

**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. 11763
Order No. R-10793**

**APPLICATION OF PENWELL
ENERGY, INC. FOR COMPULSORY
POOLING, EDDY COUNTY, NEW
MEXICO.**

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on April 17, 1997, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 28th day of April, 1997, the Division Director, having considered the record and the recommendations of the Examiner, and being fully advised in the premises,

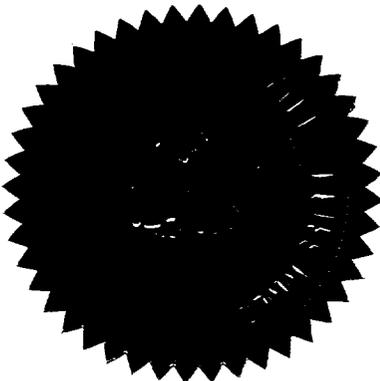
FINDS THAT:

The applicant's request for dismissal should be granted.

IT IS THEREFORE ORDERED THAT:

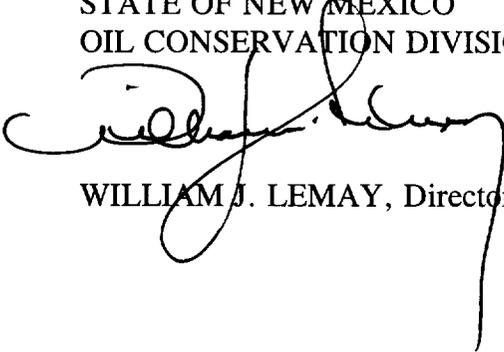
Case No. 11763 is hereby dismissed.

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



S E A L

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION


WILLIAM J. LEMAY, Director

DOCKET: EXAMINER HEARING - THURSDAY - APRIL 17, 1997

8:15 AM - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos 13-97 and 14-97 are tentatively set for May 1, 1997 and May 15, 1997. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11743: (Continued from April 3, 1997, Examiner Hearing.)

Application of Santa Fe Energy Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Section 17, Township 22 South, Range 28 East, and in the following manner: the N/2 of Section 17 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within said vertical extent, including the Undesignated West Indian Flats-Strawn Gas Pool, the Undesignated Dublin Ranch-Atoka Gas Pool, and the Undesignated Dublin Ranch-Morrow Gas Pool; and the NE/4 of Section 17 to form a 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said units are to be dedicated to its Foal "17" Fed. Well No. 1, to be drilled at an orthodox location 1980 feet from the North line and 1980 feet from the East line (Unit G) of said Section 17. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well, and a charge for risk involved in drilling said well. Said unit is located approximately 7 1/2 miles north of Loving, New Mexico.

CASE 11409: (Reopened)

In the matter of Case No. 11409 being reopened pursuant to the provisions of Division Order No. R-10504, which order promulgated Temporary Special Rules and Regulations for the Southwest Bronco-Wolfcamp Pool in Lea County, New Mexico, including provisions for 80-acre well spacing and designated well locations. Operators in the subject pool may appear and show cause why said Temporary Special Rules and Regulations for the Southwest Bronco-Wolfcamp Pool should not be rescinded.

CASE 11749: (Continued from March 20, 1997, Examiner Hearing.)

Application of KCS Medallion Resources, Inc. for compulsory pooling and an unorthodox well location, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests for all formations developed on 320-acre spacing underlying the E/2; in all formations developed on 160-acre spacing underlying the SE/4; in all formations developed on 80-acre spacing underlying the S/2 SE/4; and in all formations developed on 40-acre spacing underlying the SW/4 SE/4 of Section 14, Township 17 South, Range 28 East, from the surface to the base of the Morrow formation. Said units are to be dedicated to its Aid State Well No. 14-1 to be drilled at an unorthodox location 660 feet from the South line and 1330 feet from the East line (Unit O) of said Section 14. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 13 miles east of Artesia, New Mexico.

CASE 11752: (Continued from April 3, 1997, Examiner Hearing.)

Application of KCS Medallion Resources, Inc. for an unorthodox gas well location, Eddy County, New Mexico. Applicant seeks approval to drill a well to the base of the Morrow formation at an unorthodox gas well location 560 feet from the North line and 560 feet from the East line (Unit A) of Section 27, Township 18 South, Range 29 East, said location being unorthodox for the North Turkey Track-Morrow gas Pool. Said unit is located approximately 9 miles east-northeast of Old Illinois Camp, New Mexico.

CASE 11748: (Continued from April 3, 1997, Examiner Hearing.)

Application of Enron Oil & Gas Company for downhole commingling, Eddy County, New Mexico. Applicant seeks approval to downhole commingle production from the Atoka formation, Sand Tank-Atoka Gas Pool, and the Morrow formation, Undesignated Sand Tank-Morrow Gas Pool, within the wellbore of its Sand Tank "6" Federal Well No. 1 located 1980 feet from the North line and 1650 feet from the East line (Unit G) of Section 6, Township 18 South, Range 30 East. Said area is located approximately three miles south-southwest of Loco Hills, New Mexico.

Application of Penwell Energy, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing from the surface to the base of the Morrow formation underlying the S/2 of Section 15, Township 23 South, Range 26 East. Said unit is to be dedicated to its Beretta State Com 15 Well No. 1 to be drilled at a standard gas well location 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 15. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 5 miles south of Carlsbad, New Mexico.

CASE 11730: (Continued from April 3, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Undesignated Red Tank-Bone Spring Pool underlying the SE/4 SE/4 (Unit P) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 26 miles southwest by west of Eunice, New Mexico.

CASE 11731: (Continued from April 3, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Undesignated Red Tank-Bone Spring Pool underlying the NE/4 SE/4 (Unit D) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 26 miles southwest by west of Eunice, New Mexico.

CASE 11732: (Continued from April 3, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Undesignated Red Tank-Bone Spring Pool underlying the NE/4 NE/4 (Unit A) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 26 miles southwest by west of Eunice, New Mexico.

CASE 11733: (Continued from April 3, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Red Tank-Bone Spring Pool underlying the SW/4 SW/4 (Unit M) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 26 miles southwest by west of Eunice, New Mexico.

CASE 11734: (Continued from April 3, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Red Tank-Bone Spring Pool underlying the NW/4 SW/4 (Unit L) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 26 miles southwest by west of Eunice, New Mexico.

CASE 11735: (Continued from April 3, 1997, Examiner Hearing.)

Application of Penwell Energy, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Undesignated Red Tank-Bone Spring Pool underlying the SW/4 SE/4 (Unit O) of Section 24, Township 22 South, Range 32 East, forming a standard 40-acre oil spacing and proration unit. Said unit is to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 26 miles southwest by west of Eunice, New Mexico.

CASE 11649: (Continued from March 20, 1997, Examiner Hearing.)

Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing underlying the N/2, in all formations developed on 160-acre spacing underlying the NE/4, in all formations developed on 80-acre spacing underlying the N/2 NE/4, and in all formations developed on 40-acre spacing underlying the NW/4 NE/4 from the surface to the base of the Morrow formation, Cemetery-Morrow Gas Pool, of Section 26, Township 19 South, Range 25 East. Said units are to be dedicated to its Morris 26B Well No.1 which will be drilled at a standard location 660 feet from the North line and 1650 feet from the East line (Unit B) of said Section 26. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 4 ½ miles west of Lakewood, New Mexico.

CASE 11756: (Continued from April 3, 1997, Examiner Hearing.)

Application of Nearburg Exploration Company, L.L.C. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing from the surface to 12,300 feet or the base of the Atoka formation, whichever is less, under Lots 9 through 16 of Section 2, Township 16 South, Range 32 East. Said unit is to be dedicated to its Sunray State Land 76 Well No. 1 to be re-entered at a standard location 4620 feet from the South line and 1980 feet from the East line of said Section 2, or, if the proposed re-entry is unsuccessful, to a well to be drilled at a standard well location to a depth sufficient to test the Atoka formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 5 miles of Maljamar, New Mexico.

CASE 11714: (Continued from April 3, 1997, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests in all formations developed on 320-acre spacing underlying the S/2, in all formations developed on 160-acre spacing underlying the SE/4, in all formations developed on 80-acre spacing underlying the S/2 SE/4, and in all formations developed on 40-acre spacing underlying the SW/4 SE/4 from the surface to the base of the Morrow formation in Section 3, Township 24 South, Range 33 East. Said unit is to be dedicated to its Quest "AQS" State Well No. 1 which will be drilled as a wildcat well at a standard location 660 feet from the South line and 1980 feet from the East line (Unit O) of said Section 3. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 9 miles east of the intersection of Highway FAS 1271 with the Lea County/Eddy County line.

CASE 11764: **Application of Louis Dreyfus Natural Gas Corp. for compulsory pooling, Eddy County, New Mexico.** Applicant seeks an order pooling all mineral interests from the surface to the base of the Delaware formation underlying the NE/4 SW/4 of Section 29, Township 22 South, Range 26 East, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing, including but not limited to the Happy Valley-Delaware Pool and the West Carlsbad-Delaware Pool. Said unit is to be dedicated to its Happy Valley "29" Well No. 23 to be drilled and completed at a standard location in Unit K of said Section 29. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 6 miles southwest of Carlsbad, New Mexico.

CASE 11639: (Continued from March 20, 1997, Examiner Hearing.)

Application of Mewbourne Oil Company for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the base of the Abo formation to the base of the Morrow formation underlying the N/2 of Section 8, Township 18 South, Range 28 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing. Applicant proposes to dedicate this pooled unit to its Scoggin Draw "8" State Well No. 1, to be drilled at an orthodox location 660 feet from the North line and 2250 feet from the East line (Unit B) of said Section 8. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in drilling said well. Said unit is located approximately 11 miles southwest of Artesia, New Mexico.

CASE 11724: (Continued from March 20, 1997, Examiner Hearing.)

Application of Gillespie-Crow, Inc. for unit expansion, statutory unitization, and qualification of the expanded unit area for the recovered oil tax rate and certification of a positive production response pursuant to the "New Mexico Enhanced Oil Recovery Act", Lea County, New Mexico. Applicant seeks an order expanding the West Lovington Strawn Unit and unitizing all mineral interests in the designated and Undesignated West Lovington-Strawn Pool underlying the S/2 SE/4 of Section 28, all of Section 33, and the W/2 and W/2 SE/4 of Section 34, Township 15 South, Range 35 East; Lots 1 through 8 of Section 1, Township 16 South, Range 35 East; and Lots 3 through 5 of Section 6, Township 16 South, Range 36 East, comprising 1618.95 acres, more or less, of state, federal, and fee lands. Among the matters to be considered at the hearing, pursuant to the New Mexico Statutory Unitization Act, Sections 70-7-1 et. seq., will be: the necessity of unit operations; the determination of horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investments, to each of the tracts in the unit area; the determination of credits and charges to be made among the various owners in the unit area for their investment in wells and equipment; and such other matters as may be necessary and appropriate. Applicant further seeks to qualify the expanded unit area for the recovered oil tax rate pursuant to the "New Mexico Enhanced Oil Recovery Act" (Laws 1992, Chapter 38, Sections 1 through 5), and to certify two wells within the expanded unit area for a positive production response. Said unit is located approximately 4.5 miles west-northwest of Lovington, New Mexico.

CASE 11765: In the matter of the hearing called by the Oil Conservation Division upon its own motion for an order creating, assigning a discovery allowable, and extending certain pools in Chaves and Lea Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the East Crazy Horse-Delaware Pool. The discovery well is the Basin Operating Company Kimo Sabe Well No. 1 located in Unit J of Section 16, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM

Section 16: SE/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Fusselman production and designated as the North Dollarhide-Fusselman Pool. The discovery well is the Texaco E & P Inc. United Royalty A Well No. 5 located in Unit F of Section 19, Township 24 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM

Section 19: NW/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Hardin Tank-Bone Spring Pool. The discovery well is the Yates Petroleum Corporation Dean APQ Federal Well No. 1 located in Unit J of Section 3, Township 26 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 34 EAST, NMPM

Section 3: SE/4

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Strawn production and designated as the North Lusk-Strawn Pool. The discovery well is the Chevron USA Inc. Spear Federal Well No. 1 located in Unit F of Section 33, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 33: NW/4

- (e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Devonian production and designated as the West Maljamar-Devonian Pool. The discovery well is the Conoco Inc. Elvis Well No. 1 located in Unit F of Section 20, Township 17 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 20: NW/4

Further, ASSIGN a discovery allowable of 68,725 barrels of oil to said discovery well to be produced over a two-year period. The discovery allowable is to be retroactive to March 1, 1997.

- (f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the North Morton-Atoka Gas Pool. The discovery well is the Yates Petroleum Corporation Morton Unit Well No. 1 located in Unit B of Section 5, Township 15 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH. RANGE 35 EAST. NMPM

Section 5: N/2

- (g) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the North Triste Draw-Morrow Gas Pool. The discovery well is the Penwell Energy, Inc. Tomcat Federal 21 Com Well No. 1 located in Unit F of Section 21, Township 23 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH. RANGE 32 EAST. NMPM

Section 21: N/2

- (h) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH. RANGE 37 EAST. NMPM

Section 21: NE/4, N/2 SE/4, and SW/4

- (i) EXTEND the South Corbin-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH. RANGE 33 EAST. NMPM

Section 9: NE/4

- (j) EXTEND the East Cotton Draw-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH. RANGE 32 EAST. NMPM

Section 18: SW/4

- (k) EXTEND the Draper Mill-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 25 SOUTH. RANGE 33 EAST. NMPM

Section 10: SW/4

Section 15: NW/4

- (l) EXTEND the Southwest Eunice-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH. RANGE 37 EAST. NMPM

Section 16: NE/4

- (m) EXTEND the Fowler-Ellenburger Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH. RANGE 37 EAST. NMPM

Section 26: E/2

- (n) EXTEND the East Fowler-Ellenburger Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH. RANGE 38 EAST. NMPM

Section 18: NE/4

- (o) EXTEND the Johnson Ranch-Wolfcamp Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH. RANGE 33 EAST. NMPM

Section 10: S/2

- (p) EXTEND the Northeast Lea-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH. RANGE 34 EAST. NMPM

Section 35: W/2

- (q) EXTEND the Lost Tank-Delaware Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 21 SOUTH. RANGE 32 EAST. NMPM
Section 30: S/2
- (r) EXTEND the Many Gates-Morrow Gas Pool in Chaves County, New Mexico, to include therein:
TOWNSHIP 10 SOUTH. RANGE 30 EAST. NMPM
Section 6: N/2
- (s) EXTEND the Mesa Verde-Delaware Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 24 SOUTH. RANGE 32 EAST. NMPM
Section 6: N/2
- (t) EXTEND the Monument-Abo Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 19 SOUTH. RANGE 36 EAST. NMPM
Section 26: NW/4
Section 35: NW/4
- (u) EXTEND the Monument-Paddock Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 20 SOUTH. RANGE 37 EAST. NMPM
Section 15: NW/4
- (v) EXTEND the West Red Tank-Delaware Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 22 SOUTH. RANGE 32 EAST. NMPM
Section 36: SE/4
- (w) EXTEND the West Reeves-Queen Gas Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH. RANGE 35 EAST. NMPM
Section 16: SW/4
Section 17: SE/4
- (x) EXTEND the Skaggs-Drinkard Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 20 SOUTH. RANGE 37 EAST. NMPM
Section 3: E/2
- (y) EXTEND the Townsend-Abo Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 16 SOUTH. RANGE 35 EAST. NMPM
Section 26: SW/4
- (z) EXTEND the Vacuum-Atoka Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 17 SOUTH. RANGE 34 EAST. NMPM
Section 36: NE/4
- (aa) EXTEND the Vacuum-Drinkard Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 17 SOUTH. RANGE 35 EAST. NMPM
Section 32: N/2

(bb) EXTEND the East Warren-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 23: NE/4

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