

NEW POOLS

It is recommended that a new oil pool be created and designated as the NORTH HAY HOLLOW - BONE SPRING Pool.

Vertical limits to be the BONE SPRING formation and the horizontal limits should be as follows: Sec. 26: NE/4

Discovery well was WOODS & LOCKER INC. AMOCO FED. # 1 located in Unit A Section 26 Township 25 Range 27 and was completed on 7-21-82. Top of perforations is at 5877 feet.

It is recommended that a new GAS pool be created and designated as the HAY HOLLOW - MORROW GAS Pool.

Vertical limits to be the MORROW formation and the horizontal limits should be as follows: Sec. 25: N/2

Discovery well was H.N.G OIL CO. HAY HOLLOW 25 ST. # 1 located in Unit G Section 25 Township 25 Range 27 and was completed on 7-11-85. Top of perforations is at 12237 feet.

It is recommended that a new GAS pool be created and designated as the EAST HESS - MORROW GAS Pool.

Vertical limits to be the MORROW formation and the horizontal limits should be as follows: Sec. 35: W/2

Discovery well was CITIES SERVICE CO. FED. AC # 1 located in Unit K Section 35 Township 23 Range 23 and was completed on 8-19-85. Top of perforations is at 10202 feet.

8740

NEW POOLS

It is recommended that a new OIL pool be created and designated as the NORTH MALAGA - BONE SPRING Pool.

Vertical limits to be the BONE SPRING formation and the horizontal limits should be as follows: SEC. 3: NE/4

Discovery well was MADDOX ENERGY CORP. MALAGA #1 located in Unit G Section 3 Township 24 Range 28 and was completed on 8-24-85. Top of perforations is at 6304 feet.

It is recommended that a new OIL pool be created and designated as the OUTPOST - DELAWARE Pool.

Vertical limits to be the DELAWARE formation and the horizontal limits should be as follows: SEC. 26: NE/4

Discovery well was SURE ENERGY CONNIE C #1 located in Unit G Section 25 Township 19 Range 28 and was completed on 8-24-85. Top of perforations is at 3336 feet.

It is recommended that a new GAS pool be created and designated as the RACE TRACK - PENN. GAS Pool.

Vertical limits to be the PENNSYLVANIAN formation and the horizontal limits should be as follows: SEC. 19: E/2

Discovery well was TENNECO OIL CO. PLAINS SL 19 #1 located in Unit B Section 19 Township 10 Range 28 and was completed on 7-3-85. Top of perforations is at 6598 feet.

NEW POOLS

It is recommended that a new OIL pool be created and designated as the SAN LORENZO · BONE SPRING Pool.

Vertical limits to be the BONE SPRING formation and the horizontal limits should be as follows: SEC. 15: SW/4

Discovery well was MYCO INDUSTRIES INC. ST. 15 # 1 located in Unit L Section 15 Township 25 Range 28 and was completed on 7-27-85. Top of perforations is at 6361 feet.

It is recommended that a new GAS pool be created and designated as the NORTH EAST SHEEP DRAWN - STRAWN Pool.

Vertical limits to be the STRAWN formation and the horizontal limits should be as follows: SEC. 28: N/2

Discovery well was EXLON CORP. located in Unit G Section 28 Township 22 Range 26 and was completed on 7-13-85. Top of perforations is at 10294 feet.

It is recommended that a new OIL pool be created and designated as the TURKEY TRACK - WOLFCAMP Pool.

Vertical limits to be the WOLFCAMP formation and the horizontal limits should be as follows: SEC. 2: NW/4

Discovery well was TENNECO OIL CO. ST. HL 2# 1Y located in Unit F Section 2 Township 19 Range 29 and was completed on 7-30-85. Top of perforations is at 9074 feet.

Case No. 8740 (a) Creation of a new oil pool.

COUNTY Eddy POOL North Hay Hollow - Bone Spring

TOWNSHIP	25S	RANGE	27E	SECT	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed oil well capable of producing.

Disc. Well: Woods & Locker Inc. - Amoco Federal #1-A-26-25S-27E

Comp: 7-21-82 thru Bone Spring perms. Top: 5877'

Pool boundary outlined in blue.

Sec. 26: NE/4

COUNTY	Eddy	POOL	Hay Hollow - Morrow Gas			
TOWNSHIP	25S	RANGE	27E	MORROW		
6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Purpose: One completed gas well capable of producing.

Disc. well: H.N.G. Oil Co. - Hay Hollow State #1-G-25-25-27

Comp: 7-11-85 thru Morrow perfs. Top: 12,237'

Pool boundary outlined in blue.

Sec. 25: N/2

COUNTY	Eddy		POOL		East Hess - Morrow Gas	
TOWNSHIP	23S	RANGE	23E	MORROW		
6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Purpose: One completed gas well capable of producing.

Disc. Well: Cities Service Oil & Gas Corp. - Federal AC #1-K-35-23-23

Comp: 8-19-85 thru Morrow perms. Top: 10,202'

Pool outlined in blue.

Sec. 35: W/2

COUNTY	Eddy	RANGE	28E	SECTION	
	24S				North Malaga - Bone Spring
TOWNSHIP	24S	RANGE	28E	SECTION	
	6	5	4	3	2 1
	7	8	9	10	11 12
	18	17	16	15	14 13
	19	20	21	22	23 24
	30	29	28	27	26 25
	31	32	33	34	35 36

Purpose: One completed oil well capable of producing.

Disc. well: Maddox Energy Corp. - Malaga #1-G-3-24-28

Comp.: 8-24-85 thru Bone Spring perms. Top: 6304'

Pool boundary outlined in blue.

Sec. 3: NE/4

COUNTY	Eddy	POOL	Outpost - Delaware		
TOWNSHIP	19S	RANGE	28E	MMM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed oil well capable of producing.

Disc. well: Sure Energy - Connie C State #1-G-25-19-28

Comp.: 8-24-85 thru Delaware perms. Top: 3330'

Pool boundary outlined in blue.

Sec. 25: NE/4



COUNTY

Chaves

POOL

Race Track - Penn Gas

TOWNSHIP	10S	RANGE	28E	NMPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed gas well capable of producing.

Disc. well: Tenneco Oil Corp. - Plains SL 19 #1-B-19-10-28

Comp: 7-3-85 thru Penn perms. Top: 6598'

Pool boundary outlined in blue.

Sec. 19: E/2

Case No. 8740 (g) Creation of a new oil pool.

COUNTY Eddy POOL San Lorenzo - Bone Spring

TOWNSHIP 25S RANGE 28E MPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed oil well capable of producing.

Disc. well: MYCO Industries, Inc. - State 15 #1-L-15-25-28

Comp: 7-27-85 thru Bone Spring perms. Top: 6361'

Pool boundary outlined in blue.

Sec. 15: SW/4

COUNTY	Eddy	POOL	Northeast Sheep Draw - Strawn Gas		
TOWNSHIP	22S	RANGE	26E	MPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed gas well capable of producing.

Disc. well: Exxon Corp. - Happy Valley Federal Com #1-G-28-22-26

Comp: 7-13-85 thru Strawn perfs. Top: 10,294'

Pool boundary outlined in blue.

Sec. 28: N/2

COUNTY	Eddy	POOL	Turkey Track - Wolfcamp		
TOWNSHIP	19S	RANGE	29E		
			MPPM		
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed oil well capable of producing.

Disc. well: Tenneco Oil Co. - State HL-2 #1-Y-F-2-19-29

Comp: 7-30-85 thru Wolfcamp perfs. Top: 9074'

Pool boundary outlined in blue.

Sec. 2: NW/4

COUNTY	Eddy	POOL	Aid - Morrow Gas		
TOWNSHIP	17S	RANGE	28E	NMFM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Yates Pet. Corp.	Woodchuck ABW St.	Com 1-K 13-17-28	8-1-85	Morrow	10,402'	

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 13: W/2

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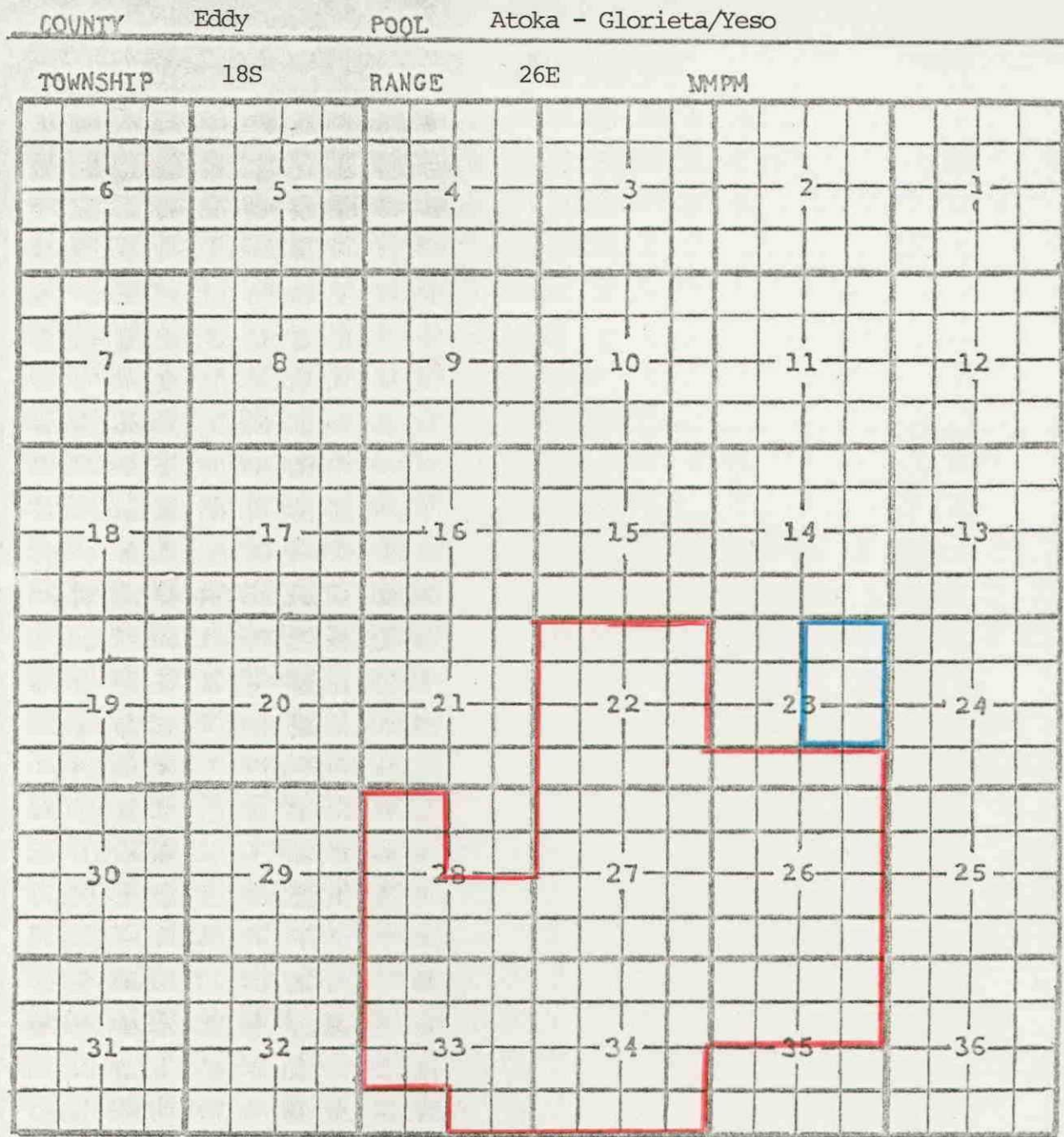
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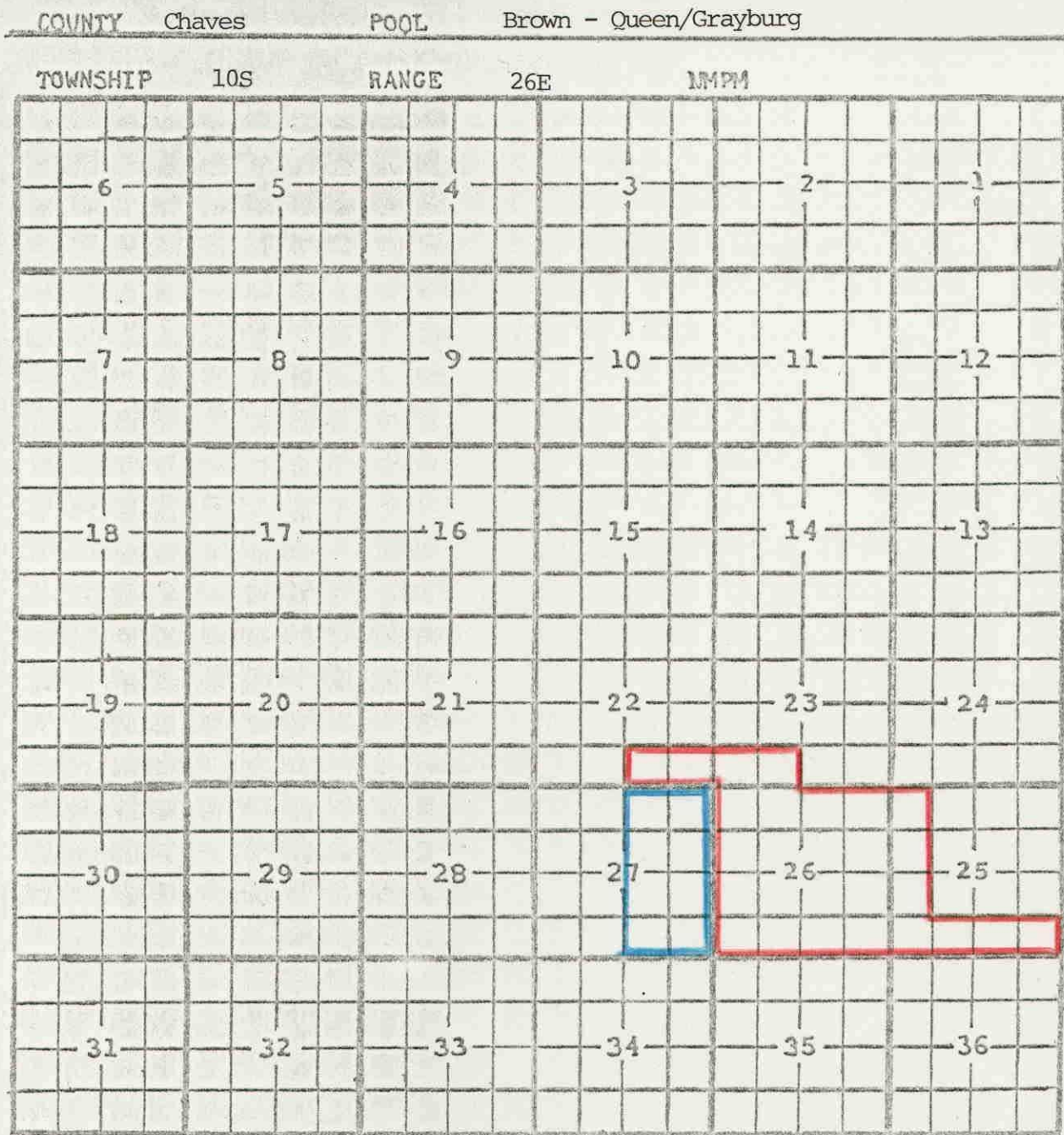
Purpose: One completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
H & S Oil Co.	Lattion	3-I	23-18-26	8-27-85	Yeso	2812'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 23: N/2 SE/4 & NE/4



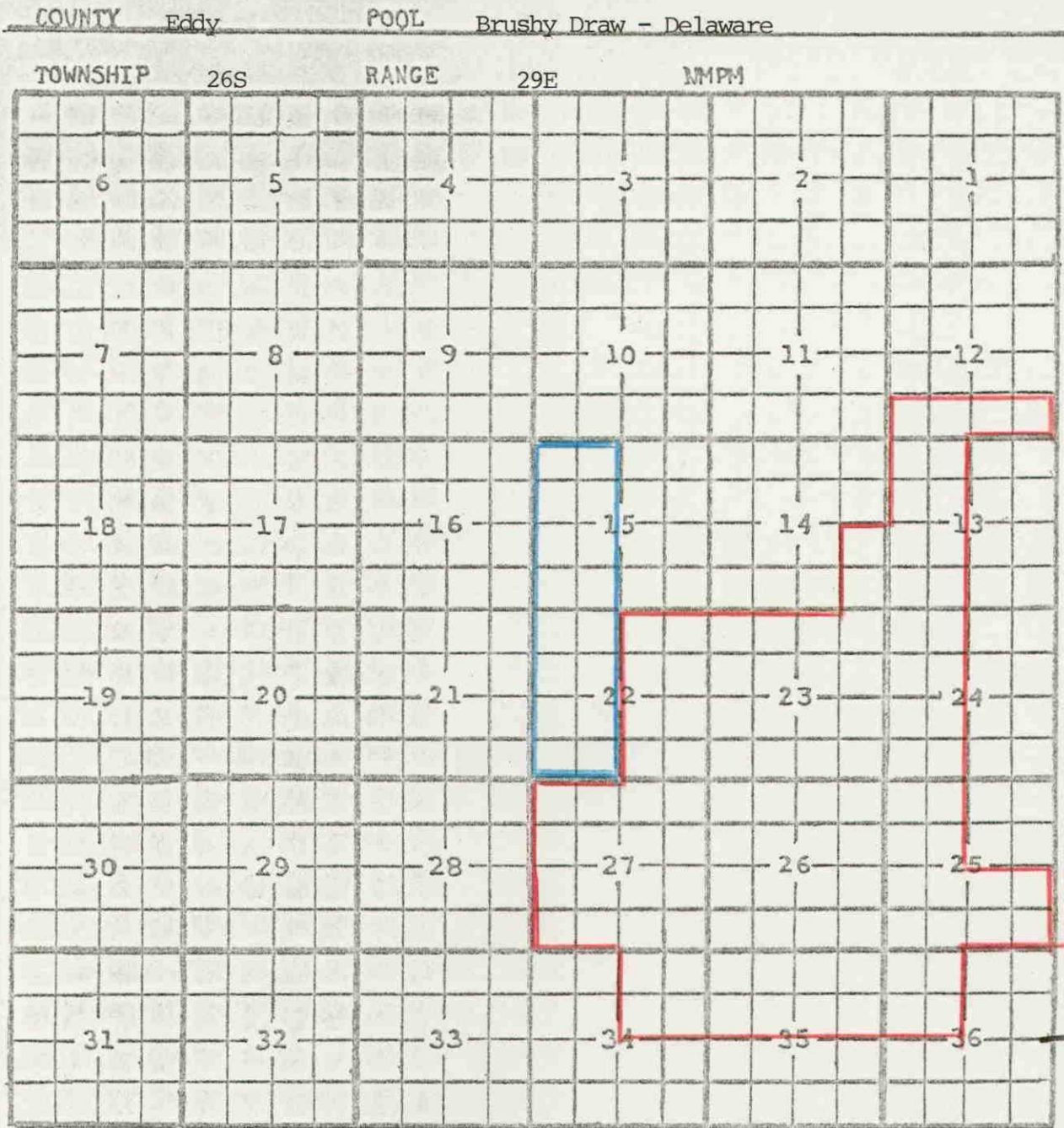
Purpose: One completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Deans Inc.	Yates Brown St.	1-I	27-10-26	4-4-85	Penrose	604'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 27: E/2



Purpose: One completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Worth Pet. Co.	Exxon Federal	2-N	15-26-29	4-27-85	Delaware	5037'

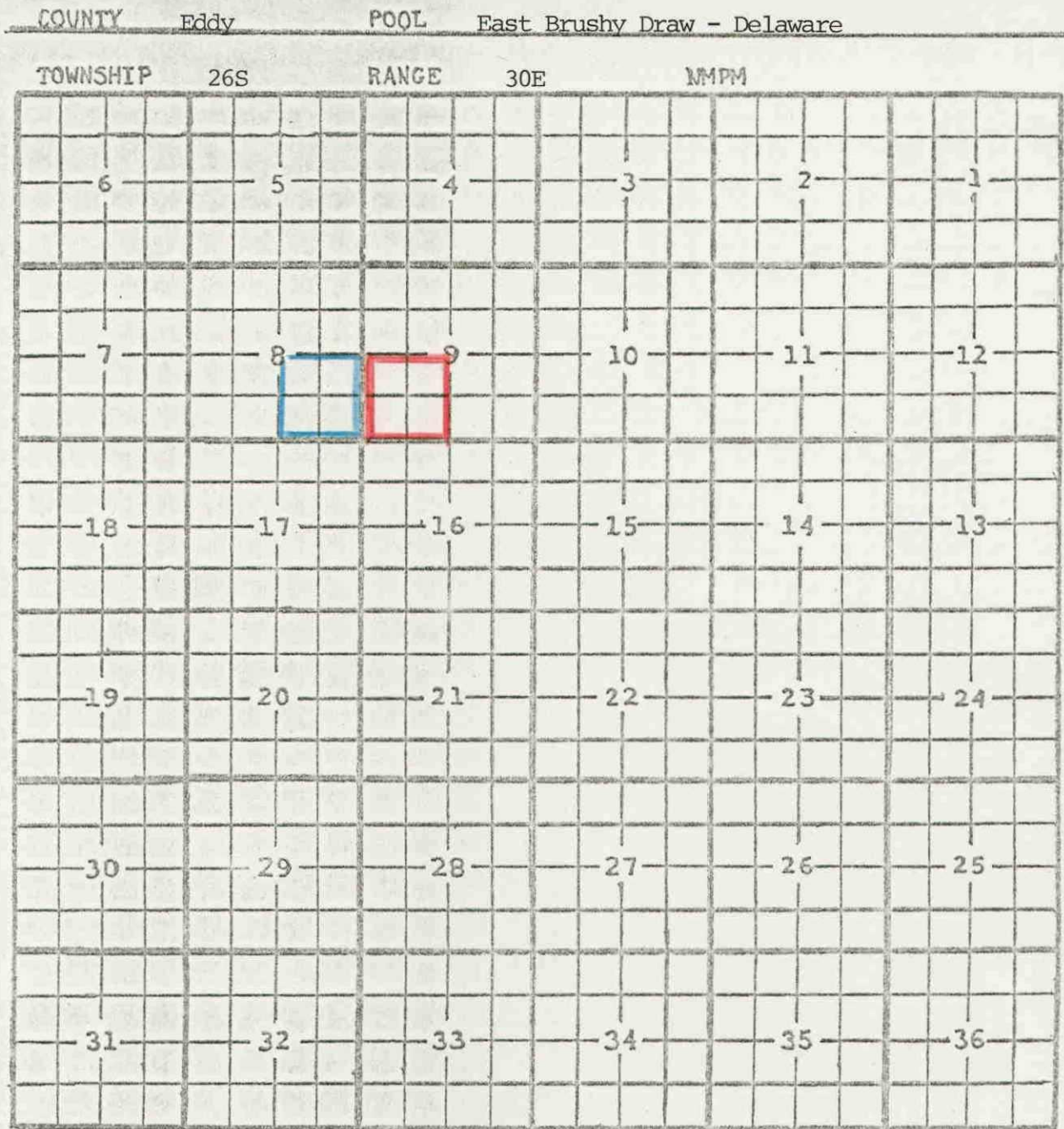
Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 15: W/2

Sec. 22: W/2





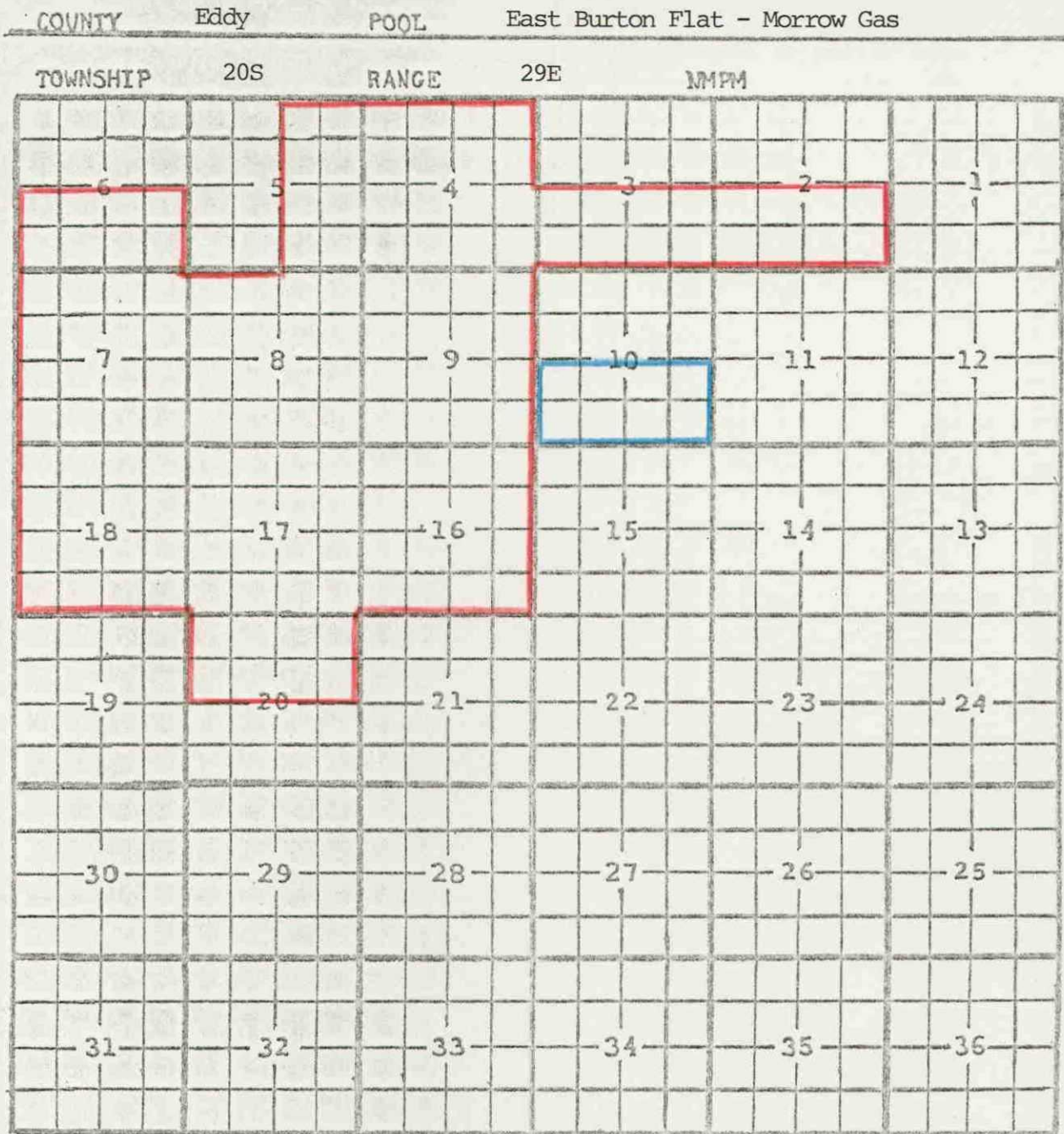
Purpose: One completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Yates Pet. Corp.	Melson ZS Fed.	1-P	8-26-30	7-1-85	Delaware	5497'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 8: SE/4



Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
J.C. Williamson	Canter Federal	1-0	10-20-29	7-11-85	Morrow	11,510'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 10: S/2

COUNTY	Eddy	POOL	Cass Draw - Wolfcamp Gas		
TOWNSHIP	22S	RANGE	27E		
			NMPM		
			Exhibit I		
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Read & Stevens	Otis 34	1-F	34-22-27	4-17-84	Wolfcamp	9789'

Pool boundary outlined in red.

See Exhibit II

Proposed extension outlined in blue.

Sec. 34: W/2

COUNTY Eddy

POOL Cass Draw - Wolfcamp Gas

TOWNSHIP

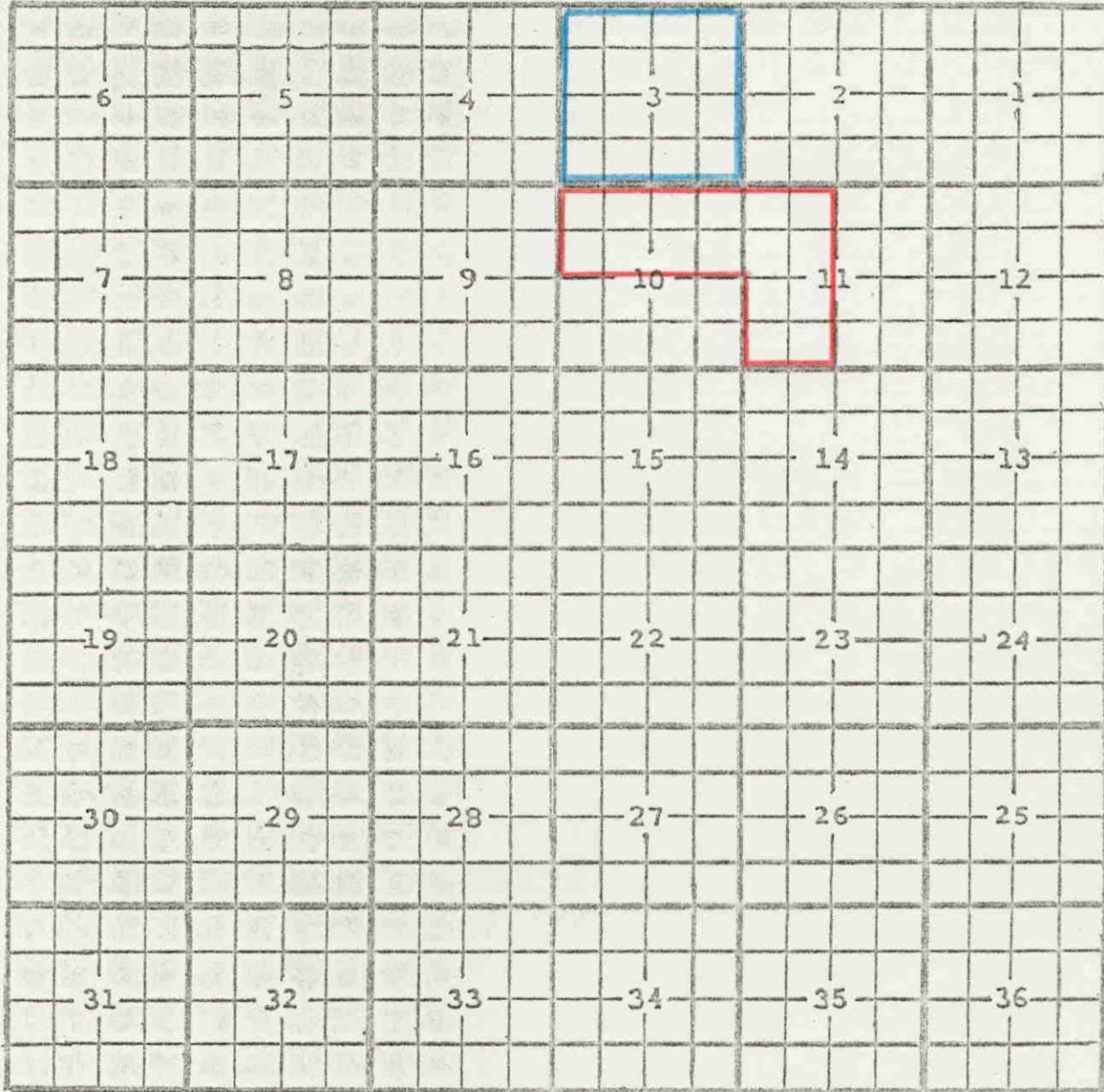
23S

RANGE

27E

MPPM

Exhibit II



Purpose: See Exhibit I

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
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See Exhibit I

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 3: All

COUNTY Eddy

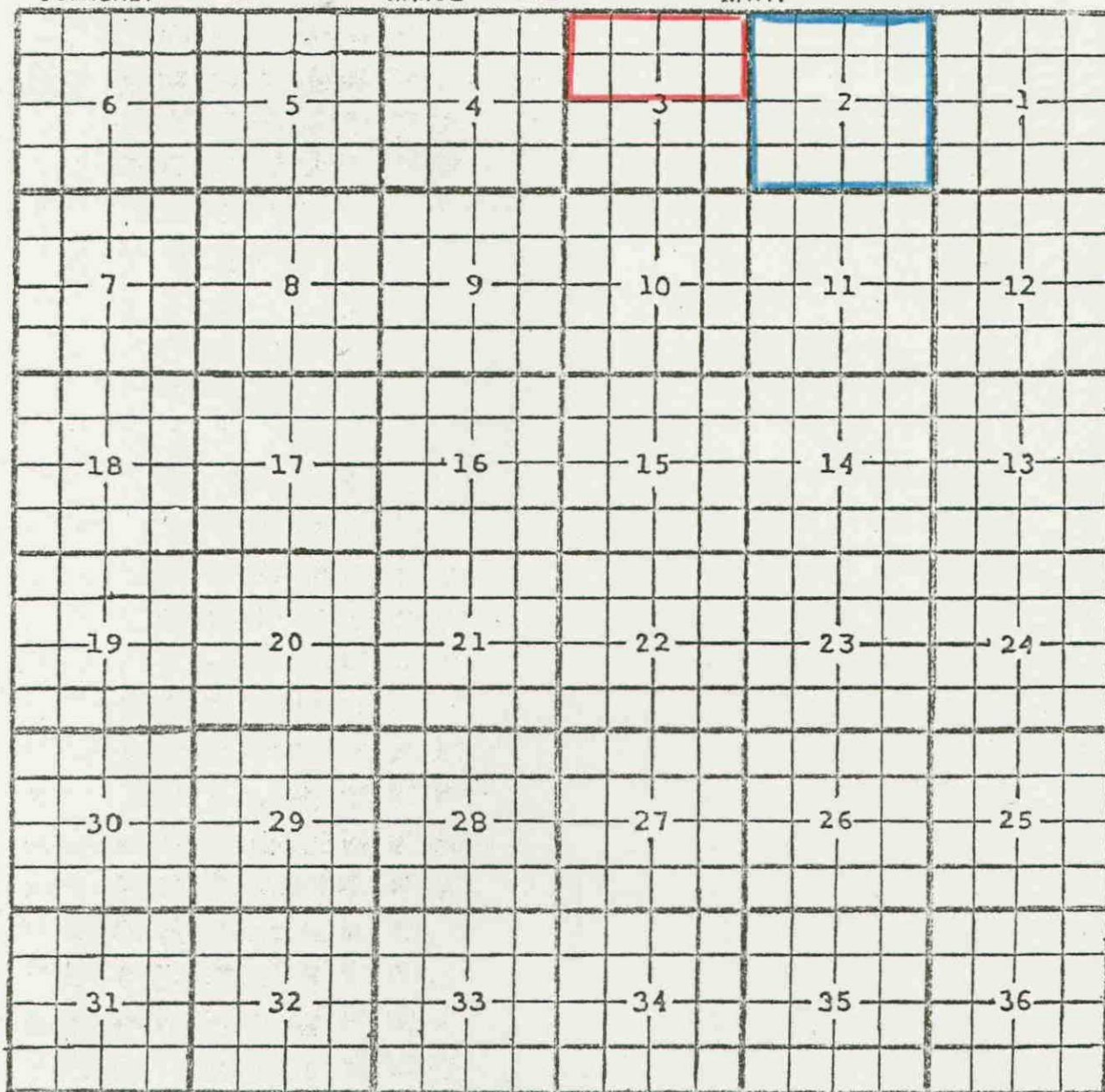
POOL

Cedar Lake - Morrow Gas

TOWNSHIP 18S

RANGE 30E

NMPM



Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Hondo Oil & Gas Co.	State CE	1-F	2-18-30	5-10-85	Morrow	11,241'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 2: All

COUNTY Chaves POOL Diamond Mound - Atoka/Morrow Gas

TOWNSHIP	15S	RANGE	28E	NMPM	
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Mesa Pet. Co.	Mesa State Com	3-L	31-15-28	6-8-85	Morrow	9042'

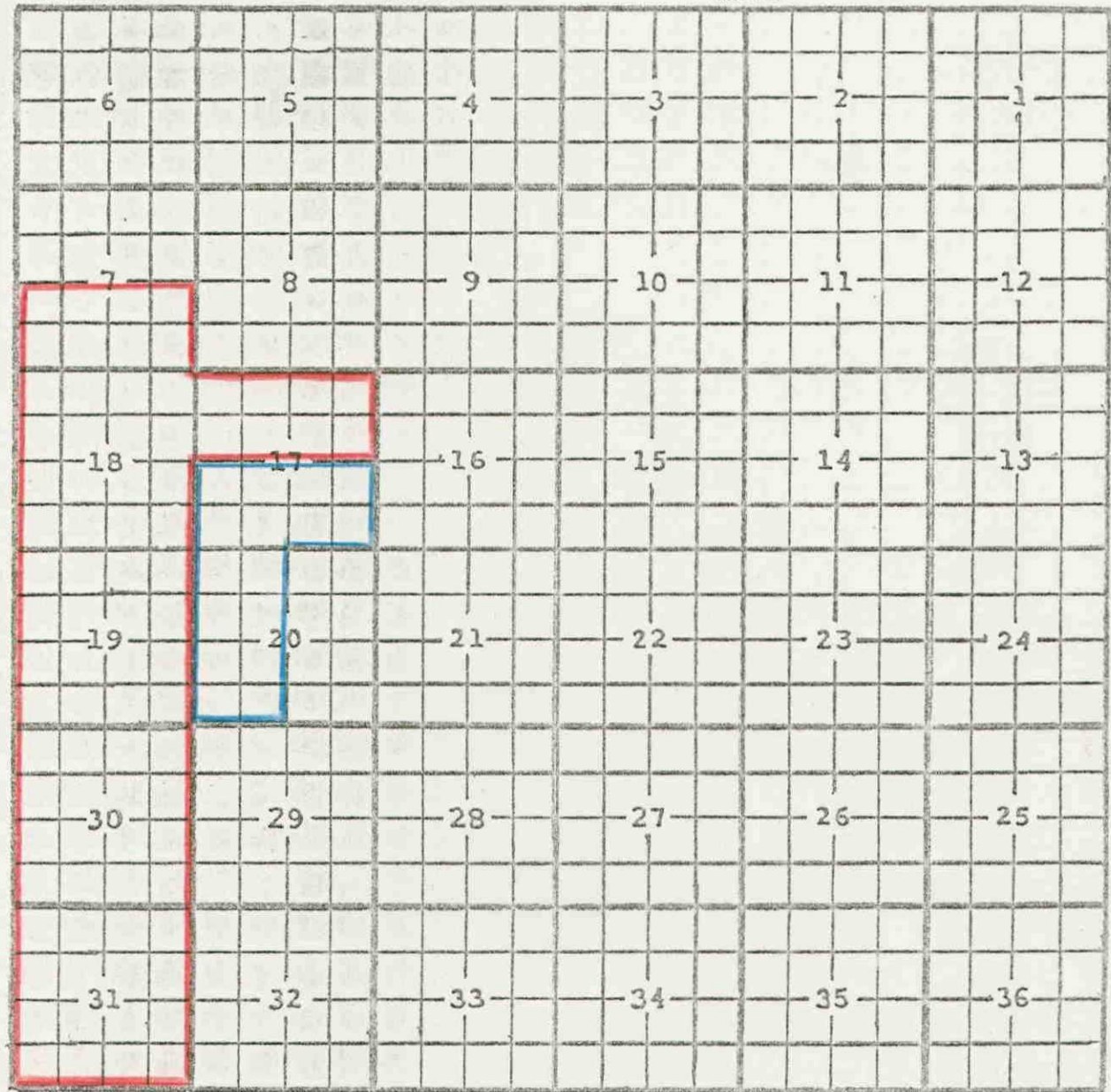
Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 31: W/2

COUNTY Eddy POOL South Empire - Morrow Gas

TOWNSHIP 17S RANGE 29E NMPM Exhibit I



Purpose: 2 completed gas wells capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Exxon Corp.	New Mexico St.	EO Com	1-E	20-17-29	6-11-85	Morrow 10,604'
Southland Royalty Co.	Empire 16 St.	Com	1-E	16-18-29	2-8-85	Morrow 10,986'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 17: S/2

Sec. 20: W/2

COUNTY	Eddy	POOL	South Empire - Morrow Gas		
TOWNSHIP	18S	RANGE	29E	MPPM	Exhibit II
6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

Purpose: See Exhibit I

Opr. Lse. #&Ut. S.T.R. Comp. Fmtn. Top

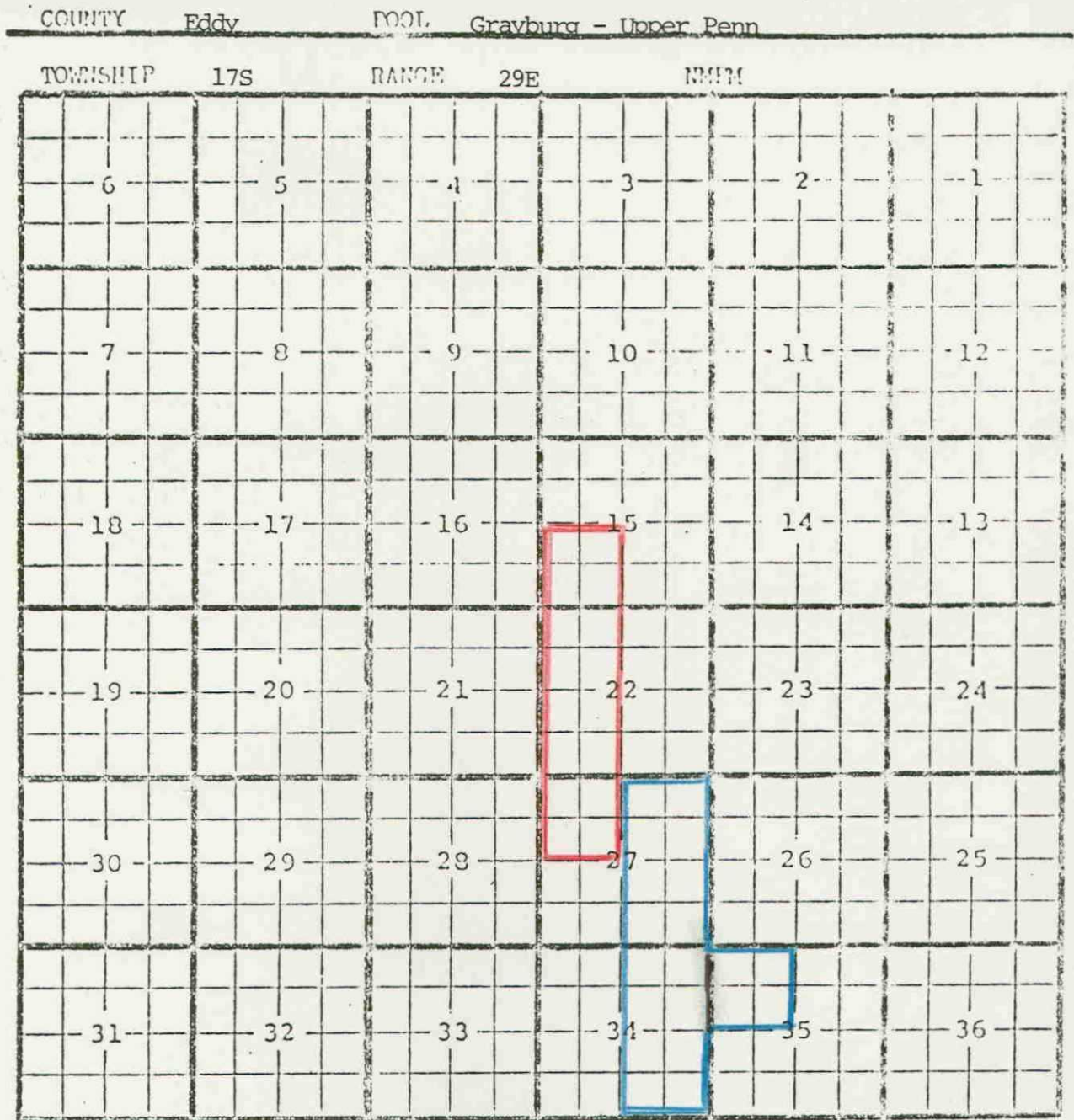
See Exhibit I

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 16: W/2





Purpose: One completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
ARCO Oil & Gas	Jackson Federal	1-C	35-17-29	1-30-85	Cisco	9185'

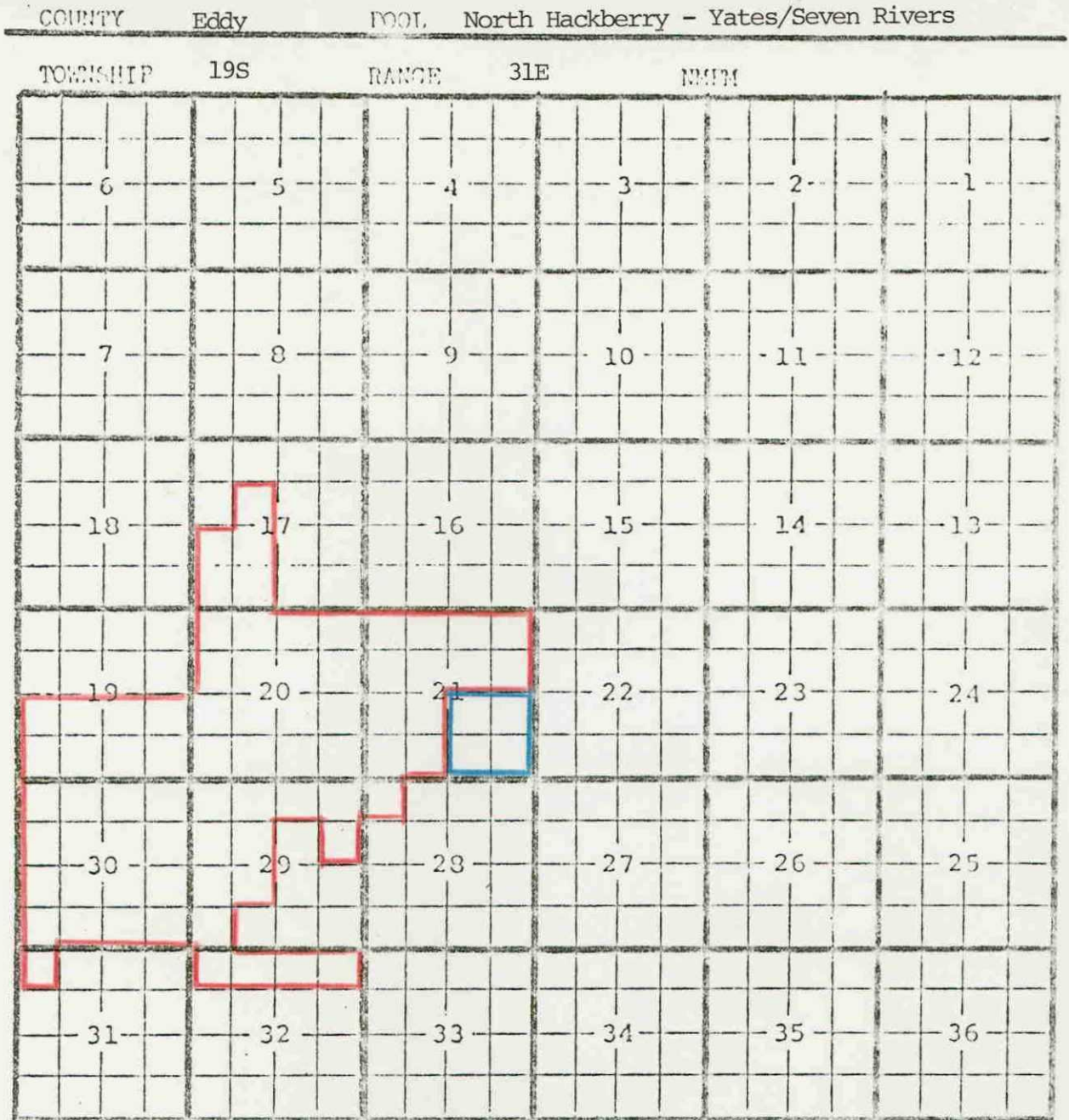
Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 27: E/2

Sec. 34: E/2

Sec. 35: NW/4



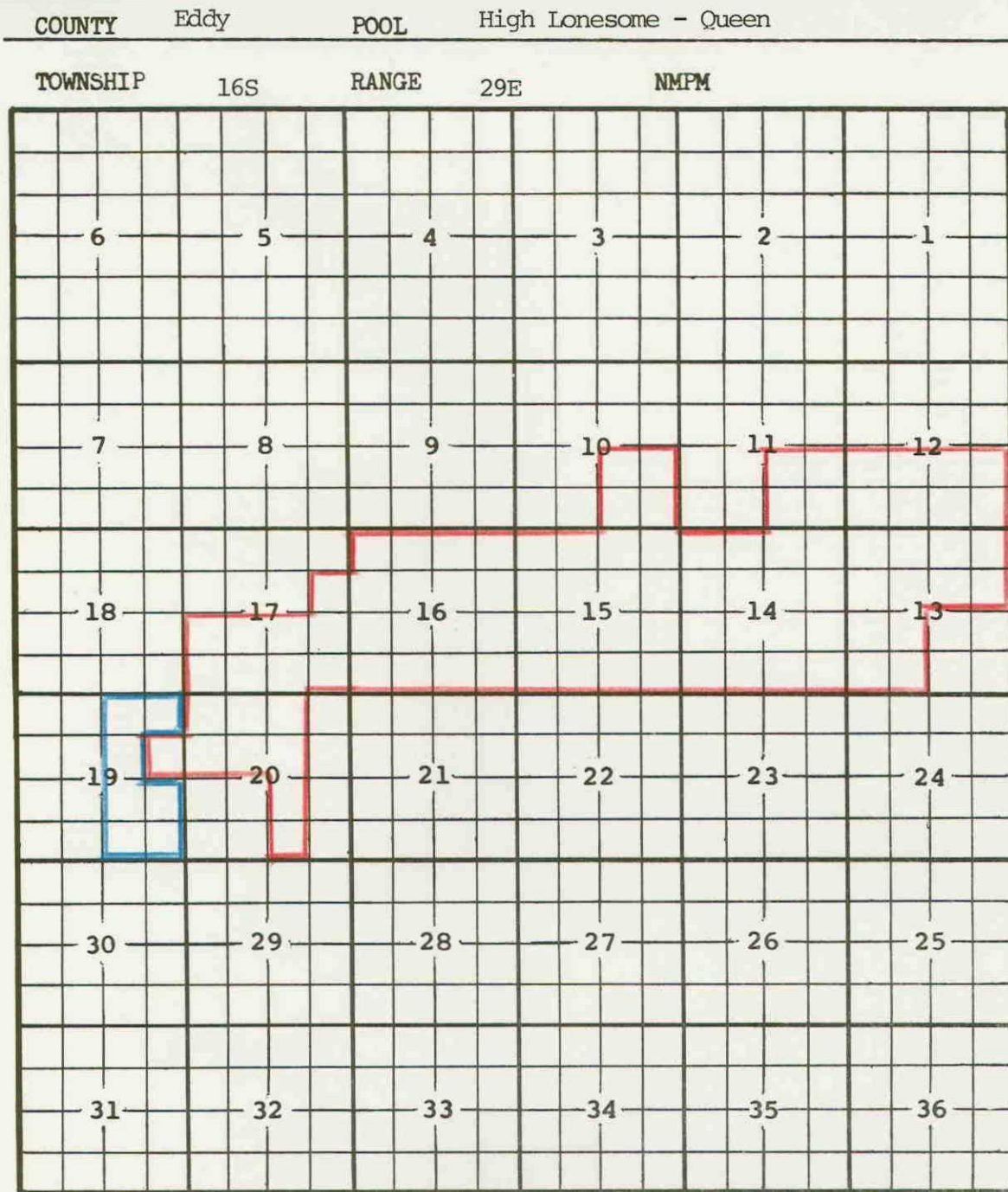
Purpose: One completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Ray Westall	Texas Crude	1-J	21-19-31	4-24-85	Yates	2189'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 21: SE/4



Purpose: 2 completed oil wells capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Upland Resources	Exxon ERL Fed.	1-J	19-16-29	7-29-85	Penrose	1704'
Upland Resources	Coastal Fed.	1-G	19-16-29	7- 1-85	Queen	1747'

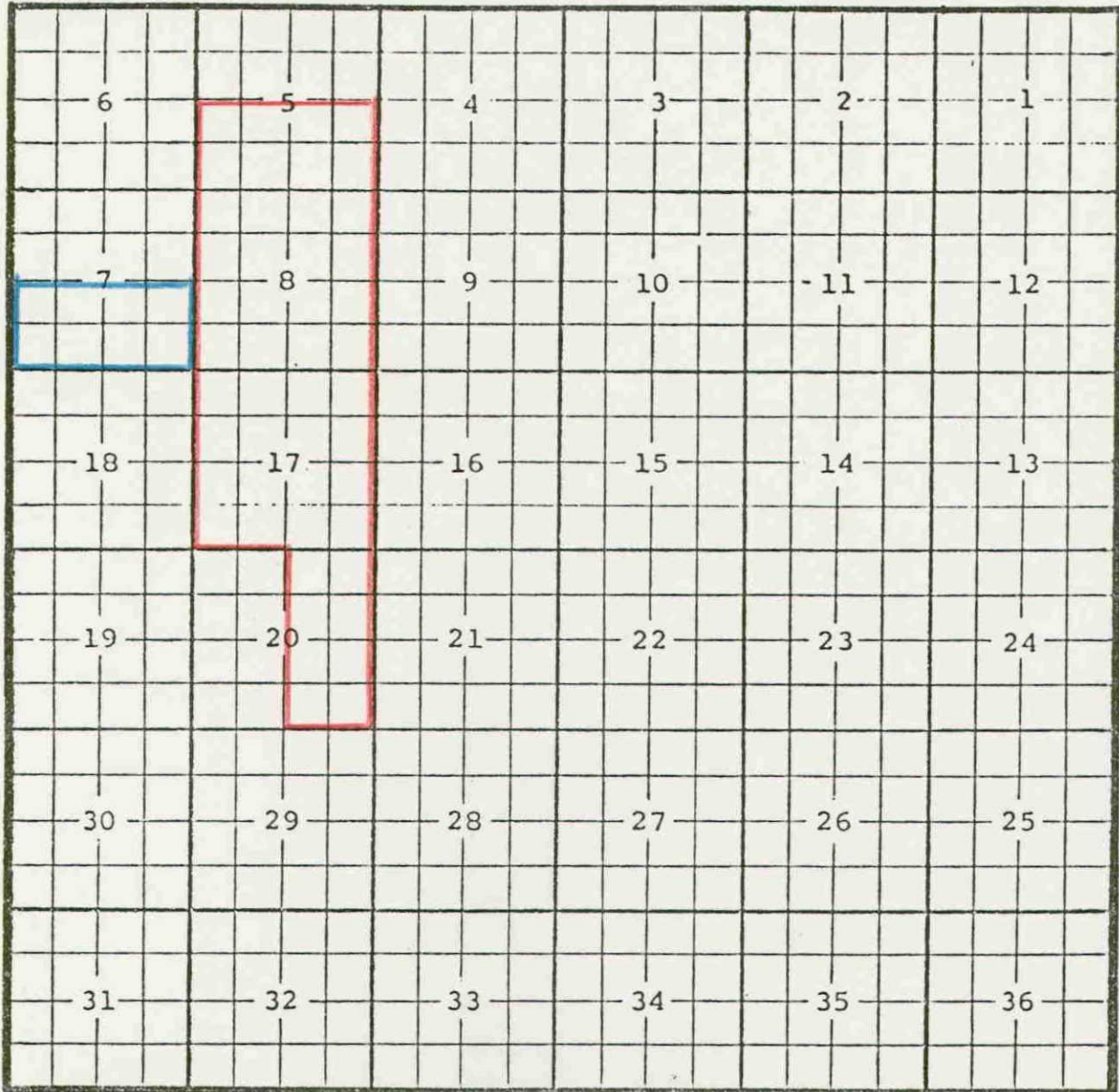
Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 19: SE/4, SW/4 NE/4, & N/2 NE/4

COUNTY Eddy POOL McMillan - Upper Penn Gas

TOWNSHIP 19S RANGE 27E NMPM



Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Robert Enfield	Douglas	1-J	7-19-27	12-9-84	Cisco/ Canyon	7851'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 7: S/2

COUNTY	Eddy	POOL	Red Bluff - Delaware Gas			
TOWNSHIP	26S	RANGE	28E	MMM		
6	5	4	3	2	1	
7	8	9	10	11	12	
18	17	16	15	14	13	
19	20	21	22	23	24	
30	29	28	27	26	25	
31	32	33	34	35	36	

Purpose: One completed gas well capable of producing.

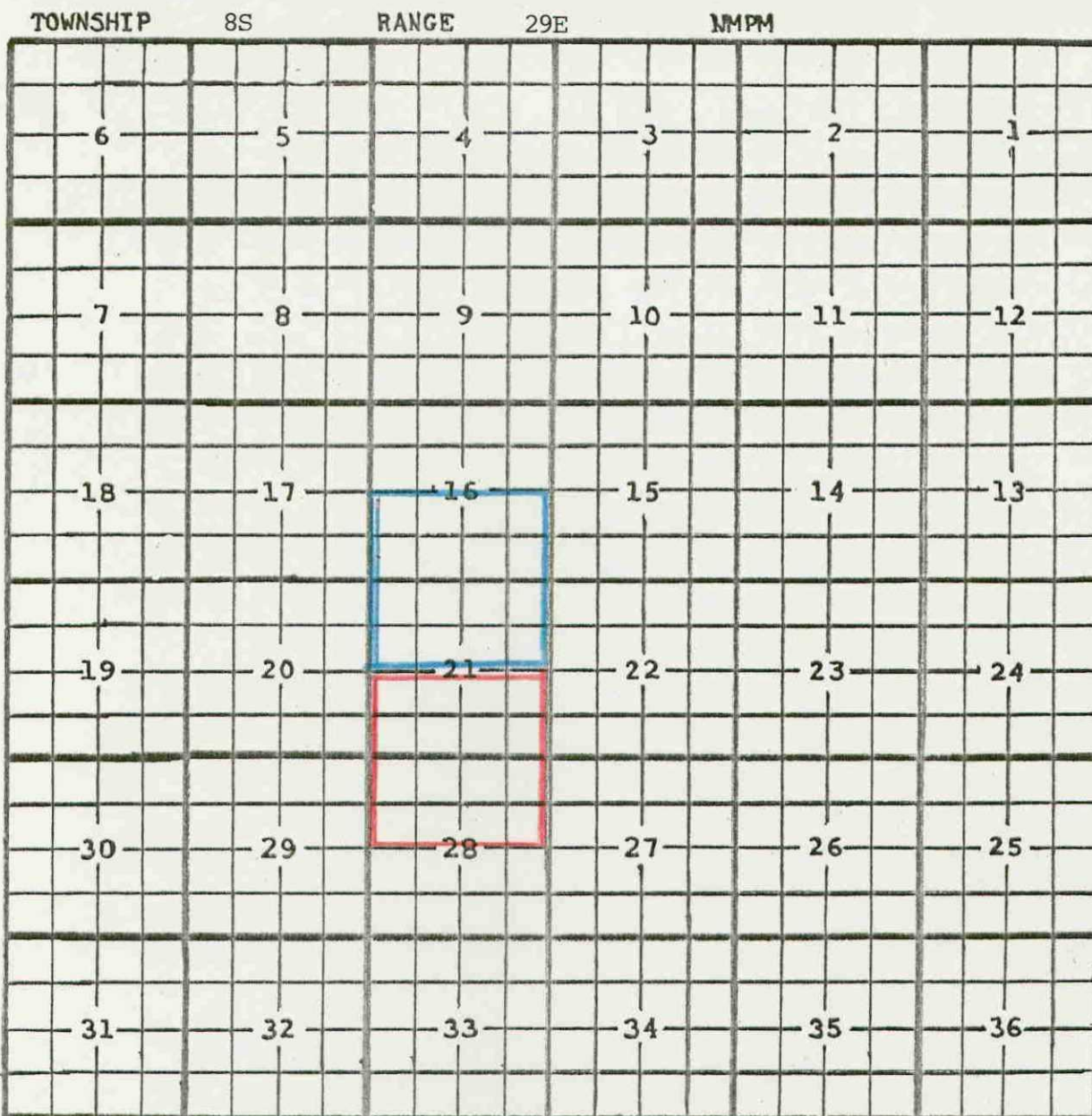
Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Wayne Moore	Clark	1-G	10-26-28	9-25-83	Delaware	2692'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 11: N/2

COUNTY ~~Eddy~~ *Chaves* POOL Red Lake Ridge - San Andres



Purpose: 2 completed oil wells capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Stevens Op. Co.	Red Lake Ridge	1-C	21-8-29	5-21-85	San Andres	2874'
Stevens Op. Co.	Huber State	1-N	16-8-29	3-31-85	San Andres	2878'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 16: S/2

Sec. 21: N/2

COUNTY Eddy

POOL Richard Knob - Atoka Morrow Gas

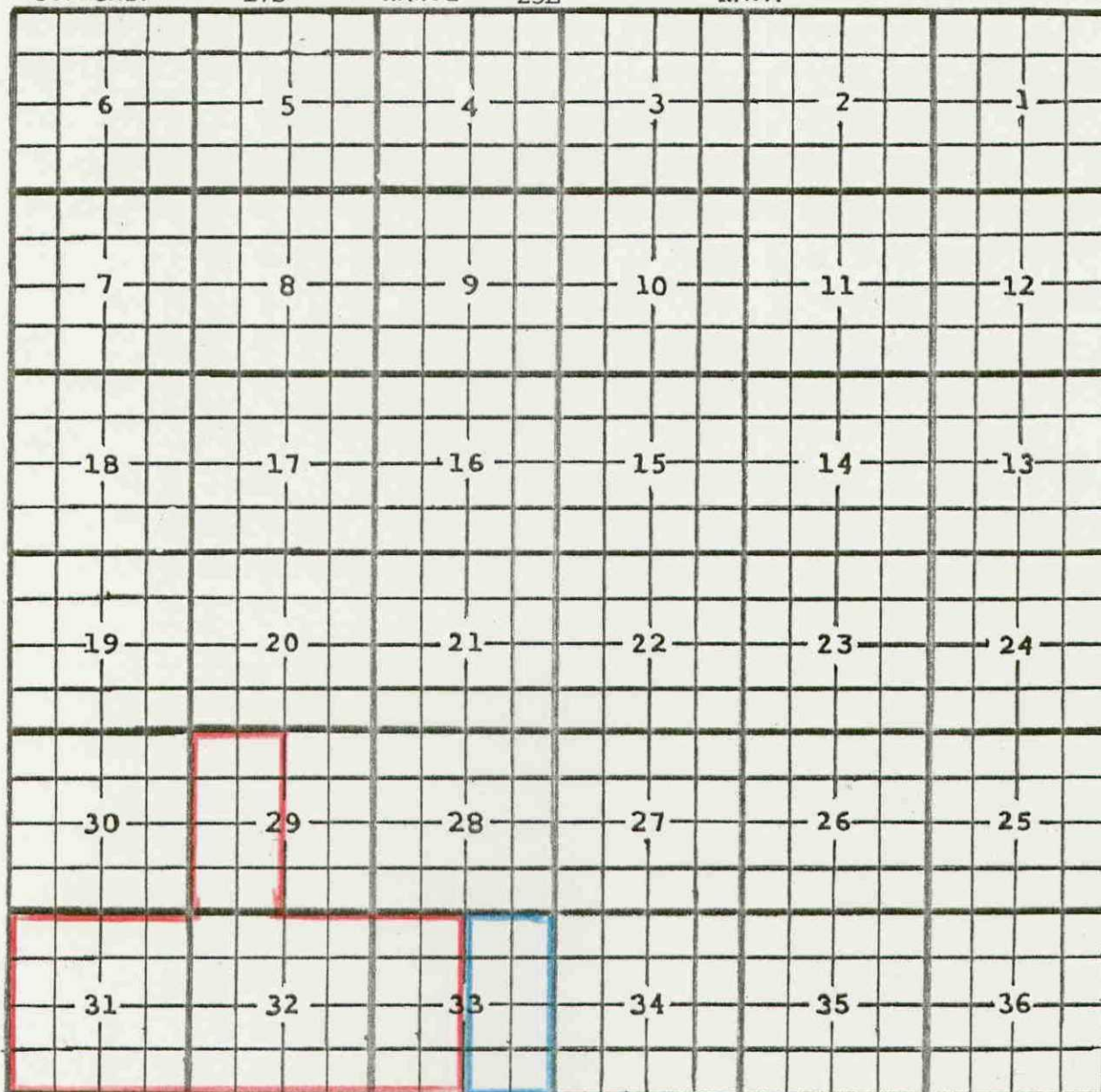
TOWNSHIP

17S

RANGE

25E

NMPM



Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Yates Pet. Corp.	Powell Kissenger	BS 2-0	33-17-25	4-12-85	Atoka/ Morrow	8160'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 33: E/2

COUNTY Chaves

POOL Round Tank - San Andres

TOWNSHIP	15S	RANGE	28E	MPPM
6	5	4	3	2
7	8	9	10	11
18	17	16	15	14
19	20	21	22	23
30	29	28	27	26
31	32	33	34	35
				36

Purpose: One completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Frostman Oil Co.	CT Federal	1-B	23-15-28	7-23-85	San Andres	2677'

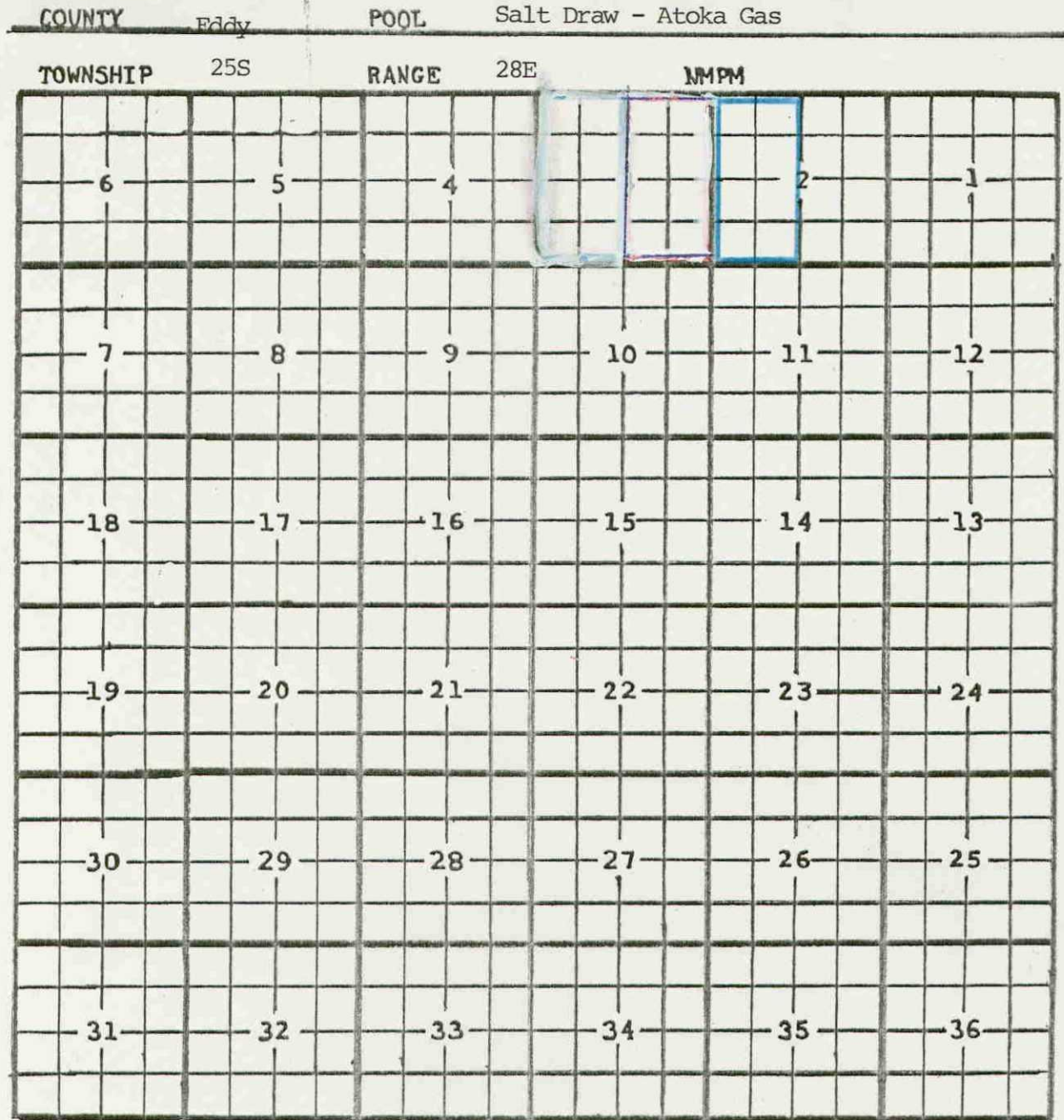
Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 23: N/2

Sec. 24: NW/4





Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
H.N.G. Oil Co.	Salt Draw 2 Com	1-E	2-25-28	6-27-85	Atoka	12,057

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 2: W/2

Sec. 3: E/2

COUNTY Eddy

POOL Sand Dunes - Cherry Canyon

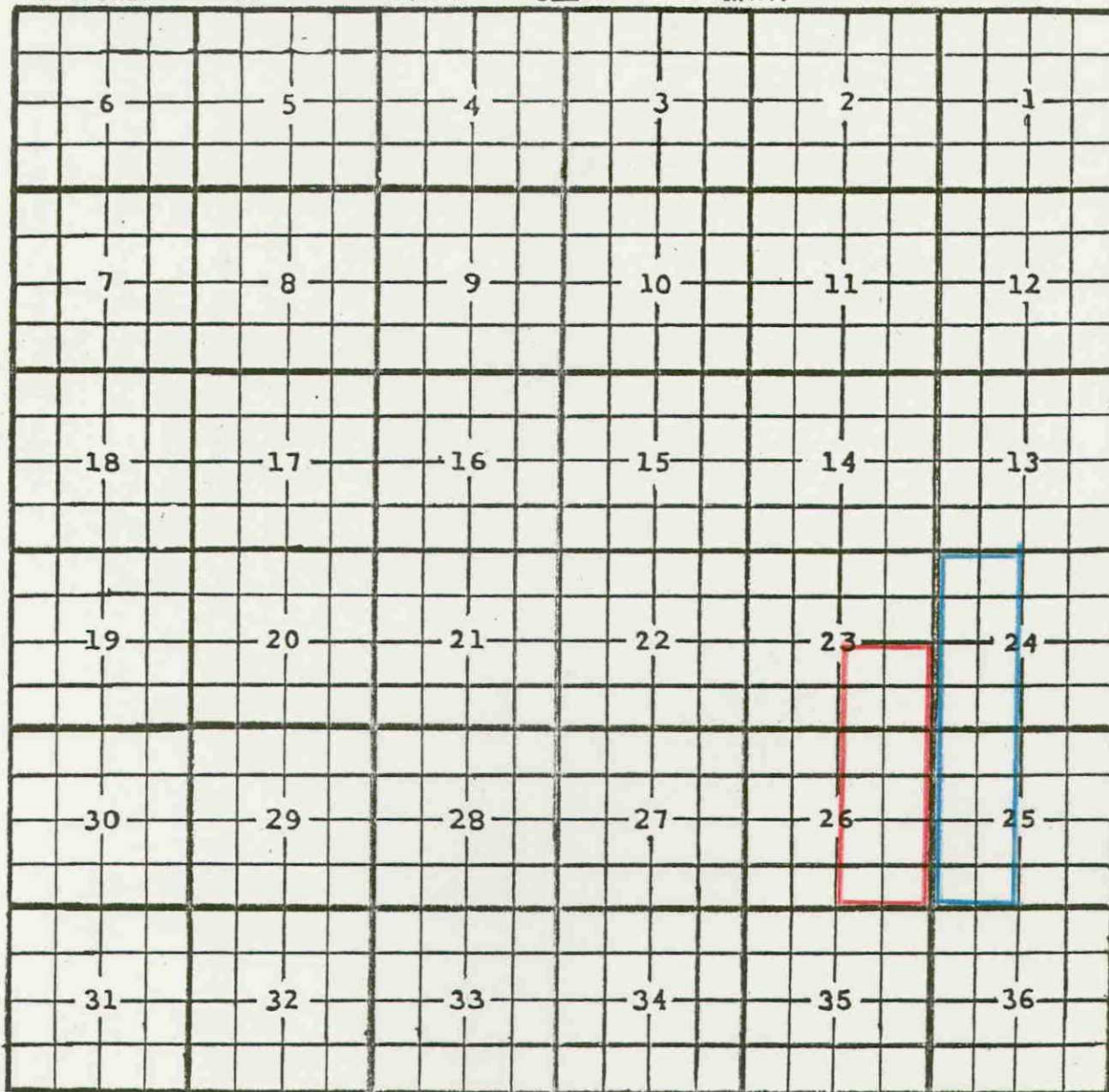
TOWNSHIP

23S

RANGE

31E

NMPM



Purpose: One Completed oil well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top
Kaneb Oil & Gas	Federal 24	1-E	24-23-31	7-30-85	Cherry Canyon	6071'

Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 24: W/2

Sec. 25: W/2

COUNTY		Eddy		POOL		Turkey Track - Morrow Gas	
TOWNSHIP	19S	RANGE	28E	NM1M			
6	5	4	3	2	1		
7	8	9	10	11	12		
18	17	16	15	14	13		
19	20	21	22	23	24		
30	29	28	27	26	25		
31	32	33	34	35	36		

Purpose: One completed gas well capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Emtn.	Top
Southland Royalty Co.	E.Millman	12 St.Com	1-N 12-19-28	7-30-85	Morrow	10,958'

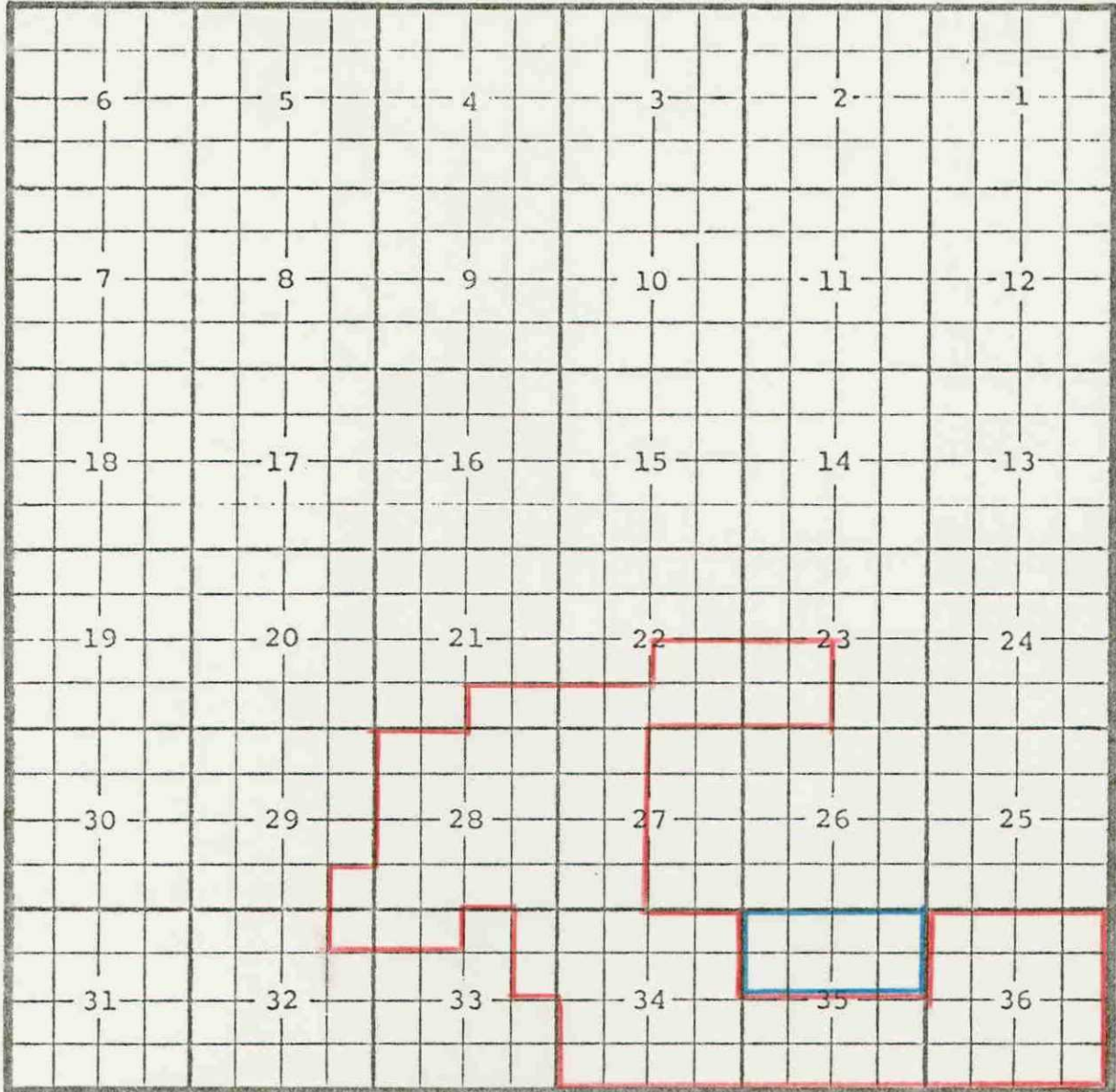
Pool boundary outlined in red.

Proposed extension outlined in blue.

Sec. 12: All

COUNTY Eddy POOL Turkey Track-Seven Rivers/Queen/Grayburg/San Andres

TOWNSHIP 18S RANGE 29E NM1M



Purpose: 2 completed oil wells capable of producing.

Opr.	Lse.	#&Ut.	S.T.R.	Comp.	Fmtn.	Top.
MYCO Ind. Inc.	Roadrunner Fed.	4-E	35-18-29	7-16-85	Grayburg	2548'
Metex Pipe & Supply	Wilson Federal	1-H	35-18-29	5-24-85	Seven Rivers	1472'

Pool Boundary outlined in red.

Proposed extension outlined in blue.

Sec. 35: N/2