



March 18, 2004

**BY HAND DELIVERY****RECEIVED****MAR 18 2004**

Michael E. Stogner, Hearing Examiner  
Oil Conservation Division  
New Mexico Department of Energy,  
Minerals and Natural Resources  
1200 South Saint Francis Drive  
Santa Fe, New Mexico 87505

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

Re: Case No. 13227: Application of Yates Petroleum Corporation for Statutory Unitization of the North Dagger Draw-Upper Pennsylvanian Unit Area, Eddy County, New Mexico.

*ME.* Case No. 13228: Application of Yates Petroleum Corporation for approval of a waterflood project and qualification of the Project Area for the Recovered Oil Tax Rate pursuant to the Enhanced Oil Recovery Act, Eddy County, New Mexico.

Dear Mr. Stogner:

Enclosed for your consideration is the proposed order of Yates Petroleum Corporation in the above-referenced cases. I have also provided this draft by e-mail.

At the March 4, 2004 examiner hearing, Yates Petroleum Corporation presented its application for qualification of the North Dagger Draw-Upper Pennsylvanian Unit Area as a qualified project pursuant to the New Mexico Enhanced Oil Recovery Act (Yates Exhibit 21). While preparing a proposed order in this matter, Yates discovered there are errors in paragraph E. 5 of its application. This paragraph should provide:

5. Estimated total value of additional production that will be recovered as a result of this project:  
An additional 2.2 MMBbls and 1.1 BCF at an average price of \$26.00 per bbl and \$4.33 per Mcf=62 Million.

A revised Exhibit No. 21 is enclosed with this letter that reflects these changes. Yates requests that this revised exhibit be included in the record in this case or, if the Examiner prefers, Yates requests that the application be reopened on the next available



examiner hearing docket and at that time amended Exhibit No. 21 be admitted into the record of these consolidated cases.

Very truly yours,

*William F. Carr*

William F. Carr

Enclosure

cc: Mr. Randy Patterson  
Ms. Susan Vierra  
Mr. John Humphrey  
Mr. George Freeman

STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

**RECEIVED**

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

MAR 18 2004

Oil Conservation Division  
1220 S. St. Francis Drive  
Santa Fe, NM 87505

APPLICATION OF YATES PETROLEUM CORPORATION FOR STATUTORY  
UNITIZATION OF THE NORTH DAGGER DRAW-UPPER PENNSYLVANIAN  
UNIT AREA, EDDY COUNTY, NEW MEXICO.

CASE NO. 13227

APPLICATION OF YATES PETROLEUM CORPORATION FOR APPROVAL  
OF A WATERFLOOD PROJECT AND QUALIFICATION OF THE PROJECT  
AREA FOR THE RECOVERED OIL TAX RATE PURSUANT TO THE  
ENHANCED OIL RECOVERY ACT, EDDY COUNTY, NEW MEXICO.

CASE NO. 13228

ORDER NO. R-\_\_\_\_\_

**YATES PETROLEUM CORPORATION'S  
PROPOSED ORDER OF THE DIVISION**

**BY THE DIVISION:**

This case came on for hearing at 8:15 a.m. on March 4, 2004, at Santa Fe, New Mexico before Examiner Michael E. Stogner.

NOW, on this \_\_\_ day of March, 2004, the Acting 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. In Case No. 13227, Yates seeks (a) statutory unitization, pursuant to the Statutory Unitization Act, NMSA 1978 Sections 70-7-1 through 70-7-21, as amended ("the Statutory Unitization Act"), of 5612.95 acres, more or less, located in portions of Sections 16, 17, 18, 19, 20, 21, 28, 29 and 30 of Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico ("the Unit Area"), for the purpose of instituting

secondary recovery operations which include a waterflood project within the North Dagger Draw Upper-Pennsylvanian Pool, to be called the North Dagger Draw-Upper Pennsylvanian Unit, and (b) approval of the Unit Agreement and the Unit Operating Agreement, which were submitted as applicant's Exhibits No. 3 and 5 in this case.

3. In Case No. 13228, Yates seeks approval to institute secondary recovery operations including a waterflood project for the injection of water into the Upper Pennsylvanian formation, North Dagger Draw-Upper Pennsylvanian Pool, initially through five injection wells shown on Exhibit "A" attached to this order. Yates further seeks provisions allowing for the administrative approval of additional injection wells in succeeding phases of operation. Yates also seeks to qualify the proposed project as an "Enhanced Oil Recovery Project" pursuant to the "Enhanced Oil Recovery Act" (NMSA 1978 Sections 7-29A-1 through 7-29A-5, as amended).

4. Cases No. 13227 and 13228 were consolidated at the hearing for the purpose of testimony. Because the cases involve the same property and subject matter, a single order is being entered disposing of both cases.

5. The proposed Unit Area consists of 5612.95 acres, more or less, in Eddy County, New Mexico, described as follows:

TOWNSHIP 19, SOUTH, RANGE 25 EAST, NMPM

Sections 16 and 17:	All
Section 18:	S/2, S/2 NE/4, SE/4 NW/4, NE/4 NE/4
Sections 19 through 21:	All
Sections 28 through 30:	All

6. The proposed vertical extent ("Unitized Formation") of the unit is that interval extending from an upper limit described as the top of the Canyon Carbonate formation at a depth of 7,680 feet, to a lower limit of the base of the Upper Canyon pay at a depth of 8,076 feet as shown on the GR/CNL/LDT/ PEF and GR/ DUAL LATEROLOG in the Yates Petroleum Corporation Vann "APD" # 1 well located 660 feet from the North line and 660 feet from the West line of Section 21, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

7. The proposed Unit Area has been approved by the United States Bureau of Land Management (BLM) subject to the Division's approval of the proposed statutory unitization (*Yates Exhibit 7*), and the Commissioner of Public lands has granted preliminary approval to the unit agreement as to form and content. (*Yates Exhibit 8*)

8. Yates presented the testimony of land specialist Susan Vierra as follows:

(a) In May 2003, the proposed unit was reviewed by Yates with representatives of the Bureau of Land Management and the State Land Office. In July 2003, Yates sent a letter to all owners in the proposed Unit Area concerning the proposed unit and calling a meeting to review this proposal. Yates conducted a meeting on August 28, 2003 at its offices in Artesia, New Mexico to discuss the unitization plan and on October 30, 2003 sent the Unit Agreement and Unit Operating Agreement to all interest owners in the Unit area. Since that time, and in accordance with the provisions of the Unit Agreement, Yates has provided the owners in the unit area with revised exhibits to the Unit Agreement and has had numerous conversations with the owners in the Unit Area concerning this proposed unit. *Testimony of Vierra, Yates Exhibit 6.*

(b) The proposed Unit contains 99 separate tracts owned by numerous parties. Fifty-seven of the tracts, comprising 2767.78 acres, are in private ownership. Sixteen tracts, comprising 1040 acres, are State of New Mexico land currently under lease. Twenty-six tracts, comprising 1805.17 acres are Federal Lands currently under lease. Yates and its related entities (Abo Petroleum Corporation, Myco Industries, Inc., Sacramento Partners, Limited, Sharbro Oil Limited Company, John A. Yates, Estate of Lillie M. Yates, Trust Q U/W/O Peggy A. Yates, Yates Drilling Company,) owns approximately 75.6% of the combined working interest in the Unit Area. Approximately 93% of the working interest and 87% of the royalty interest were committed to the Unit at the time of the hearing. *Testimony of Vierra, Yates Exhibit 3, attached schedules A and B.*

9. Yates presented the testimony of petroleum geologist John Humphrey as follows:

- (a) The Upper Pennsylvanian formation consists of porous dolomite. The porosity types within the Upper Pennsylvanian dolomite include vugular, intercrystalline and fracture, all of which are secondary porosity types. The major types seen in core taken from the Dagger Draw field area are vugular and intercrystalline which should improve the recovery sweep of the proposed water flood in the proposed unit area.
- (b) As shown on the Structure Map (*Yates Exhibit 14*), the structure of the Upper Pennsylvanian dolomite plunges to the Northeast. In addition it shows that all of the lands within the proposed unit lie above the Oil Water contact in the North Dagger Draw Field (this contact is at a subsea depth of -4380 ft).
- (c) Yates Exhibit 15 consisted of a Net Porosity Isopach of the Upper Pennsylvanian dolomite above the Oil Water Contact (porosity calculated from an average of the neutron and density porosity values using a cutoff value of 4%). The Exhibit illustrates that all lands within the proposed unit contain porous reservoir rock and it is believed that they will

contribute additional secondary recovery reserves. *Yates Exhibit 16. (Cross Section A-A'; line of which is shown on both Exhibit 14 and 15)* further shows that the target dolomite is present over the proposed unit area. Accordingly, from geologic studies performed over this area, the unit area is well suited for secondary and tertiary recovery operations and the entire proposed unit area should contribute enhanced recovery reserves.

10. Yates presented the testimony of petroleum engineer George Freeman as follows:

(a) The wells producing from the portion of the Upper Pennsylvanian reservoir that is included within the Unit Area are close to their economic limits and if enhanced recovery operations are not started quickly these wells will have to be plugged and abandoned and reserves will be wasted. *Testimony of Freeman.*

(b) All tracts within the unit area should contribute to secondary production. *Testimony of Freeman.*

(c) The proposed secondary recovery operation is feasible, and the proposed Unit Area can be efficiently and effectively operated under the proposed unit plan of development.

(d) The secondary recovery operation will be initiated with five injection wells and be implemented rapidly in phases until the entire unitized area is swept by injection wells.

(e) The estimated remaining primary gross production from the Unit Area amounts to approximately 191,500 barrels of oil as of January 1, 2004, and 1.2 billion cubic feet (BCF) of gas, having a total discounted present value of approximately \$6.7 million. *Testimony of Freeman, Yates Exhibit 18.*

(f) The estimated future gross production from the Unitized Formation of the Unit Area if the proposed secondary recovery operation is implemented is approximately 2.2 million barrels of oil and 1.1 BCF of gas, having an estimated total value of approximately \$62 million dollars. *Yates Exhibit 21.*

(g) Unitized management of this pool is necessary to effectively implement and carry on the proposed secondary recovery operations.



(h) Yates is not requesting a nonparticipation penalty to apply parties unitized by order who elect not to participate in subsequent operations.

(i) Each of the five proposed injection wells will inject an average of 2500 barrels (maximum of 5000 barrels) of produced water per day. No fresh makeup water will be used. *Yates Exhibit 20, page 3.*

(j) The wells are initially expected to take water on vacuum but if pressure is needed it will not exceed a maximum of 1520 pounds psig or 0.2 psig per foot of depth to the depth of the uppermost perforation in each injection well, whichever is less. *Testimony of Freeman.*



(k) The fresh water interval in this area consists of the quaternary alluvium fresh water sands located above 390 feet deep. Active and plugged and abandoned wells within the area of review (1/2 mile) of each proposed initial injection well have adequate cement to isolate the injection interval and to protect fresh water, and no remedial work is required on these wells to enable Yates to safely operate the project. The proposed injection operation will not pose a threat to any freshwater supplies. *Yates Exhibit 20.*

(l) The estimated additional costs of operation of the unit pursuant to the proposed secondary recovery plan are \$1.34 million in facility costs and an additional \$5.96 million in additional costs, to generate additional production of 2.2 million barrels of oil. *Yates Exhibit 21.*

11. The unitized management, operation and further development of the North Dagger Draw-Upper Pennsylvanian Pool in the proposed Unit Area is reasonably necessary in order to effectively carry on the proposed secondary recovery project, which will substantially increase the ultimate recovery of oil and gas from this pool, and delays in implementing this project are detrimental to ultimate recovery from this reservoir.

12. Section 13. ("TRACT PARTICIPATION") of the Unit Agreement contains the formula by which the participation of each tract in the Unit Area will be determined. Pursuant to this formula, individual tract allocation is based on 70% acreage and 30% remaining primary reserves as of January 1, 2003. This participation formula was presented at all meetings with the unit owners and the individual participations of all tracts in the Unit Area have been determined based on this formula. *Testimony of Vierra, Yates Exhibit 3, page 5.* Yates engineering witness testified that due to the complexity of the geology in the Unit Area and the effects of a partial water drive in the reservoir, this

formula, with its heavy reliance on acreage, best allocates unitized substances to the owners thereof on a fair, reasonable and equitable basis. *Testimony of Freeman.*

13. No party opposes the implementation of enhanced recovery operations or the unitization of the Unit Area.

14. Section 13 on page 5 of the proposed Unit Agreement contains an error that confuses the description of the land factor in the participation formula. As originally filed with the Division, this factor was described as:

“A = the Area Ratio based on the ratio of *an Owners net acreage* divided by the total acreage within the Unit Area.”

The evidence established that this language was in error and that it is inconsistent with (i) how this factor had been explained to all interest owners in the unit area and (ii) to how tract participations have been calculated and presented to the owners in the proposed unit.

15. To correct this error and thereby avoid further confusion about how this factor is determined, the description of the land factor in Section 13 of the Unit Agreement should provide as follows:

“A = the Area Ratio based on the ratio of *the total acreage within the Tract* divided by the total acreage within the Unit Area.”

16. Section 24.C. of the Unit Agreement provides that this Agreement “...shall be amended in any and all respects necessary to conform to the Division’s order approving statutory unitization.” It also provides:

“Any and all amendments of this Agreement and/or the Unit Operating Agreement that are necessary to conform said agreements to the Division’s order approving statutory unitization shall be deemed to be hereby approved in writing by the parties hereto without any necessity for further approval by said parties...” unless the amendment has the effect of reducing the participation in the production of unitized substances of any Royalty Interest Owner or any Working Interest Owner. In the case that the interest of any owner is reduced, additional written approval of the Unit agreement would be required. *Testimony of Vierra, Yates Exhibit 3, page 12.*

17. Section 13 of the Unit Agreement contains an error that renders the description of the land factor in the participation Formula unworkable. The language as originally filed is inconsistent with how the individual tract participations have been determined and how the formula has been explained to all owners of interest in the Unit Area. To correct this error and thereby avoid confusion concerning the determination of

this factor, the description of the land factor in Section 13 of the Unit Agreement, should provide as follows:

“A = the Area Ratio based on the ratio of *the total acreage within the Tract* divided by the total acreage within the Unit Area.”

18. Amendment of the land factor in the Tract Participation formula as described in Finding No. 17, will not reduce the any interest owner's participation in the production of Unitized substances and should be required by the Division.

19. The Division concludes that the participation formula contained in the proposed Unit Agreement, as corrected by this order, allocates the produced and saved, unitized hydrocarbons to the separately owned tracts in the Unit Area on a fair, reasonable and equitable basis.

20. The other provisions of the proposed Unit Agreement and Unit Operating Agreement, including but not limited to the provision that provides for overhead charges of \$5,500 per month while drilling and \$550 per month while producing, are likewise fair and reasonable.

21. The statutory unitization of the Unitized Formation within the Unit Area in accordance with the plan embodied in the Unit Agreement and the Unit Operating Agreement will prevent waste and protect correlative rights.

22. The proposed unitized method of secondary recovery operations within the Unit Area is feasible and will result with reasonable probability in the recovery of substantially more oil and gas from the unitized portion of the pool than would otherwise be recovered.

23. The estimated additional costs of the proposed operations will not exceed the estimated value of the additional oil and gas recovered plus a reasonable profit.

24. Statutory unitization and adoption of applicant's proposed unitized method of operation will benefit the working interest and royalty interest owners within the proposed Unit Area, and will prevent waste and protect correlative rights of all parties.

25. Yates has made a good faith effort to secure voluntary unitization of the Unitized Formation within the Unit Area.

26. The proposed Unit Agreement and Unit Operating Agreement contain satisfactory provisions with respect to all of the matters required by NMSA 1978 Section 70-7-7, as amended.

27. The proposed plan for unit operations set forth in the Unit Agreement and the Unit Operating Agreement have been approved in writing by persons who, under this order, will be required initially to pay at least seventy-five percent (75%) of the costs of the unit operations.

28. The proposed waterflood project should be approved, and the project should be governed by Division Rules No. 701 through 708.

29. The evidence presented demonstrates that:

(a) the application for approval of the proposed secondary recovery project has not been prematurely filed either for economic or technical reasons;

(b) the area affected by the proposed project has been so depleted by primary operations that it is prudent to apply secondary recovery techniques to maximize the ultimate recovery of crude oil from the North Dagger Draw-Upper Pennsylvanian Pool; and

30. The evidence establishes that the proposed secondary recovery project meets all the criteria for certification by the Division as a qualified "Enhanced Oil Recovery Project" pursuant to the "Enhanced Oil Recovery Act" (NMSA 1978 Sections 7-29A-1 through 7-29A-5).

31. The applicant proposes to phase the institution of the waterflood project within two distinct areas of the North Dagger Draw-Upper Pennsylvanian Unit Area. Phase I is to be implemented approximately 18 months prior to Phase II operations.  
*Testimony of Freeman.*

32. The certified "project area" should initially comprise the area approved for statutory unitization as described in Finding 5 of this order, provided that Phase I and Phase II areas within the project may be independently certified by the Division to the New Mexico Taxation and Revenue Department.

33. To be eligible for the EOR credit, the operator should advise the Division when water injection commences into Phase I and Phase II of the project and at such time(s), request the Division certify Phase I and II to the New Mexico Department of Taxation and Revenue.

34. The Phase I and II areas within the project and/or the producing wells within such areas eligible for the recovered oil tax rate may be contracted and reduced dependent upon the evidence presented by the applicant in its demonstration of the occurrence of a positive production response.

**IT IS THEREFORE ORDERED THAT:**

1. The application of Yates Petroleum Corporation for the statutory unitization of the Unitized formation within the Unit Area, to be known as the North Dagger Draw Upper Pennsylvanian Unit, is hereby approved pursuant to the Statutory Unitization Act, NMSA 1978, Sections 70-7-1 through 70-7-21, as amended.

2. The Unit Area shall consist of 5612.95 acres, more or less, in Eddy County, New Mexico, described follows:

**TOWNSHIP 19, SOUTH, RANGE 25 EAST, NMPM**

Sections 16 and 17:	All
Section 18:	S/2, S/2 NE/4, SE/4 NW/4, NE/4 NE/4
Sections 19 through 21:	All
Sections 28 through 30:	All

3. The Unitized Formation shall be that interval extending from an upper limit described as the top of the Canyon Carbonate formation at a depth of 7,680 feet, to a lower limit of the base of the Upper Canyon pay at a depth of 8,076 feet as shown on the GR/CNL/LDT/ PEF and GR/ DUAL LATEROLOG in the Yates Petroleum Corporation Vann "APD" # 1 well located 660 feet from the North line and 660 feet from the West line of Section 21, Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

4. The description of the land factor in Section 13 of the Unit Agreement is hereby amended and corrected to provide:

"A = the Area Ratio based on the ratio of the total acreage within the Tract divided by the total acreage within the Unit Area."

5. The Unit Agreement, as hereby amended, and the Unit Operating Agreement, which were admitted in evidence at the hearing as Exhibits 3 and 5, respectively, are hereby incorporated by reference into this order.

6. This order shall not become effective unless and until the plan for unit operations prescribed hereby has been approved in writing by the owners of at least seventy-five percent of the working interest and seventy-five percent of the owners of non cost bearing interest in the North Dagger Draw-Upper Pennsylvanian Unit Area as required by NMSA 1978, §70-7-8 (1975).

7. The applicant shall notify the Division Director in writing of any removal of the applicant as unit operator or substitution as unit operator of any other working interest owner within the Unit Area. In the event a person other than Yates assumes

operation of the unit established hereby, such person shall comply with all the terms and provision of this order.

8. The unit established hereby shall terminate upon the plugging and abandonment of the last well in the Unit Area completed in the Unitized Formation.

9. Yates is hereby authorized to institute enhanced recovery operations within the Unit Area initially by the injection of produced water into the Unitized Formation of the North Dagger Draw-Upper Pennsylvanian Pool through the five wells shown on Exhibit "A" attached to this order located in Sections 19 and 30 of Township 19 South, Range 25 East, NMPM, Eddy County, New Mexico.

10. No fresh water shall be used as make-up water or otherwise injected.

11. Yates shall take all steps necessary to ensure that the injected water enters only the proposed injection interval and is not permitted to escape to other formations or onto the surface from injection, production, or plugged and abandoned wells.

12. Injection into each of the wells shown on Exhibit "A" shall be accomplished through 2 7/8 inch internally plastic-coated or cement lined tubing installed in a packer located within 100 feet of the uppermost injection perforations or casing shoe. The casing-tubing annulus shall be filled with an inert fluid, and a gauge or approved leak-detection device shall be attached to the annulus in order to determine leakage in the casing, tubing, or packer.

13. The injection wells or pressurization system shall be equipped with a pressure control device or acceptable substitute that will limit the surface injection pressure to no more than 1520 psig or 0.2 psig per foot of depth to the depth of the uppermost perforation in the injection well, whichever is less.

14. The Division Director may administratively authorize a pressure limitation in excess of the above upon a showing by the operator that such higher pressure will not result in the fracturing of the injection formation or confining strata.

15. The Division Director may administratively authorize additional injection wells within the Unit Area as provided in Division Rule 701.F(3).

16. Prior to commencing injection operations, the casing in each well shall be pressure tested throughout the interval from the surface down to the proposed packer setting depth to assure the integrity of such casing.

17. The unit operator shall give advance notice to the supervisor of the Division's Artesia District Office of the date and time (i) injection equipment will be

installed, and (ii) the mechanical integrity pressure test will be conducted on the proposed injection wells, so that these operations may be witnessed.

18. The unit operator shall immediately notify the supervisor of the Division's Artesia District Office of any failure of the tubing, casing or packer in any of the injection wells or the leakage of water, oil or gas from or around any producing or plugged and abandoned well within the project area, and shall promptly take all steps necessary to correct such failure or leakage.

19. The unit operator shall conduct injection operations in accordance with Division Rules No. 701 through 708, and shall submit monthly progress reports in accordance with Division Rules No. 706 and 1115.

20. The injection authority granted herein for each well shown on Exhibit "A" shall terminate one year after the date of this order if the unit operator has not commenced injection operations into the well; provided, however, the Division, upon written request, may grant an extension for good cause.

21. The pressure maintenance project authorized by this order shall be known as the North Dagger Draw-Upper Pennsylvanian Unit Waterflood Project.

22. The North Dagger Draw-Upper Pennsylvanian Unit Waterflood Project is hereby certified as an "Enhanced Oil Recovery Project" pursuant to the "Enhanced Oil Recovery Act" (NMSA 1978 Sections 7-29A-1 through 7-29A-5). The project area shall initially comprise the entire North Dagger Draw-Upper Pennsylvanian Unit, described in Ordering Paragraph No. 2; provided however, the Phase I and II areas within the project may be independently certified by the Division to the New Mexico Taxation and Revenue Department and the Phases I and II areas and/or the producing wells eligible for the enhanced oil recovery (EOR) tax rate may be contracted and reduced based upon the evidence presented by the unit operator in its demonstration of a positive production response.

23. To be eligible for the EOR tax rate, the unit operator shall advise the Division of the date and time water injection commences into Phase I and Phases II of the project and at such time(s), request the Division certify Phase I and II to the New Mexico Taxation and Revenue Department.

24. At such time as a positive production response occurs, and within five years from the date the project was certified to the New Mexico Taxation and Revenue Department, the unit operator must apply to the Division for certification of a positive production response. This application shall identify the area benefiting from enhanced oil recovery operations and the specific wells eligible for the EOR tax rate. The Division may review the application administratively or set it for hearing. Based upon the

evidence presented, the Division will certify to the New Mexico Taxation and Revenue Department those wells that are eligible for the EOR tax rate.

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

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

**STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION**

\_\_\_\_\_  
**ACTING DIRECTOR**

**SEAL**

**STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION**

**CASE NOS. 13227 AND 13228**

**EXHIBIT A  
APPROVED INJECTION WELLS**

Ross EG Federal Com Well No. 5	860' FNL & 860' FEL	Unit A	19-19S-25E
Ross EG Federal Com Well No. 12	1980' FNL & 660' FEL	Unit H	19-19S-25E
Ross EG Federal Com Well No. 9	1980' FSL & 660' FEL	Unit I	19-19S-25E
Dagger Draw 30N Com Well No. 15	660' FNL & 660' FEL	Unit A	30-19S-25E
Dagger Draw 30N Com Well No. 17	1665' FNL & 660' FEL	Unit H	30-19S-25E