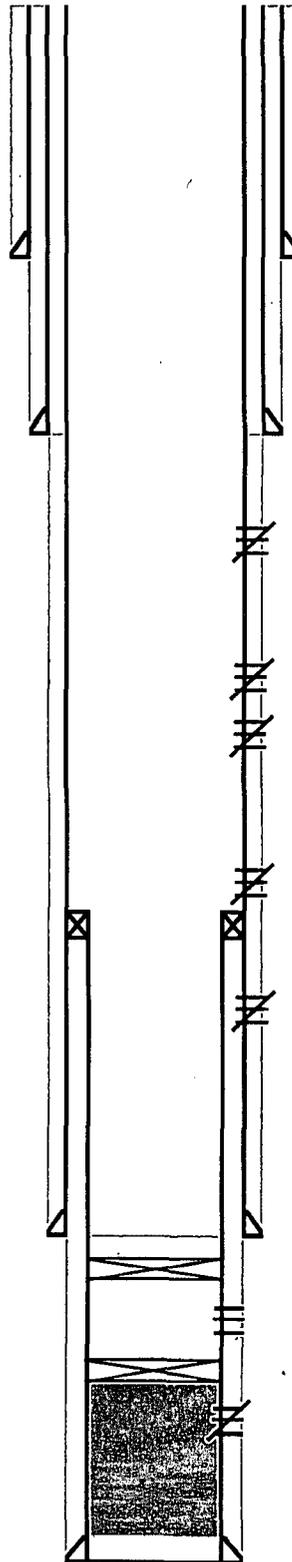
GL: 3559'
KB: 3569'
DF:

This wellbore diagram is based on the most recent information and equipment that could be found in the Midland Office well files and computer databases as of the update below. Verify what is in the hole with well file in the Eunice Field Office. C w/ WEO Engineer, WO Rep. OS, ALS, & to rigging up on well regarding any unknown issues pertaining...

Current Wellbore Diagram

Well ID Info:

Refno: FA7068
API No: 30-025-05946
L5/L6: UCU764100
Spud Date: 5/5/1951
Compl. Date: 11/1951



Surf. Csg: 13-3/8", 48#
Set: @ 326' w/ 325 sks
Hole Size: 17-1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Interm. Csg: 9 5/8", 36#
Set: @ 2650' w/ 1500 sks
Hole Size: 12 1/4"
Circ: no **TOC:** 950'
TOC By: T.S.

Perfs:	Status
3386'-88'	Penrose - Squeezed
3437'-39'	Penrose - Squeezed
3466'-68'	Penrose - Squeezed

*CVX owns from 3493' and deeper

3502'-12'	Grayburg - Squeezed
3546'-48'	Grayburg - Squeezed
3610'-12'	Grayburg - Squeezed
3603-3924'	Grayburg/SA - Squeezed

Perfs:	Status
5139'-5208'	Paddock - Squeezed

Perfs:	Status
5576'-5602'	Blinebry - Isolated Behind Liner
5650-5700'	Blinebry - Isolated Behind Liner

Prod. Csg: 7", 23#
Set: @ 5779' w/ 650 sks
Hole Size: 8-3/4"
Circ: No **TOC:** 2660'
TOC By: T.S.

Perfs:	Status
6862-6986'	Abo - Isolated Below CIBP

Perfs:	Status
7045'-7252'	Abo - Squeezed

Liner: 4-1/2", 11.6#
Top: 5333'
Set: @ 7398' w/ 250 sks
Hole Size: 6 1/4"

TOC @ 2660'

TOL @ 5333'

CIBP @ 6787' w/ 35' of cmt on top

CICR @ 7030'

COTD:
PBTD: 6752'
TD: 7400'

Updated: 4/25/2008

By: rjdg

Well: **G.C. Matthews #5**

Field: **Monument**

Reservoir: **TA'd**

Location:

2310' FSL & 2310' FEL
Section: 6 Unit Letter: J
Township: 20S
Range: 37E
County: Lea State: NM

Elevations:

GL: 3559'
KB: 3569'
DF:

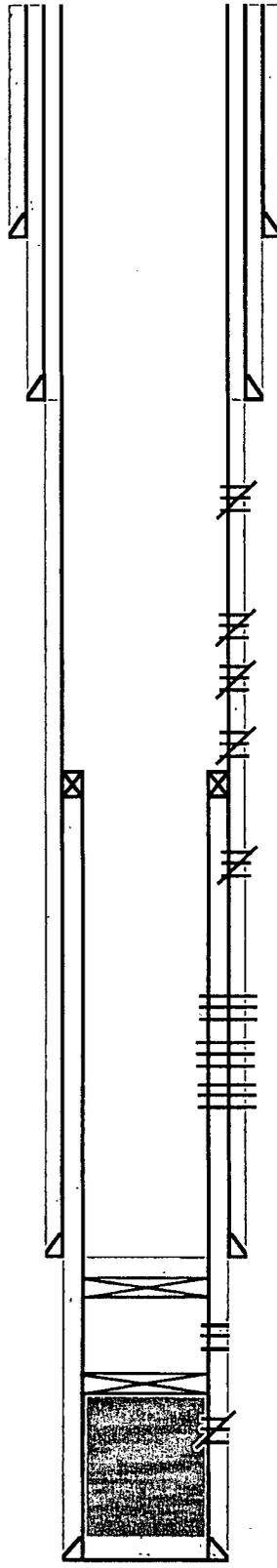
This wellbore diagram is based on the most recent information and equipment that could be found in the Midland Office well files and computer databases as of the update below. Verify what is in the hole with well file in the Eunice Field Office. C w/ WEO Engineer, WO Rep. OS, ALS, & to rigging up on well regarding any unknown issues pertaining...

Proposed Wellbore Diagram

Well ID Info:

Refno: FA7068
API No: 30-025-05946
L5/L6: UCU764100
Spud Date: 5/5/1951
Compl. Date: 11/1951

↑
1951



Surf. Csg: 13-3/8", 48#
Set: @ 326' w/ 325 sks
Hole Size: 17-1/4"
Circ: Yes **TOC:** Surface
TOC By: Circulated

Intern. Csg: 9 5/8", 36#
Set: @ 2650' w/ 1500 sks
Hole Size: 12 1/4"
Circ: no **TOC:** 950'
TOC By: T.S.

Perfs: Status
3386'-88' Penrose - Squeezed
3437'-39' Penrose - Squeezed
3466'-68' Penrose - Squeezed

*CVX owns from 3493' and deeper

3502'-12' Grayburg - Squeezed
3546'-48' Grayburg - Squeezed
3610'-12' Grayburg - Squeezed
3603-3924' Grayburg/SA - Squeezed

Perfs: Status
5139'-5208' Paddock - Squeezed

Perfs: Status
5576'-5602' Blinbry - Isolated Behind Liner
5650-5700' Blinbry - Isolated Behind Liner

Perfs: Status
6332'-6340' Tubb - Open
6344'-6352' Tubb - Open
6362'-6370' Tubb - Open
6374'-6378' Tubb - Open
6407'-6410' Tubb - Open
6420'-6428' Tubb - Open

} when

Prod. Csg: 7", 23#
Set: @ 5779' w/ 650 sks
Hole Size: 8-3/4"
Circ: No **TOC:** 2660'
TOC By: T.S.

Perfs: Status
6862-6986' Abo - Isolated Below CIBP

Perfs: Status
7045'-7252' Abo - Squeezed

Liner: 4-1/2", 11.6#
Top: 5333'
Set: @ 7398' w/ 250 sks
Hole Size: 6 1/4"

TOC @ 2660'

TOL @ 5333'

CIBP @ 6787' w/ 35' of cmt on top

CICR @ 7030'

COTD:
PBTD: 6752'
TD: 7400'

Updated: 4/25/2008

By: rjdg

G. C Mathews #5-

Spudded 5 PM May 5th 1951 (Gulf Oil)

Completed in June 1951

Grayburg Formation Monument Pool

ASK Div. for Hearing Order approval for dual completion in 1972

1-28-08 Temp Abnd

Drilled as Eunice Monument Drill as oil well

§ Paddock Monument 10-77 12-77

Added lower perfs 10-1987

G.C Mathews H⁵ Drilled in 94 as

Monument Abo

1-28-08 well was approved for temp. Aband.

June 1972 First oil in tank

April 1972 ask Div. for Hearing order
to dual complete -

May of 1969 ask to drill well

Croyburg formation Monument Pool

1964

1960 Gulf oil Corp -

June 1951

Spudded SPM MAY 5TH 1951 -

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
 30-025-05953

5. Indicate Type of Lease
 STATE FEE

6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS
 (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.)

7. Lease Name or Unit Agreement Name:
 G. C. MATTHEWS

1. Type of Well:
 Oil Well Gas Well Other

8. Well No.
 12

2. Name of Operator
 Chevron U.S.A. Inc.

9. Pool name or Wildcat
 MONUMENT TOEB, WEST

3. Address of Operator
 P.O. Box 1150 Midland, TX 79702

4. Well Location
 Unit Letter P : 330 feet from the SOUTH line and 990 feet from the EAST line
 Section 6 Township 20S Range 37E NMPM County LEA

10. Elevation (Show whether DR, RKB, RT, GR, etc.)

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data

NOTICE OF INTENTION TO:

- PERFORM REMEDIAL WORK
- PLUG AND ABANDON
- TEMPORARILY ABANDON
- PULL OR ALTER CASING
- OTHER:
- CHANGE PLANS
- MULTIPLE COMPLETION

SUBSEQUENT REPORT OF:

- REMEDIAL WORK
- ALTERING CASING
- COMMENCE DRILLING OPNS.
- PLUG AND ABANDONMENT
- CASING TEST AND CEMENT JOB
- OTHER: ADDED PERFS

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompilation.

PPD 60 BELLS HOT 2% NCL TO CLEAN TBG. SWABBED TO TD - TBG CLEAN. PERFD 6350'-6360' W/ 4 JHPF. ACZO PERFS W/1000 GALS 15%. SWABBED. FRACD W/40,000 GALS FOAM & 111,000# SAND. TAGGED FILL @ 5645'; CO TO 6454', CIRC CLEAN. SWABBED. RETURNED WELL TO PRODUCTION.

WORK PERFORMED 1/14/02 - 1/29/02

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J. K. Ripley TITLE REGULATORY O.A. DATE 2/7/02

Type or print name J. K. RIPLEY Telephone No. (915)687-7148

(This space for State use)

APPROVED BY [Signature] TITLE REGULATORY O.A. DATE FEB 12 2002
 ORIGINAL SIGNED BY [Signature] DATE FEB 12 2002
 CONDITIONS OF APPROVAL, IF ANY: PERFORMED BY ENGINEER

Submit to Appropriate District Office
 State Lease - 6 copies
 Fee Lease - 5 copies
 District I
 1625 N. French, Hobbs, NM 88240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-105
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO.
30-025-05953

5. Indicate Type Of Lease
 STATE FEE

6. State Oil & Gas Lease No.

WELL COMPLETION OR RECOMPLETION REPORT AND LOG

1a. Type of Well:
 OIL WELL GAS WELL DRY OTHER _____

b. Type of Completion:
 NEW WELL WORK OVER DEEPEN PLUG BACK DIFF. RESVR. OTHER _____

2. Name of Operator
Chevron U.S.A. Inc.

3. Address of Operator
P.O. Box 1150 Midland, TX 79702

7. Lease Name or Unit Agreement Name
G. C. MATTHEWS

8. Well No.
12

9. Pool name or Wildcat
MONUMENT, TOBB, WEST

4. Well Location
 Unit Letter **P** : **330** Feet From The **SOUTH** Line and **990** Feet From The **EAST** Line

Section **6** Township **20S** Range **37E** NMPM **LEA** County

10. Date Spudded
 11. Date T.D. Reached
 12. Date Compl. (Ready to Prod.) **12/10/01**
 13. Elevations (DF & RKB, RT, GR, etc.)
 14. Elev. Casinghead

15. Total Depth **6550'**
 16. Plug Back T.D. **6550'**
 17. If Multiple Compl. How Many Zones?
 18. Intervals Drilled By
 Rotary Tools
 Cable Tools

19. Producing Interval(s), of this completion - Top, Bottom, Name
6372' - 6414'
 20. Was Directional Survey Made

21. Type Electric and Other Logs Run
PLATFORM EXPRESS
 22. Was Well Cored
YES

23. CASING RECORD (Report all strings set in well)

CASING SIZE	WEIGHT LB./FT.	DEPTH SET	HOLE SIZE	CEMENTING RECORD	AMOUNT PULLED
4-1/2"	11.6	6548'	6-1/8"	135 SK - TOC @ 5900'	

24. LINER RECORD

SIZE	TOP	BOTTOM	SACKS CEMENT	SCREEN	SIZE	DEPTH SET	PACKER SET
					2-3/8"	6510'	

25. TUBING RECORD

DEPTH INTERVAL	AMOUNT AND KIND MATERIAL USED
6372'-6414'	2000 GALS 15%, 120 RCNB'S

26. Perforation record (interval, size, and number)

6372' - 6414' 4 JHPF

27. ACID, SHOT, FRACTURE, CEMENT, SQUEEZE, ETC.

DATE FIRST PRODUCTION	PRODUCTION METHOD (Flowing, gas lift, pumping - Size and type pump)	WELL STATUS (Prod. or Shut-in)					
12/10/01	FLOWING	PROD					
DATE OF TEST	HOURS TESTED	CHOKESIZE	PROD'N FOR TEST PERIOD	OIL - BBL	GAS - MCF	WATER - BBL	GAS - OIL RATIO
12/10/01	24			0	283	0	283,000
FLOW TUBING PRESS.	CASING PRESSURE	CALCULATED 24-HOUR RATE	OIL - BBL	GAS - MCF	WATER - BBL	OIL GRAVITY - API (Corr.)	
55	0		0	283	0		

28. PRODUCTION

29. Disposition of Gas (Sold, used for fuel, vented, etc.)
SOLD
 Test Witnessed By

30. List Attachments

31. I hereby certify that the information shown on both sides of this form is true and complete to the best of my knowledge and belief

Signature **J. K. Ripley** Printed Name **J. K. RIPLEY** Title **REGULATORY O.A.** Date **1/9/02**

IC

KER

Submit 3 Copies To Appropriate District Office
 District I
 1625 N. French Dr., Hobbs, NM 87240
 District II
 811 South First, Artesia, NM 87210
 District III
 1000 Rio Brazos Rd., Aztec, NM 87410
 District IV
 2040 South Pacheco, Santa Fe, NM 87505

State of New Mexico
 Energy, Minerals and Natural Resources

Form C-103
 Revised March 25, 1999

OIL CONSERVATION DIVISION
 2040 South Pacheco
 Santa Fe, NM 87505

WELL API NO. 30-025-05953
5. Indicate Type of Lease STATE <input type="checkbox"/> FEE <input checked="" type="checkbox"/>
6. State Oil & Gas Lease No.

SUNDRY NOTICES AND REPORTS ON WELLS (DO NOT USE THIS FORM FOR PROPOSALS TO DRILL OR TO DEEPEN OR PLUG BACK TO A DIFFERENT RESERVOIR. USE "APPLICATION FOR PERMIT" (FORM C-101) FOR SUCH PROPOSALS.) 1. Type of Well: Oil Well <input type="checkbox"/> Gas Well <input checked="" type="checkbox"/> Other		7. Lease Name or Unit Agreement Name: G. C. MATTHEWS
2. Name of Operator Chevron U.S.A. Inc.	8. Well No. 12	
3. Address of Operator P.O. Box 1150 Midland, TX 79702	9. Pool name or Wildcat MONUMENT; TOBB, WEST	
4. Well Location Unit Letter P : 330 feet from the SOUTH line and 990 feet from the EAST line Section 6 Township 20S Range 37E NMPM County LEA		
10. Elevation (Show whether DR, RKB, RT, GR, etc.)		

11. Check Appropriate Box to Indicate Nature of Notice, Report, or Other Data			
NOTICE OF INTENTION TO:		SUBSEQUENT REPORT OF:	
PERFORM REMEDIAL WORK <input type="checkbox"/>	PLUG AND ABANDON <input type="checkbox"/>	REMEDIAL WORK <input type="checkbox"/>	ALTERING CASING <input type="checkbox"/>
TEMPORARILY ABANDON <input type="checkbox"/>	CHANGE PLANS <input type="checkbox"/>	COMMENCE DRILLING OPNS. <input type="checkbox"/>	PLUG AND ABANDONMENT <input type="checkbox"/>
PULL OR ALTER CASING <input type="checkbox"/>	MULTIPLE COMPLETION <input type="checkbox"/>	CASING TEST AND CEMENT JOB <input type="checkbox"/>	
OTHER: <input type="checkbox"/>		OTHER: DEEPEMED <input checked="" type="checkbox"/>	

12. Describe Proposed or Completed Operations (Clearly state all pertinent details, and give pertinent dates, including estimated date of starting any proposed work). SEE RULE 1103. For Multiple Completions: Attach wellbore diagram of proposed completion or recompletion.

SQZD 3102'-3284' W/200 SX CMT TO 2000 PSI. SQZD 2548'-2796' W/300 SX CMT TO 1800 PSI. DO CMT TO 3291'. CO TO 3397'. DO CIEB'S @ 3375', 3525', 3657' & 5409'. DEEPEMED TO 6550'. LOGGED. RAN 4-1/2", SET @ 6548'. CMTD W/135 SX CL "C"; TOC @ 5900'. PERFD 6372'-6414' W/4 JHPF. ACZD W/2000 GALS 15% & 120 RCNB'S. RIH W/TBG. RETURNED WELL TO PRODUCTION.

WORK PERFORMED 9/21/01 - 11/26/01

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE J. K. Ripley TITLE REGULATORY O.A. DATE 1/9/02

Type or print name J. K. RIPLEY Telephone No. (915)687-7148

(This space for State use)

APPROVED BY _____ TITLE ORIGINAL SIGNED BY DATE FEB 12 2002
 Conditions of approval, if any: _____

PAUL E. GARY
 2002

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. 12908
Order No. R-11818 ✓

APPLICATION OF THE OIL CONSERVATION
DIVISION FOR AN ORDER CREATING,
CONTRACTING, REDESIGNATING, AND
EXTENDING VERTICAL AND HORIZONTAL
LIMITS OF CERTAIN POOLS IN LEA COUNTY,
NEW MEXICO.

8-26-02

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on August 1, 2002, at Santa Fe, New Mexico, before Examiner David R. Catanach. *

NOW, on this 26th day of August, 2002, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Morrow formation, bearing the designation of Southwest Austin-Morrow Gas Pool (**Pool Code 96664**). The Southwest Austin-Morrow Gas Pool was discovered by the Yates Petroleum Corporation Morton Unit Well No. 1 (**API No. 30-025-33314**) located in Unit B of Section 5, Township 15 South, Range 35 East, NMPM, which was completed in the Morrow formation on December 10, 1996. The top of the perforations is at 13,207 feet.

(3) 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, bearing the designation of North Bagley-San Andres Pool (**Pool Code 97159**). The North Bagley-San Andres Pool was

discovered by the Weststar Exploration Company TP State A Well No. 2 (**API No. 30-025-22013**) located in Unit O of Section 10, Township 11 South, Range 33 East, NMPM, which was completed in the San Andres formation on October 20, 2001. The top of the perforations is at 4,376 feet.

(4) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Austin formation, bearing the designation of East Cerca-Austin Gas Pool (**Pool Code 97198**). The East Cerca-Austin Gas Pool was discovered by the Yates Petroleum Corporation Chad AXA State Well No. 2 (**API No. 30-025-35656**) located in Unit P of Section 36, Township 13 South, Range 34 East, NMPM, which was completed in the Austin formation on February 25, 2002. The top of the perforations is at 13,504 feet.

(5) 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, bearing the designation of East Echol-San Andres Pool (**Pool Code 97182**). The East Echol-San Andres Pool was discovered by the Concho Oil and Gas Corporation Sundown State Well No. 2 (**API No. 30-025-35597**) located in Unit M of Section 14, Township 10 South, Range 37 East, NMPM, which was completed in the San Andres formation on January 11, 2002. The top of the perforations is at 4,996 feet.

(6) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Atoka formation, bearing the designation of Northwest Eight Mile Draw-Atoka Gas Pool (**Pool Code 97028**). The Northwest Eight Mile Draw-Atoka Gas Pool was discovered by the Yates Petroleum Corporation Blitzen AUB State Well No. 1 (**API No. 30-025-01824**) located in Unit M of Section 16, Township 11 South, Range 34 East, NMPM, which was completed in the Atoka formation on May 12, 2000. The top of the perforations is at 11,692 feet.

(7) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Blinebry formation, bearing the designation of Southwest House-Blinebry Gas Pool (**Pool Code 97195**). The Southwest House-Blinebry Gas Pool was discovered by the Capataz Operating, Inc. Red Tag Well No. 2 (**API No. 30-025-35630**) located in Unit K of Section 2, Township 20 South, Range 38 East, NMPM, which was completed in the Blinebry formation on January 15, 2002. The top of the perforations is at 5,952 feet.

(8) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Cisco and Canyon formations, bearing the designation of West Maljamar-Cisco-Canyon Pool (**Pool Code 97160**). The West Maljamar-Cisco-Canyon Pool was discovered by the Devon SFS Operating, Inc. Maljamar 10 Federal Well No. 1 (**API No. 30-025-35317**) located in Unit O of Section 10, Township 17

South, Range 32 East, NMPM, which was completed in the Cisco and Canyon formations on October 18, 2001. The top of the perforations is at 10,432 feet.

(9) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Wolfcamp formation, bearing the designation of West Shoe Bar-Wolfcamp Pool (**Pool Code 97100**). The West Shoe Bar-Wolfcamp Pool was discovered by the David H. Arrington Oil & Gas, Inc. Lord Baltimore 20 State Well No. 1 (**API No. 30-025-35172**) located in Unit K of Section 20, Township 16 South, Range 35 East, NMPM, which was completed in the Wolfcamp formation on June 11, 2001. The top of the perforations is at 10,898 feet.

(10) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Glorieta formation, bearing the designation of Northwest Skaggs-Glorieta Pool (**Pool Code 97203**). The Northwest Skaggs-Glorieta Pool was discovered by the Matador Operating Company Williams 34 Well No. 3 (**API No. 30-025-35711**) located in Unit O of Section 34, Township 19 South, Range 37 East, NMPM, which was completed in the Glorieta formation on December 26, 2001. The top of the perforations is at 5,242 feet.

(11) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Simpson formation, bearing the designation of Northwest Skaggs-Simpson Pool (**Pool Code 97204**). The Northwest Skaggs-Simpson Pool was discovered by the Matador Operating Company Cooper 3 Well No. 6 (**API No. 30-025-35204**) located in Unit B of Section 3, Township 20 South, Range 37 East, NMPM, which was completed in the Simpson formation on March 6, 2001. The top of the perforations is at 9,729 feet.

(12) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Delaware formation, bearing the designation of Vaca Ridge-Delaware Pool (**Pool Code 97161**). The Vaca Ridge-Delaware Pool was discovered by the EOG Resources, Inc. Vaca Ridge 4 Federal Well No. 1 (**API No. 30-025-28491**) located in Unit C of Section 4, Township 25 South, Range 34 East, NMPM, which was completed in the Delaware formation on June 20, 2001. The top of the perforations is at 8,970 feet.

(13) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Cisco and Canyon formations, bearing the designation of Northeast Vacuum-Cisco-Canyon Pool (**Pool Code 97202**). The Northeast Vacuum-Cisco-Canyon Pool was discovered by the Read and Stevens, Inc. Meridith State Well No. 1 (**API No. 30-025-30903**) located in Unit F of Section 24, Township 17 South, Range 35 East, NMPM, which was completed in the Cisco and Canyon formations on March 15, 2002. The top of the perforations is at 11,069 feet.

(14) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Wolfcamp formation, bearing the designation of South Wilson-Wolfcamp Pool (**Pool Code 97162**). The South Wilson-Wolfcamp Pool was discovered by the Nearburg Producing Company Packer 18 State Com. Well No. 1 (**API No. 30-025-35108**) located in Unit A of Section 18, Township 21 South, Range 35 East, NMPM, which was completed in the Wolfcamp formation on October 26, 2001. The top of the perforations is at 10,819 feet.

(15) There is need for the extension of the vertical limits of the Cuerno Largo-Pennsylvanian Pool (**Pool Code 14980**) in Lea County, New Mexico to include the Cisco, Canyon and Strawn formations and the redesignation of the pool as the Cuerno Largo-Upper Pennsylvanian Pool.

(16) There is need for the contraction of the Townsend-Morrow Gas Pool (**Pool Code 86400**) in Lea County, New Mexico to correct pool nomenclature. The deleted acreage will be placed in the Shoe Bar-Atoka Gas Pool (**Pool Code 85210**).

(17) There is need for extensions to the Southwest Austin-Mississippian Gas Pool, the Baish-Wolfcamp Pool, Cuerno Largo-Upper Pennsylvanian Pool, the Southwest Diamondtail-Delaware Pool, the North Eidson-Morrow Gas Pool, the Eight Mile Draw-Mississippian Gas Pool, the EK-Delaware Pool, the Eunice-San Andres Pool, the Feather-Wolfcamp Pool, the East Featherstone-Bone Spring Pool, the Four Lakes-Mississippian Gas Pool, the Gem-Morrow Gas Pool, the West Grama Ridge-Bone Spring Pool, the Grama Ridge-Morrow Gas Pool, the East Grama Ridge-Morrow Gas Pool, the North Hardy-Strawn Pool, the North Hardy-Tubb-Drinkard Pool, the House-Blinebry Pool, the Klein Ranch-Wolfcamp Pool, the East Lusk-Morrow Gas Pool, the North Lusk-Strawn Pool, the Maljamar-Wolfcamp Pool, the Monument-tubb Pool, the West Monument-Tubb Gas Pool, the North Morton-Atoka Gas Pool, the Nadine-Drinkard-Abo Pool, the Nonombre-Atoka-Morrow Gas Pool, the West Red Tank-Delaware Pool, the Southeast Scharb-Wolfcamp Pool, the Shoe Bar-Atoka Gas Pool, the Northwest Skaggs-Drinkard Pool, the North Teague-Wolfcamp Pool, the Townsend-Morrow Gas Pool, the West Triste Draw-Delaware Pool, the North Vacuum-Atoka-Morrow Gas Pool, and the South Wilson-Pennsylvanian Gas Pool, all in Lea County, New Mexico.

(18) Subsequent to the hearing, Redrock Operating Ltd. Company ("Redrock") and Raptor Natural Pipeline, L.L.C. ("Raptor") filed a motion to dismiss that portion of Case No. 12908 that seeks to:

- (a) contract the horizontal limits of the East Grama Ridge-Morrow Gas Pool by deleting the E/2 of Section 34, Township 21 South, Range 34 East, NMPM; and

- (b) extend the horizontal limits of the Grama Ridge-Morrow Gas Pool to include the E/2 of Section 34, Township 21 South, Range 34 East, NMPM.

(19) In the alternative, Redrock and Raptor seek to reopen that portion of Case No. 12908 described above and have this matter heard before the Oil Conservation Commission ("Commission") in conjunction with De Novo Case No. 12622, the application of Nearburg Exploration Company, L.L.C. for two non-standard gas spacing and proration units, Lea County, New Mexico, which is currently scheduled to be heard by the Commission on September 10, 2002.

(20) It appears that the proposed contraction of the East Grama Ridge-Morrow Gas Pool and the proposed extension of the Grama Ridge-Morrow Gas Pool have a direct bearing on Case No. 12622, and that approval of these pool changes at this time may be premature.

(21) By letter to the Division dated August 13, 2002, Nearburg Exploration Company, L.L.C., Great Western Drilling Company, and CL & F Resources, L.P., advised the Division that they concur with Redrock and Raptor's request to reopen that portion of Case No. 12908 described above.

(22) Redrock and Raptor's request to reopen that portion of Case No. 12908 described above should be granted.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico classified as a gas pool for Morrow production is hereby created and designated as the Southwest Austin-Morrow Gas Pool (**Pool Code 96664**), consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 4: S/2
Section 5: N/2 and SE/4
Section 9: NE/4
Section 10: N/2

(b) A new pool in Lea County, New Mexico classified as an oil pool for San Andres production is hereby created and designated as the North Bagley-San Andres Pool (**Pool Code 97159**), consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 33 EAST, NMPM

Section 10: SE/4

(c) A new pool in Lea County, New Mexico classified as a gas pool for Austin production is hereby created and designated as the East Cerca-Austin Gas Pool (**Pool Code 97198**), consisting of the following described area:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM
Section 36: E/2

(d) A new pool in Lea County, New Mexico classified as an oil pool for San Andres production is hereby created and designated as the East Echol-San Andres Pool (**Pool Code 97182**), consisting of the following described area:

TOWNSHIP 10 SOUTH, RANGE 37 EAST, NMPM
Section 14: SW/4

(e) A new pool in Lea County, New Mexico classified as a gas pool for Atoka production is hereby created and designated as the Northwest Eight Mile Draw-Atoka Gas Pool (**Pool Code 97028**), consisting of the following described area:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 16: S/2

(f) A new pool in Lea County, New Mexico classified as a gas pool for Blinebry production is hereby created and designated as the Southwest House-Blinebry Gas Pool (**Pool Code 97195**), consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 2: SW/4

(g) A new pool in Lea County, New Mexico classified as an oil pool for Cisco and Canyon production is hereby created and designated as the West Maljamar-Cisco-Canyon Pool (**Pool Code 97160**), consisting of the following described area:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 10: SE/4

(h) A new pool in Lea County, New Mexico classified as an oil pool for Wolfcamp production is hereby created and designated as the West Shoe Bar-Wolfcamp Pool (**Pool Code 97100**), consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 20: SW/4

(i) A new pool in Lea County, New Mexico classified as an oil pool for Glorieta production is hereby created and designated as the Northwest Skaggs-Glorieta Pool (**Pool Code 97203**), consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM

Section 34: SE/4

(j) A new pool in Lea County, New Mexico classified as an oil pool for Simpson production is hereby created and designated as the Northwest Skaggs-Simpson Pool (**Pool Code 97204**), consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 3: NE/4

(k) A new pool in Lea County, New Mexico classified as an oil pool for Delaware production is hereby created and designated as the Vaca Ridge-Delaware Pool (**Pool Code 97161**), consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 4: NW/4

(l) A new pool in Lea County, New Mexico classified as an oil pool for Cisco and Canyon production is hereby created and designated as the Northeast Vacuum-Cisco-Canyon Pool (**Pool Code 97202**), consisting of the following described area:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 24: NW/4

(m) A new pool in Lea County, New Mexico classified as an oil pool for Wolfcamp production is hereby created and designated as the South Wilson-Wolfcamp Pool (**Pool Code 97162**), consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Section 18: NE/4

(n) The Southwest Austin-Mississippian Gas Pool (**Pool Code 96242**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 12: SW/4

Section 13: W/2 and SE/4

(o) The Baish-Wolfcamp Pool (**Pool Code 4480**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 20: N/2

(p) The vertical limits of the Cuerno Largo-Pennsylvanian Pool (**Pool Code 14980**) in Lea County, New Mexico are hereby extended to include the Cisco, Canyon

and Strawn formations, the pool is redesignated as the Cuerno Largo-Upper Pennsylvanian Pool, and the horizontal limits of the pool are hereby extended to include:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 36: NE/4

(q) The Southwest Diamondtail-Delaware Pool (**Pool Code 96916**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 21: SW/4

(r) The North Eidson-Morrow Gas Pool (**Pool Code 76360**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 13: W/2
Section 24: NW/4

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 18: E/2
Section 19: NE/4

(s) The Eight Mile Draw-Mississippian Gas Pool (**Pool Code 97015**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 26: N/2

(t) The EK-Delaware Pool (**Pool Code 21655**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 29: NW/4

(u) The Eunice-San Andres Pool (**Pool Code 24150**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 3: NW/4
Section 4: NE/4

(v) The Feather-Wolfcamp Pool (**Pool Code 24210**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 32 EAST, NMPM
Section 20: S/2

(w) The East Featherstone-Bone Spring Pool (Pool Code 24270) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 14: NE/4

(x) The Four Lakes-Mississippian Gas Pool (Pool Code 97053) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 1: W/2 and SE/4

TOWNSHIP 12 SOUTH, RANGE 35 EAST, NMPM
Section 6: SW/4
Section 7: NW/4

(y) The Gem-Morrow Gas Pool (Pool Code 77370) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 24: E/2

(z) The West Grama Ridge-Bone Spring Pool (Pool Code 28432) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 8: NE/4
Section 9: W/2

(aa) The East Grama Ridge-Morrow Gas Pool (Pool Code 77690) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 26: W/2

(bb) The North Hardy-Strawn Pool (Pool Code 96893) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 36: NW/4

(cc) The North Hardy-Tubb-Drinkard Pool (Pool Code 96356) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 24: SW/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 30: NE/4

(dd) The House-Blinebry Pool (**Pool Code 33230**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 2: E/2

(ee) The Klein Ranch-Wolfcamp Pool (**Pool Code 96989**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM

Section 27: NE/4

(ff) The East Lusk-Morrow Gas Pool (**Pool Code 80770**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 26: NE/4

(gg) The North Lusk-Strawn Pool (**Pool Code 96678**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 29: SW/4

Section 32: NW/4

(hh) The Maljamar-Wolfcamp Pool (**Pool Code 44540**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 4: SW/4

Section 5: E/2

Section 9: NW/4

(ii) The Monument-Tubb Pool (**Pool Code 47090**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM

Section 32: SE/4

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 4: N/2
Section 5: NE/4

(jj) The West Monument-Tubb Gas Pool (**Pool Code 96968**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 6: E/2

(kk) The North Morton-Atoka Gas Pool (**Pool Code 96676**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM

Section 32: S/2

(ll) The Nadine-Drinkard-Abo Pool (**Pool Code 47510**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 15: SE/4

(mm) The West Red Tank-Delaware Pool (**Pool Code 51689**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM

Section 1: NW/4

(nn) The Southeast Scharb-Wolfcamp Pool (**Pool Code 55650**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 35 EAST, NMPM

Section 21: SE/4

(oo) The Northwest Skaggs-Drinkard Pool (**Pool Code 96768**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM

Section 34: NE/4
Section 35: NW/4

(pp) The North Teague-Wolfcamp Pool (**Pool Code 96961**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM

Section 9: NW/4

(qq) The Townsend-Morrow Gas Pool (**Pool Code 86400**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 22: W/2

(rr) The Shoe Bar-Atoka Gas Pool (**Pool Code 85210**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 22: W/2

(ss) The Townsend-Morrow Gas Pool (**Pool Code 86400**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 11: All

(tt) The West Triste Draw-Delaware Pool (**Pool Code 59945**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM

Section 32: W/2

(uu) The North Vacuum-Atoka-Morrow Gas Pool (**Pool Code 86800**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 21: N/2

(vv) The South Wilson-Pennsylvanian Gas Pool (**Pool Code 87520**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM

Section 22: E/2

IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA, 1978, an operator of any well that, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have 60

days from the effective date of this order to file Form C-102 dedicating a standard unit for the pool to that 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 that 60-day period shall subject the well to cancellation of allowable.

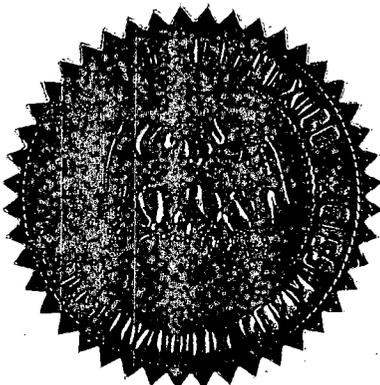
(2) The effective date of this order and all creations, contractions, redesignations, and extensions of vertical and horizontal limits included herein shall be September 1, 2002.

(3) That portion of Case No. 12908 that seeks to:

- (a) contract the horizontal limits of the East Grama Ridge-Morrow Gas Pool (**Pool Code 77690**) by deleting the E/2 of Section 34, Township 21 South, Range 34 East, NMPM; and
- (b) extend the horizontal limits of the Grama Ridge-Morrow Gas Pool (**Pool Code 77680**) to include the E/2 of Section 34, Township 21 South, Range 34 East, NMPM;

is hereby severed from this case and assigned Case No. 12908-A. Case No. 12908-A shall be docketed for hearing before the Oil Conservation Commission on September 10, 2002, and heard in conjunction with De Novo Case No. 12622, the application of Nearburg Exploration Company, L.L.C. for two non-standard gas spacing and proration units, Lea County, New Mexico.

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



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

Lori Wrotenbery
LORI WROTENBERY
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. 13260
Order No. R-12141

THE APPLICATION OF THE OIL CONSERVATION
DIVISION FOR AN ORDER CREATING, CONTRACTING
VERTICAL AND HORIZONTAL LIMITS, REDESIGNATING,
RECLASSIFYING, AND EXTENDING CERTAIN POOLS IN
CHAVES, LEA, AND ROOSEVELT COUNTIES, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on April 29, 2004, at Santa Fe, New Mexico, before Examiner William V. Jones.

NOW, on this 10th day of May, 2004, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given and the Division has jurisdiction of this case and its subject matter.

(2) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Wolfcamp formation, bearing the designation of Southwest Airstrip-Wolfcamp Pool (**Pool Code 97339**). The Southwest Airstrip-Wolfcamp Pool was discovered by the Concho Resources, Inc. Hornet State Well No. 1 (**API No. 30-025-36391**) located in Unit D of Section 3, Township 19 South, Range 34 East, NMPM, which was completed in the Wolfcamp formation on December 16, 2003. The top of the perforations is at 11,686 feet.

(3) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Morrow formation, bearing the designation of Allison-Morrow Gas Pool (**Pool Code 97327**). The Allison-Morrow Gas Pool was discovered by the Layton Enterprises, Inc. El Zorro Fremont Federal Well No. 2 (**API No. 30-025-**

34703) located in Unit G of Section 1, Township 9 South, Range 36 East, NMPM, which was completed in the Morrow formation on December 10, 2003. The top of the perforations is at 11,752 feet.

(4) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Upper Pennsylvanian formation, bearing the designation of Southwest Austin-Upper Pennsylvanian Pool (**Pool Code 97319**). The Southwest Austin-Upper Pennsylvanian Pool was discovered by the Chesapeake Operating, Inc. Hampton 1 Well No. 1 (**API No. 30-025-36036**) located in Unit N of Section 1, Township 15 South, Range 35 East, NMPM, which was completed in the Upper Pennsylvanian formation on October 29, 2003. The top of the perforations is at 11,616 feet.

(5) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Abo formation, bearing the designation of Bough-Abo Pool (**Pool Code 97265**). The Bough-Abo Pool was discovered by the Penroc Oil Corporation Barnes Federal Well No. 2 (**API No. 30-025-02664**) located in Unit D of Section 24, Township 9 South, Range 35 East, NMPM, which was completed in the Abo formation on March 7, 2003. The top of the perforations is at 8,850 feet.

(6) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Morrow formation, bearing the designation of Estacado-Morrow Gas Pool (**Pool Code 97345**). The Estacado-Morrow Gas Pool was discovered by the Yates Petroleum Corporation Mandrell State Unit Well No. 1 (**API No. 30-025-36402**) located in Unit D of Section 19, Township 14 South, Range 35 East, NMPM, which was completed in the Morrow formation on February 2, 2004. The top of the perforations is at 13,051 feet.

(7) There is need for the creation of a new pool in Chaves County, New Mexico for the production of gas from the Mississippian formation, bearing the designation of Falsey Draw-Mississippian Gas Pool (**Pool Code 97322**). The Falsey Draw-Mississippian Gas Pool was discovered by the Yates Petroleum Corporation Emjay BBJ Federal Well No. 1 (**API No. 30-005-21185**) located in Unit L of Section 8, Township 6 South, Range 30 East, NMPM, which was completed in the Mississippian formation on October 24, 2003. The top of the perforations is at 7,930 feet.

(8) There is need for the creation of a new pool in Chaves County, New Mexico for the production of gas from the Upper Pennsylvanian formation, bearing the designation of Falsey Draw-Upper Pennsylvanian Gas Pool (**Pool Code 97313**). The Falsey Draw-Upper Pennsylvanian Gas Pool was discovered by the Yates Petroleum Corporation Emjay BBJ Federal Well No. 1 (**API No. 30-005-21185**) located in Unit L of Section 8, Township 6 South, Range 30 East, NMPM, which was completed in the Upper Pennsylvanian formation on October 1, 2003. The top of the perforations is at 7,302 feet.

(9) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Tubb formation, bearing the designation of North

Fowler-Tubb Pool (**Pool Code 97325**). The North Fowler-Tubb Pool was discovered by the Arch Petroleum, Inc. S J Carr Well No. 5 (**API No. 30-025-11084**) located in Unit N of Section 10, Township 24 South, Range 37 East, NMPM, which was completed in the Tubb formation on August 17, 2003. The top of the perforations is at 6,006 feet.

(10) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Mississippian formation, bearing the designation of Northeast Grassland-Mississippian Gas Pool (**Pool Code 97337**). The Northeast Grassland-Mississippian Gas Pool was discovered by the Yates Petroleum Corporation Adobe State AYE Well No. 1 (**API No. 30-025-29457**) located in Unit J of Section 11, Township 15 South, Range 34 East, NMPM, which was completed in the Mississippian formation on October 22, 2003. The top of the perforations is at 13,027 feet.

(11) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Strawn formation, bearing the designation of Southwest Jabalina-Strawn Gas Pool (**Pool Code 97332**). The Southwest Jabalina-Strawn Gas Pool was discovered by the Pure Resources L.P. Madera 36 State Well No. 1 (**API No. 30-025-36087**) located in Unit A of Section 36, Township 26 South, Range 34 East, NMPM, which was completed in the Strawn formation on September 13, 2003. The top of the perforations is at 14,518 feet.

(12) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Morrow formation, bearing the designation of West Salt Lake-Morrow Gas Pool (**Pool Code 97346**). The West Salt Lake-Morrow Gas Pool was discovered by the Fasken Oil & Ranch LTD. Laguna 16 State Well No. 1 (**API No. 30-025-36437**) located in Unit P of Section 16, Township 20 South, Range 32 East, NMPM, which was completed in the Morrow formation on February 28, 2004. The top of the perforations is at 12,971 feet.

(13) 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, bearing the designation of Northeast San Simon-Bone Spring Pool (**Pool Code 97324**). The Northeast San Simon-Bone Spring Pool was discovered by the Yates Petroleum Corporation Treat ASJ State Well No. 1 (**API No. 30-025-33692**) located in Unit B of Section 34, Township 21 South, Range 35 East, NMPM, which was completed in the Bone Spring formation on November 19, 2003. The top of the perforations is at 7,592 feet.

(14) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Grayburg and San Andres formations, bearing the designation of West Teague-Grayburg-San Andres Pool (**Pool Code 97323**). The West Teague-Grayburg-San Andres Pool was discovered by the Mack Energy Corporation Sapphire State Well No. 5 (**API No. 30-025-36309**) located in Unit A of Section 23, Township 23 South, Range 36 East, NMPM, which was completed in the San Andres formation on November 17, 2003. The top of the perforations is at 3,706 feet.

(15) There is need for the creation of a new pool in Lea County, New Mexico for the production of gas from the Atoka formation, bearing the designation of West Vacuum-Atoka Gas Pool (**Pool Code 97326**). The West Vacuum-Atoka Gas Pool was discovered by the Patterson Petroleum L. P. Heyward 32 State Com. Well No. 1 (**API No. 30-025-36224**) located in Unit L of Section 32, Township 17 South, Range 34 East, NMPM, which was completed in the Atoka formation on November 8, 2003. The top of the perforations is at 12,921 feet.

(16) There is need for the creation of a new pool in Lea County, New Mexico for the production of oil from the Paddock formation, bearing the designation of Northwest Wantz-Paddock Pool (**Pool Code 97266**). The Northwest Wantz-Paddock Pool was discovered by the Chevron U.S.A. Inc. H T Mattern NCT-C Well No. 11 (**API No. 30-025-25500**) located in Unit M of Section 8, Township 21 South, Range 37 East, NMPM, which was completed in the Paddock formation on August 5, 2002. The top of the perforations is at 5,228 feet.

(17) There is need for the contraction of the vertical limits of the Allison-Pennsylvanian Pool (**Pool Code 1149**) in Lea and Roosevelt Counties, New Mexico to include only the Cisco, Canyon and Strawn formations and the redesignation of the pool as the Allison-Upper Pennsylvanian Pool (**Pool Code 1149**).

(18) There is need for the contraction of the vertical limits of the East Caprock-Pennsylvanian Pool (**Pool Code 9120**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and the redesignation of the pool as the East Caprock-Upper Pennsylvanian Pool (**Pool Code 9120**).

(19) There is need for the contraction of the North Eunice-San Andres Gas Pool (**Pool Code 76520**) in Lea County, New Mexico in order to correct nomenclature. The deleted acreage will be included in the Northwest Hare-San Andres Pool (**Pool Code 96835**).

(20) There is need for the reclassification of the Laguna-Seven Rivers Gas Pool (**Pool Code 79880**) in Lea County, New Mexico from a gas pool to an oil pool and the redesignation of the pool as the Laguna-Seven Rivers Pool (**Pool Code 79880**).

(21) There is need for certain extensions to the Southwest Austin-Morrow Gas Pool, the North Bell Lake-Morrow Gas Pool, the Bootleg Ridge-Morrow Gas Pool, the East Caprock-Upper Pennsylvanian Pool, the South Corbin-Bone Spring Pool, the Corbin-Delaware Pool, the D-K-Abo Pool, the Dempster Mill-Mississippian Gas Pool, the Diamondtail-Bone Spring Pool, the E-K-Bone Spring Pool, the Northwest Eight Mile Draw-Atoka Gas Pool, the Northwest Eight Mile Draw-Morrow Gas Pool, the Featherstone-Bone Spring Pool, the East Grama Ridge-Morrow Gas Pool, the Northwest Hare-San Andres Pool, the Hat Mesa-Morrow Gas Pool, the House-San Andres Pool, the Imperial-Tubb-Drinkard Pool, the East Lusk-Bone Spring Pool, the North Lusk-Morrow Gas Pool, the South Maljamar-Grayburg Pool, the Maljamar-Paddock Pool, the North Mescalero-Cisco Pool, the West Monument-Tubb Gas Pool, the Morton-Mississippian

Gas Pool, the North Morton-Morrow Gas Pool, the South Morton-Upper Pennsylvanian Pool, the Nadine-Drinkard-Abo Pool, the Quail Ridge-Atoka Gas Pool, the Quail Ridge-Morrow Gas Pool, the Red Tank-Bone Spring Pool, the West Red Tank-Delaware Pool, the Rock Lake-Morrow Gas Pool, the South Salt Lake-Atoka Gas Pool, the Sand Springs-Atoka-Morrow Gas Pool, the Shoe Bar-Atoka Gas Pool, the North Shoe Bar-Atoka Gas Pool, the North Shoe Bar-Morrow Gas Pool, the South Shoe Bar-Morrow Gas Pool, the Skaggs-Abo Gas Pool, the Skaggs-Drinkard Pool, the Northwest Skaggs-Glorieta Pool, the Tamano-Delaware Pool, the West Teas-Yates-Seven Rivers Pool, the Northwest Townsend-Abo Pool, the North Townsend-Mississippian Gas Pool, the Tres Papalotes-Pennsylvanian Pool, the Trinity-Wolfcamp Pool, the Triste Draw-Delaware Pool, the North Vacuum-Atoka-Morrow Gas Pool, the Vacuum-Grayburg-San Andres Pool, the Vacuum-Morrow Gas Pool, the Wantz-Abo Pool, the Weir-Blinebry Pool, and the North Young-Wolfcamp Pool, all in Lea County, New Mexico; and the North Chaveroo-Permo Pennsylvanian Pool in Roosevelt County, New Mexico.

(22) The effective date of this order and all creations, extensions, reclassifications, redesignations, and contractions of vertical and horizontal limits included herein should be May 1, 2004.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico classified as an oil pool for Wolfcamp production is hereby created and designated as the Southwest Airstrip-Wolfcamp Pool (**Pool Code 97339**), consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM

Section 3: NW/4

(b) A new pool in Lea County, New Mexico classified as a gas pool for Morrow production is hereby created and designated as the Allison-Morrow Gas Pool (**Pool Code 97327**), consisting of the following described area:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM

Section 1: E/2

(c) A new pool in Lea County, New Mexico classified as an oil pool for Upper Pennsylvanian production is hereby created and designated as the Southwest Austin-Upper Pennsylvanian Pool (**Pool Code 97319**), consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 1: SW/4

(d) A new pool in Lea County, New Mexico classified as an oil pool for Abo production is hereby created and designated as the Bough-Abo Pool (**Pool Code 97265**), consisting of the following described area:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 24: NW/4

(e) A new pool in Lea County, New Mexico classified as a gas pool for Morrow production is hereby created and designated as the Estacado-Morrow Gas Pool (**Pool Code 97345**), consisting of the following described area:

TOWNSHIP 14 SOUTH, RANGE 35 EAST, NMPM
Section 19: N/2

(f) A new pool in Chaves County, New Mexico classified as a gas pool for Mississippian production is hereby created and designated as the Falsey Draw-Mississippian Gas Pool (**Pool Code 97322**), consisting of the following described area:

TOWNSHIP 6 SOUTH, RANGE 30 EAST, NMPM
Section 8: S/2

(g) A new pool in Chaves County, New Mexico classified as a gas pool for Upper Pennsylvanian production is hereby created and designated as the Falsey Draw-Upper Pennsylvanian Gas Pool (**Pool Code 97313**), consisting of the following described area:

TOWNSHIP 6 SOUTH, RANGE 30 EAST, NMPM
Section 8: S/2

(h) A new pool in Lea County, New Mexico classified as an oil pool for Tubb production is hereby created and designated as the North Fowler-Tubb Pool (**Pool Code 97325**), consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM
Section 10: SW/4

(i) A new pool in Lea County, New Mexico classified as a gas pool for Mississippian production is hereby created and designated as the Northeast Grassland-Mississippian Gas Pool (**Pool Code 97337**), consisting of the following described area:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM
Section 11: E/2

(j) A new pool in Lea County, New Mexico classified as a gas pool for Strawn production is hereby created and designated as the Southwest Jabalina-Strawn Gas Pool (**Pool Code 97332**), consisting of the following described area:

TOWNSHIP 26 SOUTH, RANGE 34 EAST, NMPM
Section 36: N/2 N/2 and Lots 1, 2, 3 and 4

(k) A new pool in Lea County, New Mexico classified as a gas pool for Morrow production is hereby created and designated as the West Salt Lake-Morrow Gas Pool (**Pool Code 97346**), consisting of the following described area:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 16: E/2

(l) A new pool in Lea County, New Mexico classified as an oil pool for Bone Spring production is hereby created and designated as the Northeast San Simon-Bone Spring Pool (**Pool Code 97324**), consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 34: NE/4

(m) A new pool in Lea County, New Mexico classified as an oil pool for Grayburg and San Andres production is hereby created and designated as the West Teague-Grayburg-San Andres Pool (**Pool Code 97323**), consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 36 EAST, NMPM
Section 23: NE/4

(n) A new pool in Lea County, New Mexico classified as a gas pool for Atoka production is hereby created and designated as the West Vacuum-Atoka Gas Pool (**Pool Code 97326**), consisting of the following described area:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 32: W/2

(o) A new pool in Lea County, New Mexico classified as an oil pool for Paddock production is hereby created and designated as the Northwest Wantz-Paddock Pool (**Pool Code 97266**), consisting of the following described area:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM
Section 8: SW/4

(p) The vertical limits of the Allison-Pennsylvanian Pool (**Pool Code 1149**) in Lea and Roosevelt Counties, New Mexico are hereby contracted to include only the Cisco, Canyon and Strawn formations and the pool is hereby redesignated as the Allison-Upper Pennsylvanian Pool (**Pool Code 1149**).

(q) The Southwest Austin-Morrow Gas Pool (**Pool Code 96664**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 1: S/2
Section 2: SE/4
Section 11: N/2

(r) The North Bell Lake-Morrow Gas Pool (**Pool Code 71920**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 5: W/2
Section 8: NW/4

(s) The Bootleg Ridge-Morrow Gas Pool (**Pool Code 72650**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 11: E/2
Section 12: SW/4

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM

Section 8: S/2

(t) The vertical limits of the East Caprock-Pennsylvanian Pool (**Pool Code 9120**) in Lea County, New Mexico are hereby contracted to include only the Cisco, Canyon and Strawn formations and the pool is hereby redesignated as the East Caprock-Upper Pennsylvanian Pool (**Pool Code 9120**).

(u) The East Caprock-Upper Pennsylvanian Pool (**Pool Code 9120**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM

Section 11: N/2

(v) The North Chaveroo-Permo Pennsylvanian Pool (**Pool Code 12020**) in Roosevelt County, New Mexico is hereby extended to include:

TOWNSHIP 7 SOUTH, RANGE 33 EAST, NMPM

Section 9: NE/4
Section 10: W/2

(w) The South Corbin-Bone Spring Pool (**Pool Code 13160**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 8: SE/4
Section 17: N/2

(x) The Corbin-Delaware Pool (**Pool Code 13190**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 31: NW/4

(y) The D-K-Abo Pool (**Pool Code 15200**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM
Section 18: S/2

(z) The Dempster Mill-Mississippian Gas Pool (**Pool Code 97291**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 11 SOUTH, RANGE 35 EAST, NMPM
Section 25: E/2

(aa) The Diamondtail-Bone Spring Pool (**Pool Code 17644**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 1: SW/4

(bb) The E-K-Bone Spring Pool (**Pool Code 21650**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 31: SE/4

(cc) The Northwest Eight Mile Draw-Atoka Gas Pool (**Pool Code 97028**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 15: S/2

(dd) The Northwest Eight Mile Draw-Morrow Gas Pool (**Pool Code 97190**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 15: S/2

(ee) The North Eunice-San Andres Gas Pool (**Pool Code 76520**) in Lea County, New Mexico is hereby contracted by the deletion of the following described area:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPPM
Section 18: S/2 NE/4

(ff) The Northwest Hare-San Andres Pool (**Pool Code 96835**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPPM
Section 18: E/2 NW/4 and S/2 NE/4

(gg) The Featherstone-Bone Spring Pool (**Pool Code 24250**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPPM
Section 9: SW/4
Section 17: SE/4

(hh) The East Grama Ridge-Morrow Gas Pool (**Pool Code 77690**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPPM
Section 30: E/2

(ii) The Hat Mesa-Morrow Gas Pool (**Pool Code 78240**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPPM
Section 3: Lots 1, 2, 3, 4, 5, 6, 7 and 8

(jj) The House-San Andres Pool (**Pool Code 33440**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPPM
Section 10: SE/4
Section 11: SW/4

(kk) The Imperial-Tubb-Drinkard Pool (**Pool Code 33600**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPPM
Section 21: NW/4

(ll) The Laguna-Seven Rivers Gas Pool (**Pool Code 79880**) in Lea County, New Mexico is hereby reclassified from a gas pool to an oil pool and the pool is hereby redesignated as the Laguna-Seven Rivers Pool (**Pool Code 79880**).

(mm) The East Lusk-Bone Spring Pool (**Pool Code 41442**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 15: SE/4

(nn) The North Lusk-Morrow Gas Pool (**Pool Code 80800**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 17: E/2
Section 20: NE/4
Section 22: E/2

(oo) The South Maljamar-Grayburg Pool (**Pool Code 44460**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 16: SE/4

(pp) The Maljamar-Paddock Pool (**Pool Code 44500**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 22: SW/4

(qq) The North Mescalero-Cisco Pool (**Pool Code 45750**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 11: NE/4

(rr) The West Monument-Tubb Gas Pool (**Pool Code 96968**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 6: NW/4

(ss) The Morton-Mississippian Gas Pool (**Pool Code 96593**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 5: S/2

(tt) The North Morton-Morrow Gas Pool (**Pool Code 97156**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPPM

Section 36: S/2

(uu) The South Morton-Upper Pennsylvanian Pool (**Pool Code 97300**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPPM

Section 17: SW/4

Section 18: SE/4

Section 20: NW/4

(vv) The Nadine-Drinkard-Abo Pool (**Pool Code 47510**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPPM

Section 15: NE/4

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPPM

Section 19: NW/4

(ww) The Quail Ridge-Atoka Gas Pool (**Pool Code 96485**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPPM

Section 36: W/2

(xx) The Quail Ridge-Morrow Gas Pool (**Pool Code 83280**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPPM

Section 28: S/2

(yy) The Red Tank-Bone Spring Pool (**Pool Code 51683**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPPM

Section 13: NE/4

(zz) The West Red Tank-Delaware Pool (**Pool Code 51689**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPPM

Section 34: SE/4

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM

Section 1: SW/4

(aaa) The Rock Lake-Morrow Gas Pool (**Pool Code 83950**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM

Section 28: NW/4

(bbb) The South Salt Lake-Atoka Gas Pool (**Pool Code 84440**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM

Section 3: Lots 1, 2, 3, 4, 5, 6, 7 and 8

Section 4: Lots 1, 2, 3, 4, 5, 6, 7 and 8

Section 6: Lots 1, 2, 7, 8, 9, 10, 15, 16 and SE/4

(ccc) The Sand Springs-Atoka-Morrow Gas Pool (**Pool Code 84871**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 33: S/2

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM

Section 11: All

Section 12: N/2

(ddd) The Shoe Bar-Atoka Gas Pool (**Pool Code 85210**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 23: E/2

(eee) The North Shoe Bar-Atoka Gas Pool (**Pool Code 96763**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 3: SW/4 and Lots 11, 12, 13 and 14

(fff) The North Shoe Bar-Morrow Gas Pool (**Pool Code 96882**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 32: S/2

(ggg) The South Shoe Bar-Morrow Gas Pool (**Pool Code 85220**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 33: W/2

(hhh) The Skaggs-Abo Gas Pool (**Pool Code 85410**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 11: NW/4

(iii) The Skaggs-Drinkard Pool (**Pool Code 57000**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 36: SW/4

(jjj) The Northwest Skaggs-Glorieta Pool (**Pool Code 97203**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 3: N/2

(kkk) The Tamano-Delaware Pool (**Pool Code 97270**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 31: S/2

(lll) The West Teas-Yates-Seven Rivers Pool (**Pool Code 59110**) in Lea County, New Mexico is hereby extended to include:

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

(mmm) The Northwest Townsend-Abo Pool (**Pool Code 59840**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 10: W/2

(nnn) The North Townsend-Mississippian Gas Pool (**Pool Code 86390**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPPM
Section 23: SE/4

(ooo) The Tres Papalotes-Pennsylvanian Pool (**Pool Code 59870**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPPM
Section 4: NE/4

(ppp) The Trinity-Wolfcamp Pool (**Pool Code 59890**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPPM
Section 26: NW/4

(qqq) The Triste Draw-Delaware Pool (**Pool Code 59930**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPPM
Section 27: SW/4

(rrr) The North Vacuum-Atoka-Morrow Gas Pool (**Pool Code 86800**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPPM
Section 1: W/2
Section 12: NW/4

(sss) The Vacuum-Grayburg-San Andres Pool (**Pool Code 62180**) in Lea County, New Mexico is hereby extended to include:

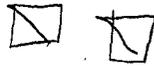
TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPPM
Section 8: S/2

(ttt) The Vacuum-Morrow Gas Pool (**Pool Code 86840**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPPM
Section 32: N/2 and SW/4
Section 33: N/2

(uuu) The Wantz-Abo Pool (**Pool Code 62700**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPPM
Section 27: N/2



(vvv) The Weir-Blinebry Pool (**Pool Code 63780**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 2: NW/4

(www) The North Young-Wolfcamp Pool (**Pool Code 65590**) in Lea County, New Mexico is hereby extended to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 6: E/2
Section 7: NE/4

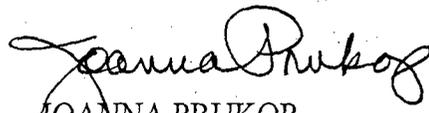
IT IS FURTHER ORDERED THAT:

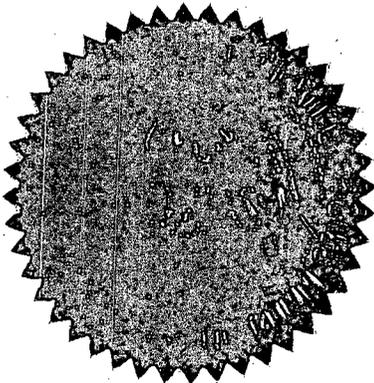
(1) Pursuant to Section 70-2-18, NMSA, 1978, an operator of any well that, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one presently dedicated thereto, shall have 60 days from the effective date of this order to file Form C-102 dedicating a standard unit for the pool to that 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 that 60-day period shall subject the well to cancellation of allowable.

(2) The effective date of this order and all creations, extensions, contractions of vertical and horizontal limits, redesignations and reclassifications included herein shall be May 1, 2004.

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

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


JOANNA PRUKOP
Cabinet Secretary/Acting Director



SEAL