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Well Name

API No.

Location

San Simon State #6

30-025-29839

2310 FNL/990 FEL H-4-22S-35E

CASE NO. 13373: Continued from the September 14, 2006 Examiner Hearing.

Application of the New Mexico Oil Conservation Division for an order requiring Orbit Energy Inc. to return 5 wells to compliance with 19.15.4.201 NMAC, Roosevelt County, New Mexico. The Applicant moves the Oil Conservation Division Director to reopen Case No. 13373 to issue an order assessing civil penalties and finding Orbit Petroleum, Inc. (formerly Orbit Energy Inc.) to be in violation of Order R-12250, issued in Case No. 13373, requiring corrective action as to the following wells: Farrell Federal #010, API 30-041-10446, F-28-7S-33E; James McFarland #004, API 30-041-10567, L-20-7S-33E; Humble Federal #005, API 30-041-20116, B-26-7S-32E; State BA #001, API 30-041-10003, A-34-7S-35E; State BA #002, API 30-041-20048, H-34-7S-35E. The wells are located approximately 30 miles southwest of Portales in Roosevelt County, New Mexico.

<u>CASE NO. 13796</u>: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Eddy County, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico for the production of gas from the Wolfcamp formation and designated as the Southwest Four Mile Draw-Wolfcamp Gas Pool (Pool Code 97553). The discovery well is the Parallel Petroleum Corporation Boxtop Federal 1921-1 Well No. 1 (API No. 30-015-34374) located in Unit M of Section 1, Township 19 South, Range 21 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 21 EAST, NMPM

Section I: All

(b) EXTEND the Anderson-Pennsylvanian Gas Pool (Pool Code 70200) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 24: E/2

(c) EXTEND the Angell Ranch-Atoka-Morrow Gas Pool (Pool Code 70310) in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 3: All

(d) EXTEND the Black River-Wolfcamp Gas Pool (Pool Code 72240) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 31: W/2

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM

Section 6: W/2

Section 7: NW/4

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

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 4: SE/4

(f) EXTEND the Cedar Lake-Morrow Gas Pool (**Pool Code 74560**) in Eddy County, New Mexico to include:

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TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM

Section 33: N/2

(g) EXTEND the Cemetery-Morrow Gas Pool (Pool Code 74640) in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM

Section 10: All

(h) EXTEND the Cemetery-Wolfcamp Gas Pool (Pool Code 74680) in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH. RANGE 24 EAST, NMPM

Section 14: All

(i) EXTEND the Collins Ranch-Wolfcamp Gas Pool (Pool Code 75010) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 24 EAST, NMPM

Section 15: W/2

Section 16: All

Section 17: E/2

(j) EXTEND the West Cottonwood Creek-Wolfcamp Gas Pool (**Pool Code 75260**) in Eddy County. New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 24 EAST, NMPM

Section 8: N/2

Section 9: N/2

Section 10: N/2

Section 11: NW/4

Section 12: NW/4

Section 23: NW/4

Section 25: NE/4

(k) EXTEND the Diamond Mound-Atoka Gas Pool (Pool Code 76060) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM

Section 7: W/2

(1) EXTEND the Diamond Mound-Morrow Gas Pool (Pool Code 76079) in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM

Section 7: All

(m) EXTEND the South Empire-Morrow Gas Pool (Pool Code 76400) in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 13: W/2

Section 23: E/2

Section 24: N/2

(n) EXTEND the Forehand Ranch-Wolfcamp Gas Pool (**Pool Code 76780**) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 22: E/2

Section 23: W/2

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(a) EXTEND the Happy Valley-Delaware Pool (Pool Code 29665) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

Section 10: SW/4 and NE/4

(p) EXTEND the Laguna Salado-Bone Spring Pool (Pool Code 96721) in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 29 EAST, NMPM

Section 21: NE/4

(q) EXTEND the McKittrick Hills-Upper Pennsylvanian Gas Pool (**Pool Code 81080**) in Eddy County. New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM

Section 19: W/2

(r) EXTEND the McMillan-Upper Pennsylvanian Gas Pool (**Pool Code 81283**) in Eddy County. New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM

Section 29: E./2 Section 32: All

(s) EXTEND the East Pierce Crossing-Bone Spring Pool (**Pool Code 96473**) in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 9: SE/4

(1) EXTEND the North Turkey Track-Morrow Gas Pool (**Pool Code 86500**) in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM

Section 30: E/2 Section 31: NE/4 Section 32: N/2

(u) EXTEND the Southeast Willow Lake-Bone Spring Pool (**Pool Code 96217**) in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 29 EAST, NMPM

Section 16: SW/4 Section 21: NW/4

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.