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<u>CASE 13238</u>: Application of Vernon E. Faulconer, Inc. and Faulconer Energy General Partner, LLC, individually and as General Partner for Faulconer Resources 2000 LP for Cancellation of a Drilling Permit and an Emergency Order Staying Mewbourne Oil Company from Commencing Operations, Eddy County, New Mexico. Applicant seeks an order canceling a drilling permit and ordering operations halted on the well proposed to be drilled from a surface location 823 feet from the South line and 945 feet from the East line of Section 19, Township 21 South, Range 27 East, to a bottomhole location 606 feet from the South line and 696 feet from the East line of Section 30, Township 21 South, Range 27 East. The well spacing unit is located approximately 2 miles north of Carlsbad, New Mexico.

<u>CASE 13239</u>: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Abo production and designated as the Cottonwood Creek-Abo Gas Pool (Pool Code 97333). The discovery well is the Perenco LLC State 1624 Well No. 291 (API No. 30-015-33055) located in Unit C of Section 29, Township 16 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 24 EAST, NMPM

Section 29: NW/4

(b) CREATE a new pool in Eddy County, New Mexico classified as an oil pool for Grayburg production and designated as the Red Lake Shores-Grayburg Pool (Pool Code 97335). The discovery well is the Mack Energy Corporation Red Lake Sand Unit Well No. 38 (API No. 30-015-33100) located in Unit D of Section 29, Township 17 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM Section 29: NW/4

(c) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Atoka production and designated as the Sage Draw-Atoka Gas Pool (Pool Code 97334). The discovery well is the Yates Petroleum Corporation Chosa "ATR" Federal Well No. 1 (API No. 30-015-31215) located in Unit L of Section 8, Township 25 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM Section 8: W/2

EXTEND the Southwest Avalon-Wolfcamp Pool (Pool Code 97068) in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM Section 33: S/2 Section 34: S/2

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM Section 3: Lots 19 thru 22 and 27 and 28

(e)

(d)

EXTEND the Brushy Draw-Delaware Pool (Pool Code 8080) in Eddy County, New Mexico to include:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM Section 10: NW/4

(f) EXTEND the Buffalo Valley-Pennsylvanian Gas Pool (Pool Code 73080) in Chaves County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM Section 15: W/2