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STEVENS & TULL, INC.

MIDLAND, TEXAS 79702

915/699-1410

March 21, 1990

New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87504  
Attn: Mr. Michael Stogner

9917

Re: Force Pooling Hearing  
NW/4 SE/4 Section 23,  
T-20-S, R-38-E,  
Lea County, New Mexico  
Carter "23" Prospect

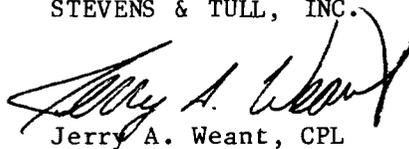
Gentlemen:

Stevens & Tull, Inc. is proposing to drill a 7900' Abo test in the NW/4 SE/4 of Section 23, T-20-S, R-38-E, N.M.P.M., Lea County, New Mexico. The projected spacing unit for this well will be 40 acres.

We anticipate the pay zones in our well from the deepest to the shallowest are as follows: Abo, Drinkard, Tubb, Blinberry, San Andres and Yates/Seven Rivers. We request that Stevens & Tull, Inc. be placed on your April 18, 1990, docket in order that we may proceed with the pooling of all uncommitted interest under the subject lands. Thank you for your cooperation in this matter.

Yours Very Truly,

STEVENS & TULL, INC.

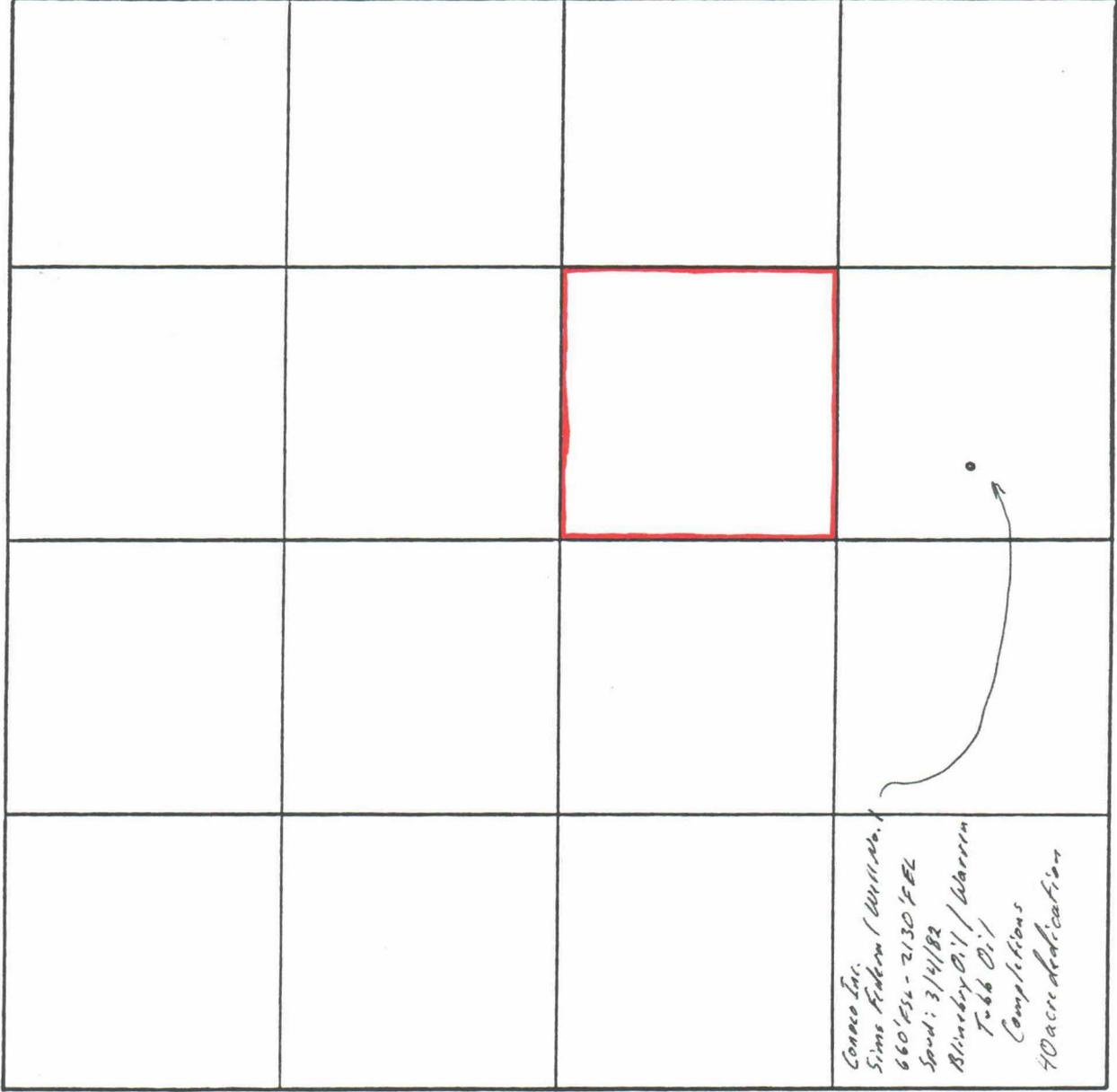


Jerry A. Weant, CPL

jw3. cc. ss

Uncommitted Interests

- 1) Concord Oil Company  
1500 Alamo National Building  
San Antonio, Texas 78205  
Attn: R. S. McCoy
- 2) Trust Company of Oklahoma of Tulsa  
P.O. Box 3688  
Tulsa, Oklahoma 74101  
Attn: Bill Meyer
- 3) Ronald J. Byers  
400 West Fifteenth Street  
Suite 1600  
Austin, Texas 78701
- 4) Koch Industries, Inc.  
P.O. Box 2256  
Wichita, Kansas 67201  
Attn: Randy Whipple
- 5) Union Texas Petroleum Corporation  
P.O. Box 2120  
Houston, Texas 77252-2120  
Attn: Rod Cranford
- 6) Edward T. Dreessen, Jr.  
4858 Mandela  
Anderson, CA 96007
- 7) Richard E. Duncan  
2924 Indianwood Road  
Wilmette, IL 60091
- 8) Dr. Ralph E. Duncan, III  
25 Monument Road  
York, PA 17403



SECTION 23

TOWNSHIP 20 South

RANGE 38 East



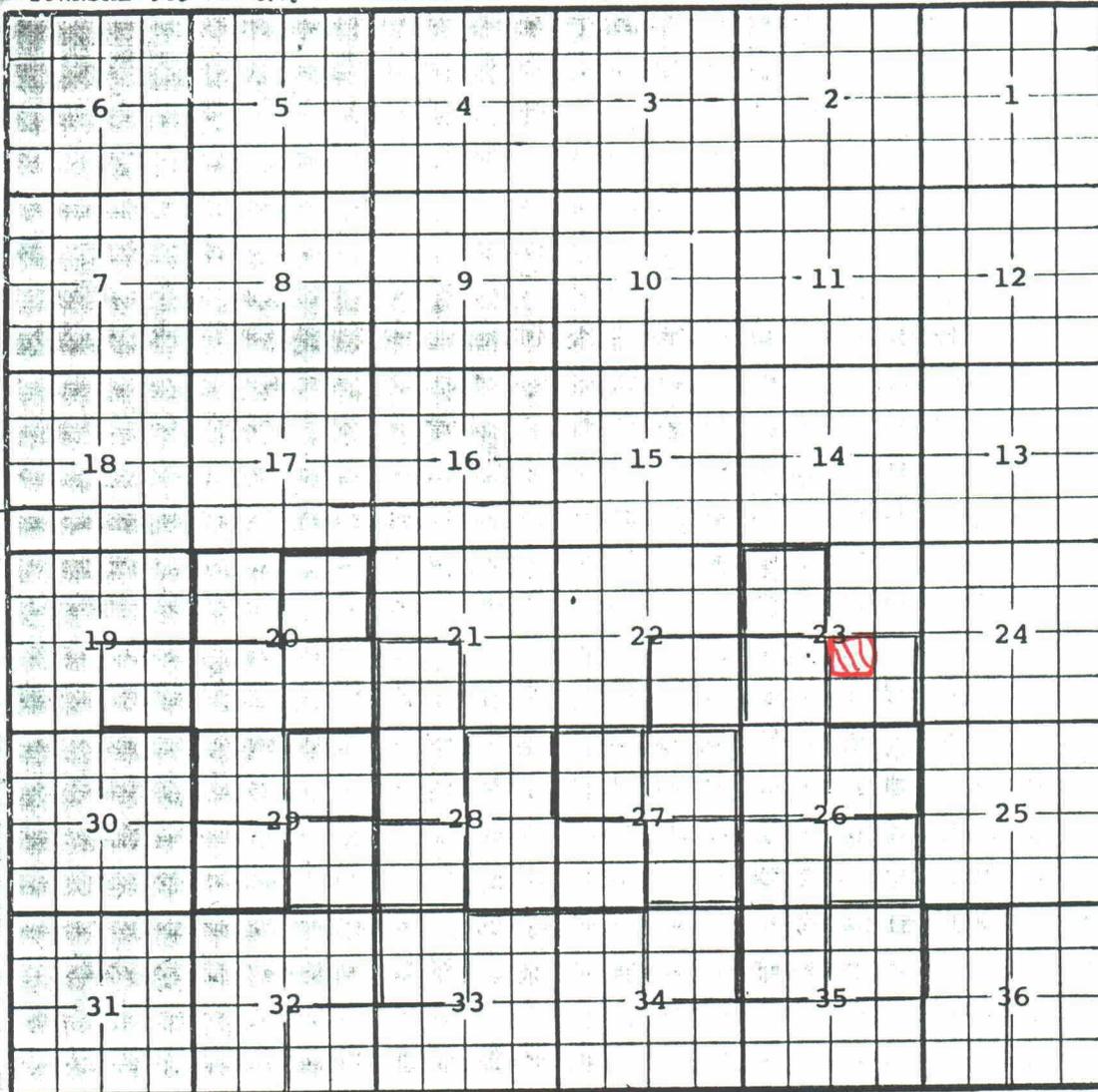
COUNTY *Lea*

POOL *Blinebty Oil and Gas*

TOWNSHIP *20 South*

RANGE *38 East*

NMPM



Description:  $\frac{SE}{4}$  Sec 32,  $\frac{NE}{4}$  &  $\frac{S}{2}$  Sec 33,  $\frac{NW}{4}$  &  $\frac{S}{2}$  Sec 34, -

-  $\frac{S}{2}$  Sec 35,  $\frac{W}{2}$  Sec 36 (R-1670-N, 1-1-74)

Ext:  $\frac{SW}{4}$  Sec 27,  $\frac{E}{2}$  Sec 28 (R-4957, 3-1-75)

Ext:  $\frac{SE}{4}$  Sec 27 (R-5015, 6-1-75) Ext:  $\frac{NW}{4}$  Sec 27 (R-5124, 12-1-75)

Ext:  $\frac{NE}{4}$  Sec 27,  $\frac{NE}{4}$  Sec 34 (R-5215, 6-1-76)

Ext:  $\frac{SW}{4}$  Sec 28 (R-5252, 9-1-76) Ext:  $\frac{SW}{4}$  Sec 21,  $\frac{NW}{4}$  Sec 28 (R-5417, 4-1-77)

Ext:  $\frac{SW}{4}$  Sec 26,  $\frac{NW}{4}$  Sec 35 (R-5456, 7-1-77) Ext:  $\frac{SW}{4}$  Sec 23,  $\frac{NW}{4}$  Sec 26 (R-5626, 2-1-78)

Ext:  $\frac{NW}{4}$  Sec 23 (R-5754, 7-1-78) Ext:  $\frac{NE}{4}$  Sec 29 (R-5781, 9-1-78)

Ext:  $\frac{SE}{4}$  Sec 26 (R-5876, 12-1-78) Ext:  $\frac{SE}{4}$  Sec 29 (R-5988, 5-1-79)

Ext:  $\frac{SE}{4}$  Sec 19,  $\frac{SW}{4}$  Sec 20,  $\frac{NE}{4}$  Sec 26,  $\frac{NW}{4}$  Sec 29 (R-6005, 6-1-79)

Ext:  $\frac{SE}{4}$  Sec 20 (R-6211, 12-31-79) Ext:  $\frac{NW}{4}$  Sec 20 (R-6274, 3-1-80)

Ext:  $\frac{NE}{4}$  Sec 20 (R-6328, 5-1-80) Ext:  $\frac{SW}{4}$  Sec 29 (R-6499-11-1-80)

Ext:  $\frac{SE}{4}$  Sec 22 (R-6536, 12-1-80) Ext:  $\frac{NW}{4}$  Sec 33 (R-6967, 5-6-82)

Ext:  $\frac{SE}{4}$  Sec 23 (R-7248, 3-30-83)

SPECIAL RULES AND REGULATIONS FOR THE ATOKA-PENNSYLVANIAN GAS POOL

The Atoka-Pennsylvanian Gas Pool, Eddy County, New Mexico, was created May 5, 1958, and gas proration in this pool became effective July 1, 1961.

A. DEFINITIONS

THE VERTICAL LIMITS of the Atoka-Pennsylvanian Gas Pool shall be the Pennsylvanian formation.

B. WELL LOCATION AND ACREAGE REQUIREMENTS

RULE 2(a). A standard GPU in the Atoka-Pennsylvanian Gas Pool shall be 320 acres.

RULE 2(b). Each well completed or recompleted in the Atoka-Pennsylvanian Gas Pool shall be located in the northwest quarter or the southeast quarter of the section and shall be located no nearer than 990 feet to the outer boundary of the quarter section nor nearer than 330 feet to any governmental quarter-quarter section line; provided, however, that any well which was projected to or completed in said pool prior to June 5, 1959, is excepted from the requirements of this rule.

D. ALLOCATION AND GRANTING OF ALLOWABLES

RULE 5. Acreage is the only proration factor in the Atoka-Pennsylvanian Gas Pool.

SPECIAL RULES AND REGULATION FOR THE BLINEBRY OIL AND GAS POOL

The Blinebry Oil and Gas Pool, Lea County, New Mexico was created February 17, 1953, and gas proration in this pool became effective January 1, 1954.

A. DEFINITIONS

THE VERTICAL LIMITS of the Blinebry Oil and Gas Pool shall extend from a point 75 feet above the "Blinebry Marker" to a point 100 feet above the "Tubb Marker." The Blinebry Marker shall be that point encountered at a depth of 5457 feet (elevation 3380, sub-sea datum -2077) and the Tubb Marker shall be that point encountered at a depth of 5921 feet (elevation 3380, sub-sea datum -2541) in the Exxon Corporation State "S" Well No. 20, SW/4 NW/4 of Section 2, Township 22 South, Range 37 East, NMPM, Lea County, New Mexico.

A GAS WELL in the Blinebry Oil and Gas Pool shall be a well producing from within the vertical limits of the pool which produces with a gas-liquid ratio of 50,000 cubic feet of gas or more per barrel of liquid hydrocarbons. Provided, however, that any well which on January 1, 1974, was classified as a gas well in the Blinebry Gas Pool shall continue to be classified as a gas well. For those wells classified as gas wells, but with gas-liquid ratios of less than 50,000 cubic feet of gas per barrel of oil, the operator may, upon application to the District Supervisor, receive a reclassification of said well to that of an oil well.

AN OIL WELL in the Blinebry Oil and Gas Pool shall be a well producing from the vertical limits of the pool and not classified as a gas well as defined above.

THE LIMITING GAS-OIL RATIO for oil wells in the Blinebry Oil and Gas Pool shall be 4,000 cubic feet of gas per barrel of oil.

B. WELL LOCATION AND ACREAGE REQUIREMENTS

RULE 2(a). 1. A standard gas proration unit in the Blinebry Oil and Gas Pool shall be 160 acres.

2. A standard oil proration unit in the Blinebry Oil and Gas Pool shall be 40 acres.

3. Acreage dedicated to a gas well in the Blinebry Oil and Gas Pool shall not be simultaneously dedicated to an oil well in the pool, and the dual completion of a well so as to produce separate gas and oil allowables from the Blinebry Oil and Gas Pool is prohibited.

RULE 2(b). 1. Each gas well to which is dedicated more than 40 acres shall be located no nearer than 660 feet to the outer boundary of its proration unit or of the quarter section and not nearer than 330 feet to any governmental quarter-quarter section or subdivision line.

(GENERAL RULES AND REGULATIONS FOR THE PRORATED GAS POOLS OF NEW MEXICO - Cont'd.)

2. Each oil well, or gas well to which no more than 40 acres is dedicated, shall be located no nearer than 330 feet to the outer boundary of any governmental quarter-quarter section or subdivision boundary line.

RULE 4(b) 1. The Director may grant an exception to Rule 2(a) 1 above and Rule 4(b) (1) of the General Rules if a completion, recompletion, or reclassification of a Blinebry well results in dedication of acreage to an oil well on a previously approved gas proration unit, and thereby severs acreage contained in said unit from the gas well which produces for the unit.

2. The Director may grant an exception to Rule 2(a) 1 above and Rule 4(b) (2) of the General Rules when the non-standard proration unit consists of not more than 164 acres and lies wholly within a single governmental section.

D. ALLOCATION AND GRANTING OF ALLOWABLES

RULE 5. Acreage is the only proration factor in the Blinebry Oil and Gas Pool.

G. REPORTING OF PRODUCTION

RULE 17(b). In submitting Form C-115 on wells producing from the Blinebry Oil and Gas Pool in which condensate is commingled and/or low-pressure gas is commingled with other low-pressure gas produced on the lease, the operator shall estimate the volume produced by each well in each pool by using the ratios as reflected in the most recent test submitted.

I. MISCELLANEOUS SPECIAL POOL RULES

RULE 26. Oil wells in the Blinebry Oil and Gas Pool shall receive oil and casinghead gas allowables as provided in Rules 503, 505, and 506 of the Division Rules and Regulations.

RULE 27. Gas-liquid ratio tests shall be conducted annually during the months of July, August, and September on all wells located in and producing from the Blinebry Oil and Gas pool. Results of such tests shall be reported to the Division on Form C-116 on or before the 10th day of October of each calendar year.

RULE 28(a). The District Supervisor, on or before November 15 of each year shall review the production data, gas-oil ratio tests, and other pertinent data and reclassify a well if evidence reflects the need for such reclassification. In such event the District Supervisor will notify the operator of the reclassification at least 30 days before the effective date thereof. Any operator so notified may request that the District Supervisor reconsider the reclassification if he has evidence to support such request and the request has been filed within 10 days after receipt of the notification of reclassification. The District Supervisor shall approve or disapprove the request within 10 days after receipt thereof or in the alternative, with the consent of the applicant, set the request for hearing.

(b) In the event an oil well in the Blinebry Oil and Gas Pool is reclassified as a gas well, the operator of such well will be afforded the opportunity to form a non-standard gas proration unit for the well; provided however, that, until such unit is formed, said well shall be allocated a gas allowable commensurate with the acreage contained in the unit formerly dedicated to the oil well. In the event of two or more gas wells producing from the Blinebry Oil and Gas Pool within a single proration unit, the allowable assigned to the unit may be produced from any well on the unit in any proportion.

RULE 29(a). Condensate from any gas well in the Blinebry Oil and Gas Pool may be commingled with other condensate produced by any other gas well or wells producing from the pool or the Tubb Oil and Gas Pool following its separation from the gas in a separator, provided approval therefor has been obtained in accordance with Division Rule 303-B and/or Rule 309-B, whichever is applicable.

(b) If two-stage separation is used, the low-pressure gas shall be directed into a low-pressure gas gathering system, and said low-pressure gas need not be measured separately from the other low-pressure gas produced on the lease, provided that certain test facilities are available and periodic tests made in accordance with Rule 27 above.

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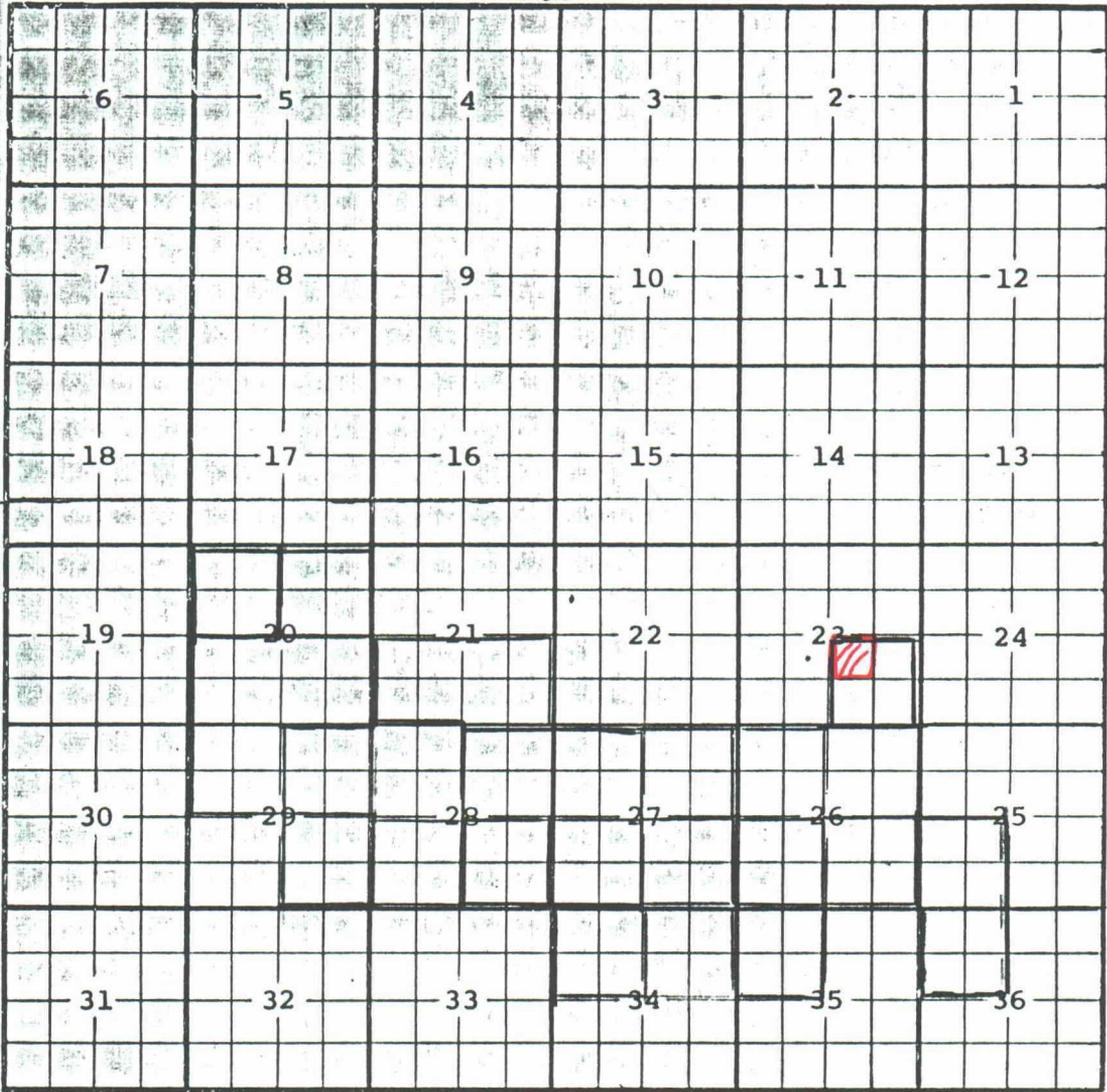
COUNTY Lea

POOL Warren-Tubb Gas

TOWNSHIP 20 South

RANGE 38 East

NMPM



Description:  $\frac{SE}{4}$  Sec. 28 (R-1234, 8-6-58)  
 Ext:  $\frac{SW}{4}$  Sec. 27 (R-1312, 1-1-59)  $\frac{NW}{4}$  Sec. 27;  $\frac{NE}{4}$  Sec. 28 (R-1424, 7-1-59)  
 Ext:  $\frac{SE}{4}$  Sec. 27 (R-4957, 3-1-75) Ext:  $\frac{NW}{4}$  Sec. 34 (R-5124, 12-1-75)  
 Ext:  $\frac{NE}{4}$  Sec. 27,  $\frac{SW}{4}$  Sec. 28 (R-5215, 6-1-76)  
 Ext:  $\frac{S}{2}$  Sec. 21 (R-5417, 4-1-77) Ext:  $\frac{SW}{4}$  Sec. 26 (R-5456, 7-1-77)  
 Ext:  $\frac{SW}{4}$  Sec. 23,  $\frac{NW}{4}$  Sec. 26 (R-5626, 2-1-78) Ext:  $\frac{NW}{4}$  Sec. 28, -  
 -  $\frac{NE}{4}$  Sec. 29 (R-5781, 9-1-78) Ext:  $\frac{SE}{4}$  Sec. 26 (R-5911, 2-1-79)  
 Ext:  $\frac{SE}{4}$  Sec. 29 (R-5988, 5-1-79) Ext:  $\frac{NE}{4}$  Sec. 26 (R-6005, 6-1-79)  
 Ext:  $\frac{S}{2}$  Sec. 20,  $\frac{NW}{4}$  Sec. 29 (R-6169, 11-1-79) Ext:  $\frac{NW}{4}$  Sec. 20 (R-6274, 3-1-80)  
 Ext:  $\frac{NE}{4}$  Sec. 20 (R-6328, 5-1-80) Ext:  $\frac{NW}{4}$  Sec. 35 (R-6449, 9-1-80)  
 Ext:  $\frac{SE}{4}$  Sec. 23 (R-7158, 12-8-82) Ext:  $\frac{SW}{4}$  Sec. 25,  $\frac{NW}{4}$  Sec. 36 (R-8667, 6/10/88)

WARREN-TUBB GAS POOL

Las Comity, New Mexico.  
Order No. R-1234, Amending Rules for the Warren-Tubb Gas Pool, Las Comity, New Mexico, August 6, 1938.

Application of Continental Oil Company for  
Pool in Las Comity, New Mexico, and  
promulgation of special rules and regulations  
for said pool.

CASE NO. 1467  
Order No. R-1234

ORDER OF THE COMMISSION

BEFORE COMMISSION: This case came on for hearing at 9 o'clock a.m., August 11, 1938, before the Honorable Daniel S. Nitter, Examiner, newly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 6th day of August, 1938, the Commission, a quorum being present, having considered the application, the evidence adduced and the recommendations of the Examiner, Daniel S. Nitter, and being fully advised in the premises,

FINDS:

(1) That the public notice having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the applicant, Continental Oil Company, is the owner and operator of the Warren Unit, "T" No. 8 Well, located 1960 feet from the South line and 1380 feet from the East line of Section 20, Township 20 South, Range 38 East, N.M.P.M., Las Comity, New Mexico, which well discovered a new gas pool in said section on January 27, 1937. The top of the perforation in said formation is at 6860 feet.

(3) That the applicant now requests that the Commission designate the above-described pool as the "Warren-Tubb Gas Pool" with horizontal limits comprising the E 1/2 of said Section 20, and the vertical limits extending from the "Tubb Marker" downward to the top of the Drinkard formation.

(4) That the "Tubb Marker" shall be that point encountered in the Humble Oil and Refining Company State "9" Well No. 30 SW 1/4 NW 1/4 Section 2, Township 22 South, Range 37 East, N.M.P.M., at a depth of 6261 feet (Elevation 5850, Subsea Datum, Kilmer 2641).

(5) That the applicant further proposes that Special Rules and Regulations be adopted for the Warren-Tubb Gas Pool.

(6) That the Warren-Tubb Gas Pool should be created as a non-standard unit, the application to have the horizontal limits of said pool extended to the E 1/2 of said Section 20, and the vertical limits extended to the top of the Drinkard formation, should be approved by the Commission in order to prevent waste and protect comparative rights.

(7) That, under present conditions, production of gas is not necessary in the Warren-Tubb Gas Pool.

(8) That gas purchases from the Warren-Tubb Gas Pool should be on a variable basis with gas purchases from the Tubb Gas Pool.

(9) That the Secretary-Director of the Commission shall have authority to grant exception to Rule 3 (A) without notice and hearing where the application has been filed in due form and where the following facts exist and the following provisions are complied with:

(10) That the acreage assigned to a well is changed, the operator shall immediately notify the Secretary-Director and the Secretary-Director in writing of such change.

(11) Each gas well produced from each well in the Warren-Tubb Gas Pool shall be metered separately and the high-pressure gas shall then be metered separately prior to entering a gas transportation facility.

(12) The separator shall be a high-pressure separator of 600 feet of the proposed location is common with the ownership of the oil and gas leases under the proposed location, or (b) All owners of oil and gas leases within such radius consent in writing to the proposed location.

(13) In lieu of paragraph 2 (b) of this rule the applicant may furnish proof of the fact that said operators were notified by registered mail of this intent to drill an unorthodox location, the operator after a period of twenty days following the mailing of said notice, no operator has made objection to the drilling of the unorthodox location.

(14) When filing Form C-101, "Notice of Intention to Drill," or UGS Form 25-511-a with the applicable provisions of Rule 104, accompanying the above form shall be a plat (Form C-128) of the acreage contained in the unit showing the ownership of the dedicated acreage.

IT IS THEREFORE ORDERED:

(1) That a new gas pool for Tubb production, be and the same is hereby created and designated as the Warren-Tubb Gas Pool, with vertical and horizontal limits as shown on Exhibit "A," attached hereto and made a part hereof.

(2) That gas purchases from the Warren-Tubb Gas Pool shall be on a variable basis with gas purchases from the Tubb Gas Pool.

(3) That special rules and regulations applicable to the Warren-Tubb Gas Pool be and the same are hereby promulgated as follows:

SECTION I  
GENERAL RULES AND REGULATIONS FOR THE WARREN-TUBB GAS POOL

ARTICLE I  
ACREAGE REQUIREMENTS FOR DRILLING TRACTS:

RULE 1. Any well drilled to the Tubb formation within one mile of the boundary of the Warren-Tubb Gas Pool and not nearer to nor within the boundaries of another designated Tubb pool, shall be spaced, drilled, and operated in accordance with the regulations in effect in the Warren-Tubb Gas Pool.

RULE 2. (A) Wells shall be drilled on a tract consisting of acreage owned by one person, or persons acting in concert in the form of a partnership, joint venture, trust, or other legal entity (quarter section) of the United States Public Land Surveys. Non-standard drilling units may be formed after notice and hearing or under the provisions of paragraph (B) of this rule. Any unit containing between 158 and 162 acres shall be considered to contain 160 acres for purposes of these rules.

(B) The Secretary-Director of the Commission shall have authority to grant an exception to Rule 2 (A) without notice and hearing where application has been filed in due form and where the following facts exist and the following provisions are complied with:

1. The proposed non-standard unit consists of less than 160 acres or where the unorthodox size or shape of the tract is due to acreage in legal subdivisions of the U.S. Public Land Surveys.

2. The non-standard unit consists of contiguous quarter-quarter sections and/or lots.

3. The non-standard unit lies wholly within a single governmental section.

4. The entire non-standard unit may reasonably be presumed to be productive of gas from the Warren-Tubb Gas Pool.

5. The applicant presents written consent in the form of waivers from:

(a) All operators owning acreage in the quarter section in which any part of the non-standard unit is situated, which acreage is not included in said non-standard unit.

(b) All operators owning interests in acreage offsetting the non-standard unit.

6. In lieu of sub-paragraph 5 of this rule, the applicant may furnish proof of the fact that said operators were notified by registered mail of this intent to form such non-standard unit. If after a period of 30 days following the mailing of said notice, no operator has made objection to formation of such non-standard unit.

WELL LOCATION REQUIREMENTS:

RULE 3. (A) Wells shall be located at least 660 feet from the outer boundaries of the drilling tract and no closer than 350 feet from any gas well in the same section line or subdivision line, boundary.

(B) The Secretary-Director of the Commission shall have authority to grant exception to Rule 3 (A) without notice and hearing where the application has been filed in due form and where the following facts exist and the following provisions are complied with:

(1) The acreage assigned to a well is changed, the operator shall immediately notify the Secretary-Director and the Secretary-Director in writing of such change.

(2) Each gas well produced in the Warren-Tubb Gas Pool shall take ratably from all gas wells in the pool, apportioning its takes during any given calendar year among said wells on the basis of the acreage dedicated thereto.

(3) No natural gas not casinghead gas produced from the Warren-Tubb Gas Pool shall be flared or vented unless specifically authorized by the Commission after notice and hearing.

(4) The monthly gas production from each well shall be metered separately and the high-pressure gas shall be metered separately and the high-pressure gas shall be metered separately prior to entering a gas transportation facility.

(5) Shut-in pressure tests shall be conducted annually during the month of October on all wells in the Warren-Tubb Gas Pool. Prior to taking such tests, the well shall be enough to clear the well of liquids.

(6) Shut-in for not less than 60 hours nor more than 75 hours. The results of such tests shall be filed with the Secretary-Director of the Commission may grant an exception to the above shut-in requirement if, in his opinion, such shut-in would cause injury to the well.

(7) Gas produced from each well in the Warren-Tubb Gas Pool shall be metered separately and the high-pressure gas shall then be metered separately prior to entering a gas transportation facility.

(8) The distillate separated from the high-pressure gas in the high-pressure separator shall then be directed into a non-pressure separator or other well or wells producing from the Warren-Tubb or Warren-Blinney Gas Pools on the same basic lease following separation from the high-pressure gas in the high-pressure separator, provided gas-distillate test facilities are available and periodic test are made.

(9) Each year during the month of October, the operator of each gas well produced from the Warren-Tubb Gas Pool shall submit to the Commission office (P. O. Box 2045, Hobbs, New Mexico) on or before November 15, The test shall outline the amount of high-pressure gas produced during the 24-hour test period, the amount of distillate produced during the test period, the amount of gas-distillate ratio and the high-pressure gas distillate ratio. Failure to submit the required test by November 15 will subject the well to shut-in until the date the required information is submitted.

(10) In substituting Form C-115 (Operator's Monthly Report) for Form C-115 (Operator's Monthly Report) which distillate is combined and/or the low-pressure gas is combined on the lease, the operator shall measure or estimate the volumes produced by each well in each pool by using the ratios as reflected by the most recent tests.

(11) The Secretary-Director of the Commission shall have authority to grant exception to the provisions set forth in Rule 10 through Rule 13, inclusive, where it can be shown that compliance with these rules is un-economic or impractical. Applications for exception shall be submitted in triplicate to the Oil Conservation Commission, P. O. Box 871, Santa Fe, New Mexico, with a copy of each application being furnished direct to the operator.

(12) Low-pressure gas produced by any gas well in the Warren-Tubb Gas Pool shall not be charged to said well in determining its ratable share of the pool production.

(13) An oil well in the Warren-Tubb Gas Pool shall be drilled as a well which produced hydrocarbons possessing a gravity of 45 degree API or less.

(14) An oil well in the Warren-Tubb Gas Pool shall have dedicated thereto a proration unit consisting of the quarter-section legal subdivision of the United States Public Land Surveys.

ARTICLE II

RULE 17. An oil well in the Warren-Tubb Gas Pool shall have dedicated thereto a proration unit consisting of the quarter-section legal subdivision of the United States Public Land Surveys.

RULE 18. No acreage shall be simultaneously dedicated to an oil well and to a gas well in the Warren-Tubb Gas Pool.

RULE 19. The limiting gas-oil ratio for oil wells in the Warren-Tubb Gas Pool shall be 2000 cubic feet of gas for each barrel of oil produced.

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

EXHIBIT "A"

Vertical and Horizontal Limits of the Warren-Tubb Gas Pool

VERTICAL LIMITS  
From the "Tubb Marker" downward to the top of the Drinkard formation.

HORIZONTAL LIMITS  
Township 20 South, Range 38 East, NMPM  
Sec. 28, SE 1/4

SECTION II

R. W. BYRAN & CO., - AUG, 1972

WARREN-TUBB GAS POOL - Cont'd.)

1. The necessity for the unorthodox location is based on topographical conditions or the reconversion of an existing well, and

2. (a) The ownership of all oil and gas leases within a radius of 660 feet of the proposed location is common with the ownership of the oil and gas leases under the proposed location, or (b) All owners of oil and gas leases within such radius consent in writing to the proposed location.

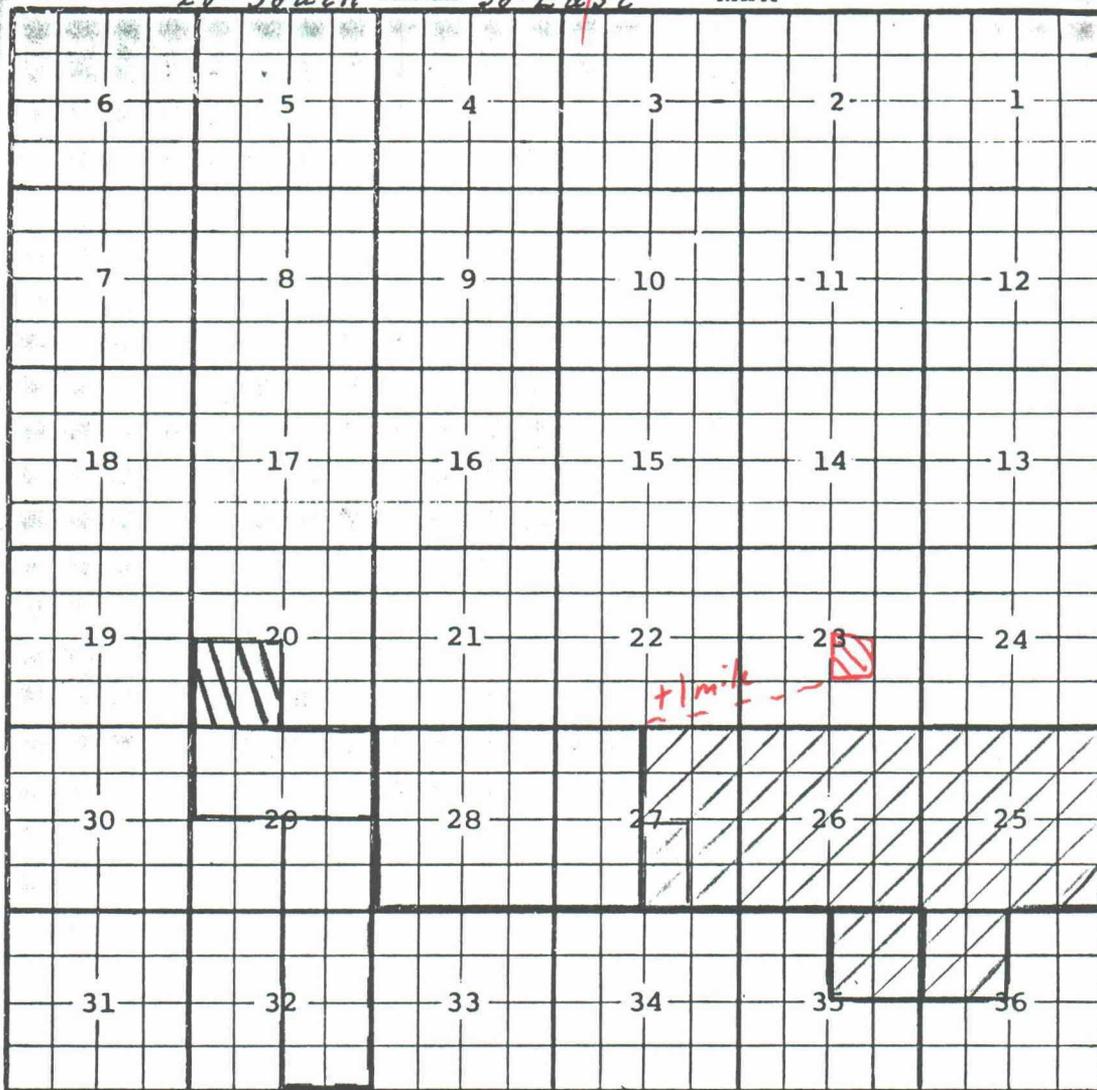
(c) In lieu of paragraph 2 (b) of this rule the applicant may furnish proof of the fact that said operators were notified by registered mail of this intent to drill an unorthodox location, the operator after a period of twenty days following the mailing of said notice, no operator has made objection to the drilling of the unorthodox location.

(4) When filing Form C-101, "Notice of Intention to Drill," or UGS Form 25-511-a with the applicable provisions of Rule 104, accompanying the above form shall be a plat (Form C-128) of the acreage contained in the unit showing the ownership of the dedicated acreage.

(5) If the acreage assigned to a well is changed, the operator shall immediately notify the Secretary-Director and the Secretary-Director in writing of such change.

COUNTY Lea POOL Warren Drinkard

TOWNSHIP 20-South RANGE 38-East NMPM



Description: All Sec. 28, - All Sec. 27, (R-112, 11-20-51).  
- All Secs. 25 & 26, (R-738, 1-12-56). - NW/4 Sec. 36, (R-1772,  
10-1-60). - NE/4 Sec. 35 (R-3411, 6-1-68)  
Deletion: All Sec. 25 & 26; E/4 Sec. 27; NE/4 Sec. 35; NW/4 Sec. 36 (R-3472, 9-1-68)  
Ext: SW/4 Sec. 20; N/2 Sec. 29 (R-4146, 6-1-71) Ext: W/2 SE/4 Sec. 27 (R-4937, 2-1-75)  
Ext: SE/4 Sec. 29, E/2 Sec. 32 (R-6623, 4-7-81) Delete: SW/4 Sec. 20 (R-8214, 5-1-86)

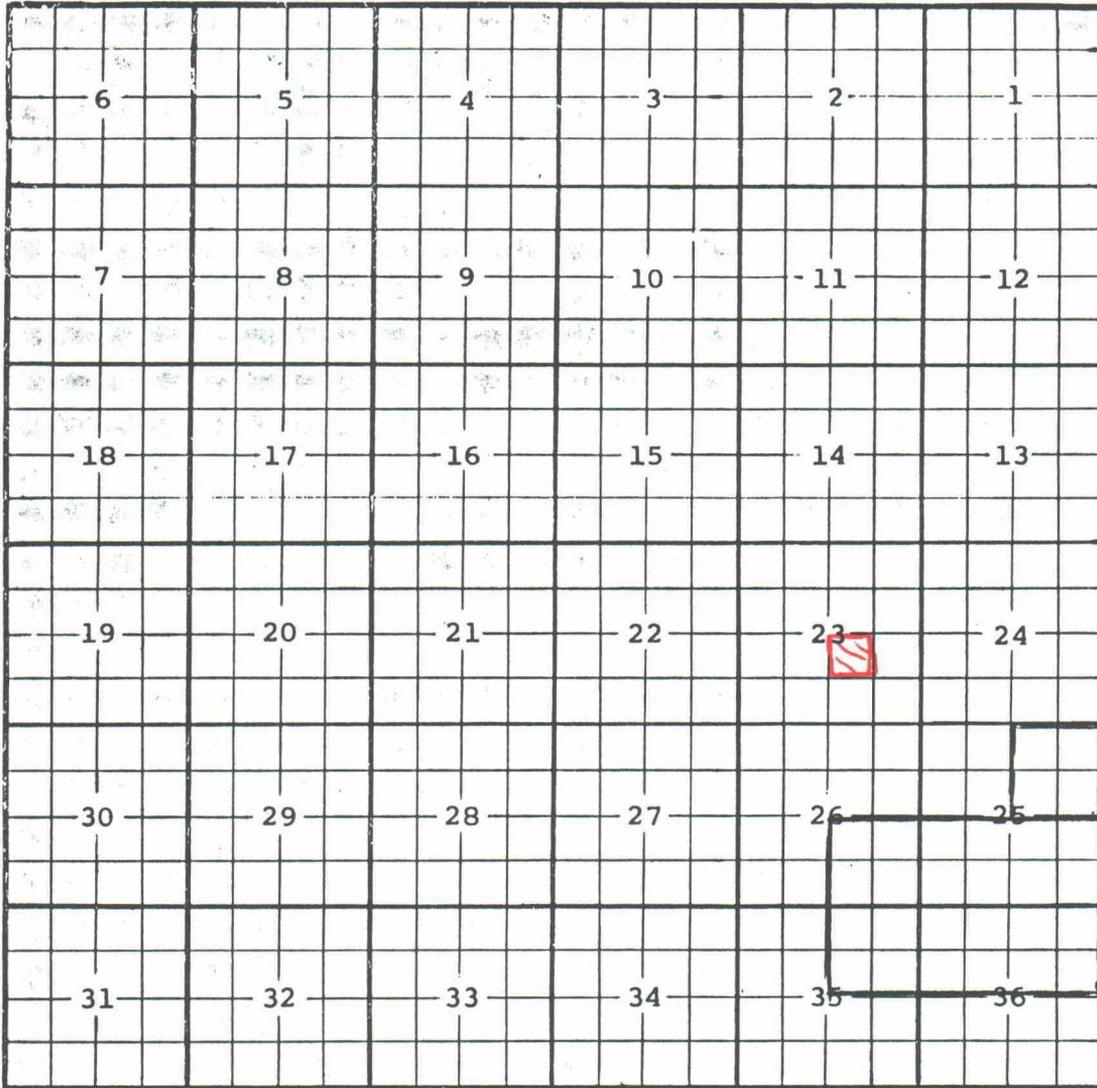
COUNTY *Lea*

POOL *DK-Abo*

TOWNSHIP *20 South*

RANGE *38 East*

NMPM



Ext:  $\frac{S}{2}$  Sec. 25;  $\frac{SE}{4}$  Sec. 26;  $\frac{NE}{4}$  Sec. 35;  $\frac{N}{2}$  Sec. 36 (R-4041, 11-1-70)

Ext:  $\frac{NE}{4}$  Sec. 25 (R-8667, 6/10/88)

**D-K ABO OIL POOL  
D-K DRINKARD OIL POOL  
Lea County, New Mexico**

Order No. R-790, Creating the D-K Abo Pool, Lea County, New Mexico, and Adopting a Gas-Oil Ratio Limit for the D-K Drinkard Pool, Lea County, New Mexico, April 16, 1956.

*The application of Wilshire Oil Company of Texas for an order creating the D-K Abo and the D-K Drinkard Oil Pools in the S/2 of Section 19 and the N/2 of Section 30, Township 20 South, Range 39 East, N.M.P.M., Lea County, New Mexico and promulgating pool rules therefore and for the deletion of the N/2 of Section 30, Township 20 South, Range 39 East, N.M.P.M., from the Warren-Drinkard Oil Pool and the Warren-Abo Oil Pools, all in Lea County, New Mexico.*

CASE NO. 1024  
Order No. R-790

**ORDER OF THE COMMISSION**

BY THE COMMISSION: This cause came on for hearing at 10 o'clock a.m., on March 1, 1956 at Hobbs, New Mexico, before Warren W. Mankin, Examiner duly appointed by the Oil Conservation Commission of New Mexico, in accordance with Rule 1214 of Order R-681.

NOW, on this 16th day of April 1956, the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission", a quorum being present, having considered said application, the evidence adduced and the recommendations of the Examiner, Warren W. Mankin, and being fully advised in the premises,

**FINDS:**

(1) That due notice of the time and place of hearing and the purpose thereof having been given as required by law, the Commission has jurisdiction of this case and the subject matter thereof.

(2) That the evidence adduced is sufficient to justify deletion of the N/2 of Section 30, Township 20 South, Range 39 East, NMPM, Lea County, New Mexico, from the Warren-Drinkard and the Warren-Abo Oil Pools.

(3) That the evidence adduced is sufficient to justify creation of the D-K Drinkard Pool for the production of oil from the Drinkard formation. Said D-K Drinkard Pool was discovered by Texas Crude Oil Company, Ralph Estate No. 1-30, located in the NE/4 of the NE/4 of Section 30, Township 20 South, Range 39 East, NMPM, Lea County, New Mexico. It was completed September 29, 1955. The top of the perforations is at 6990 feet.

(4) That the evidence adduced is sufficient to justify creation of the D-K Abo Pool for the production of oil from the Abo formation. Said D-K Abo Pool was discovered by Texas Crude Oil Company Carter No. 1-30, located in the NE/4 of the NW/4 of Section 30, Township 20 South, Range 39 East, NMPM, Lea County, New Mexico. It was completed November 12, 1955. The top of the perforations is at 7300 feet.

(5) That in order to maintain reservoir pressure and prevent waste of associated gas, or casinghead gas in the Drinkard Pool, a limiting gas-oil ratio should be established and that a ratio of 10,000 cubic feet of gas per barrel of oil produced is a reasonable limitation.

**IT IS THEREFORE ORDERED:**

(1) That the application of Wilshire Oil Company of Texas for an order creating two new oil pools in the Drinkard and Abo formations in Lea County, New Mexico, be and the same is hereby granted. Said pools are herein designated as the D-K Drinkard and D-K Abo Oil Pools and shall comprise the following described acreage in Lea County, New Mexico.

**TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM**

S/2 Section 19  
N/2 Section 30

(2) That the N/2 Section 30, Township 20 South, Range 39 East, be and the same is hereby deleted from the Warren-Drinkard and the Warren-Abo Oil Pools in Lea County, New Mexico.

**IT IS FURTHER ORDERED:** That a gas-oil ratio limit is hereby set for the D-K Drinkard Oil Pool at the rate of 10,000 cubic feet of gas for each barrel of oil produced.

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



DIVISION

RECEIVED

STEVENS & TULL, INC.

MIDLAND, TEXAS 79702

915/699-1410

P. O. Box 11005

'90 MAY 4 AM 8 47

May 1, 1990

New Mexico Oil Conservation Commission  
P.O. Box 2088  
Santa Fe, New Mexico 87504  
Attn: Mr. Michael Stogner

Re: Case No. 9917  
NW/4 SE/4 Section 23,  
T-20-S, R-38-E,  
Lea County, New Mexico  
Carter "23" Prospect

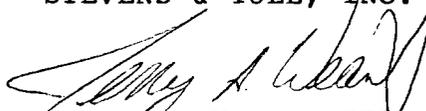
Gentlemen:

During my testimony on April 18, 1990, with regard to the captioned case, I stated that at such time as Koch Industries, Inc. delivered an executed Oil & Gas Lease on the agreed upon form, Stevens & Tull, Inc. would contact your office and request that Koch Industries, Inc. be deleted from any order granted in Case No. 9917. Please be advised that Koch has delivered an executed Oil & Gas Lease to Stevens & Tull, Inc.

We now request that Koch Industries, Inc. be removed as an uncommitted mineral interest owner in Case No. 9917. Should you have any questions, please contact our office. Thank you for your cooperation in this matter.

Yours Very Truly,

STEVENS & TULL, INC.

  
Jerry A. Weant, CPL

jw4.e.ss

cc: Koch Exploration Company  
P.O. Box 2256  
Wichita, Kansas 67201-2256  
Attn: Mr. Randolph B. Whipple



P. O. Box 11005

OF COURSE IN STEVENS & TULL, INC.  
RECEIVED MIDLAND, TEXAS 79702

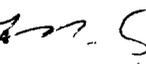
915/699-1410

'90 OCT 19 AM 8 40

October 17, 1990

Union Texas Petroleum Corporation  
P.O. Box 2120  
Houston, Texas 77252-2120  
Attn: Mr. Rod Cranford

Re: Compulsory Pooling Order  
NW/4 SE/4 Section 23,  
T-20-S, R-38-E, N.M.P.M.  
Lea County, New Mexico  
Carter "23" Prospect

Gentlemen 

Please find enclosed a copy of the Compulsory Pooling Order Case No. 9917, Order No. R-9170 dated May 3, 1990, granted to Stevens & Tull, Inc. by the State of New Mexico Oil Conservation Division which covers the captioned lands. As required in said order, we are now furnishing you with a copy of our itemized schedule of actual costs associated with the drilling and completing of our Kyte No. 1 well.

Should you have any objection pertaining to the enclosed, please contact the New Mexico Oil Conservation Division with a carbon copy to our office.

Yours Very Truly,

Stevens & Tull, Inc.

  
Jerry A. Weant, CPL

jw6.bm.ss  
Enclosure

cc: New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504  
Attn: Mr. Michael E. Stogner

STEVENS & TULL, INC.  
MIDLAND, TEXAS 79702

P. O. Box 11005

915/699-1410

October 17, 1990

Concord Oil Company  
1500 Alamo National Building  
San Antonio, Texas 78205  
Attn: Mr. R.S. McCoy

Re: Compulsory Pooling Order  
NW/4 SE/4 Section 23,  
T-20-S, R-38-E, N.M.P.M.  
Lea County, New Mexico  
Carter "23" Prospect

Gentlemen:

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Stevens & Tull, Inc.

  
Jerry A. Weant, CPL

jw6.bm.ss  
Enclosure

cc: New Mexico Oil Conservation Division  
P.O. Box 2088  
Santa Fe, New Mexico 87504  
Attn: Mr. Michael E. Stogner

PROPERTY	PROPERTY NAME	JIB CATEGORY	CATEGORY DESCRIPTION	AMOUNT
004116-5	KYTE #1 - D & C	3-02	DRILLING OVERHEAD	9,256.45
		3-03	CEMENTING	42,259.12
		3-04	COMPLETION UNIT	48,667.20
		3-05	DRILLING	93,668.07
		3-09	ELECTRICAL HOOKUP	7,197.93
		3-10	EQUIPMENT RENTAL/TRUCKING	9,970.55
		3-11	NON-CONTR FITTINGS	388.69
		3-12	LABOR - CONSULTANT	6,125.00
		3-13	LABOR - ENGINEER	4,325.00
		3-14	LABOR - FOREMAN	6,125.00
		3-15	LABOR - GEOLOGIST	88.05
		3-16	LABOR - ROOSTABOUT	177.24
		3-17	LAND & LEGAL	15,721.17
		3-18	LOCATION - CLEANUP	981.36
		3-19	LOCATION - CONST. ROAD PIT	21,922.85
		3-20	LOCATION - DAMAGES	12,480.00
		3-21	LOCATION - SURVEY	1,873.73
		3-22	LOGGING - CASED HOLE	24,833.36
		3-24	LOGGING - OPEN HOLE	13,088.38
		3-25	MISCELLANEOUS	1,079.10
		3-26	MUD & CHEMICALS	3,901.83
		3-27	PACKER REPAIR	3,307.99
		3-30	PUMPING UNIT INSTALL.	1,580.70
		3-32	STIMULATION - ACIDIZING	22,615.19
		3-33	STIMULATION - FRACTURE	108,838.59
		3-36	TEST TUBING	1,418.39
		3-39	TRAVEL & EXPENSE	6,038.69
		3-40	WATER - DRILLING	12,143.75
		3-41	WATER - STIM	5,146.68
		3-42	FACILITIES & SYSTEMS EXPENSE	367.77
		3-43	INSURANCE	16.20
			TOTAL INTANGIBLE COSTS	486,204.54
		4-01	BOTTOM HOLE PUMP	1,741.80
		4-02	CASING	62,542.60
		4-07	MISCELLANEOUS	8,303.70
		4-11	SUCKER RODS	7,119.45
		4-15	VALVES	747.76
		4-17	WELLHEAD	759.06
			TOTAL LEASE EQUIPMENT - NEW	81,214.37
		5-08	MISCELLANEOUS	8,750.00
		5-10	PUMPING UNIT	15,000.00
		5-13	TANKS, TREATERS, HEATERS	8,000.00
		5-14	TUBING	5,135.00
			TOTAL LEASE EQUIPMENT - USED	36,885.00
			TOTAL PROPERTY	504,303.91
			RECAP TOTAL	604,303.91