

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

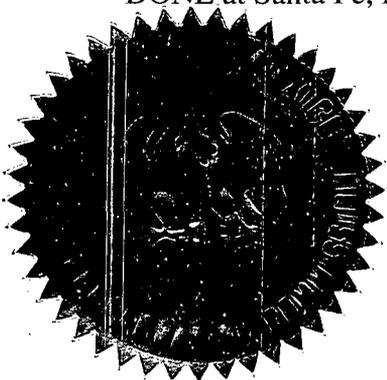
Section 23: SW/4
Section 25: SW/4
Section 26: NW/4 and S/2
Section 34: N/2 and SW/4
Section 35: NW/4

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

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E.
Acting Director