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. 14572 Order No. R-13341

THE APPLICATION OF THE OIL CONSERVATION DIVISION FOR AN ORDER CREATING A CERTAIN POOL IN GUADALUPE COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on November 18, 2010, at Santa Fe, New Mexico, before Examiner Richard I. Ezeanyim.

NOW, on this 2nd day of December, 2010, 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 Guadalupe County, New Mexico, for the production of gas from the Pennsylvanian formation, bearing the designation of Cuervo Hill-Pennsylvanian Gas Pool (Pool Code 97811). The Cuervo Hill-Pennsylvanian Gas Pool was discovered by the SWEPI, LP Well No. Latigo Ranch 3-3 (API No. 30-019-20138) located in Unit N of Section 3, Township 10 North, Range 23 East NMPM, which was completed in the Pennsylvanian formation on September 14, 2009. The top of the perforations is at 10,730 feet.

IT IS THEREFORE ORDERED THAT:

(1) A new pool in Guadalupe County, New Mexico, classified as a gas pool for Pennsylvanian production is hereby created and designated as the Cuervo Hill-Pennsylvanian Gas Pool (Pool Code 97811), consisting of the following described area:

TOWNSHIP 11 NORTH, RANGE 23 EAST, NMPM

Section 23: SW/4 Section 25: SW/4

Section 26: NW/4 and S/2 Section 34: N/2 and SW/4

Section 35: NW/4

TOWNSHIP 10 NORTH, RANGE 23 EAST, NMPM

Section 3: W/2 Section 4: S/2 Section 5: S/2

(2) The effective date of this order and the creation included herein shall be December 1, 2010.

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

SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

MARK E. FÉSMIRE, P.E.

Acting Director

Davidson, Florene, EMNRD

From:

Martin, Ed, EMNRD

Sent:

Wednesday, November 24, 2010 1:14 PM

To:

Davidson, Florene, EMNRD

Subject:

RE: Nomenclature

Discovery well: Latigo Ranch 3-3

Location: SE/4 SW/4 Section 3, Township 10 North, Range 23 East, 1177' FSL, 1666' FWL

Top of perfs: 10,730'

Please use these to be consistent:

Township 11 North, Range 23 East

Section 23: SW/4 Section 25: SW/4 Section 26: NW/4, S/2 Section 34: N/2, SW/4 Section 35: NW/4

Township 10 North, Range 23 East

Section 3: W/2 Section 4: S/2 Section 5: S/2

Ed Martin

Supervisor District IV 1220 S. St Francis Dr. Santa Fe, NM 87505 Office: 505-476-3470 Res: 505-685-4056

Cell: 505-690-2365

e-mail: ed.martin@state.nm.us

From: Davidson, Florene, EMNRD

Sent: Tuesday, November 23, 2010 2:49 PM

To: Martin, Ed, EMNRD Subject: Nomenclature

Ed, for the nomenclature order creating the Cuervo Hill-Pennsylvanian Pool in Guadalupe County, I will need the discovery well information – name, location, top of perforations, when it was completed. Also, our nomenclature orders always identify the acreage included in the pool by quarter-section instead of unit letters. Is this okay or do you want the order to show the unit letters instead?