

NEW POOLS

It is recommended that a new oil pool be created and designated as the Airstrip-San Andres Pool.

Vertical limits to be the San Andres formation and the horizontal limits should be as follows: As outlined in Paragraph (a) Exhibit I

Discovery well was Amoco Production Company State HQ #6 located in Unit K Section 26 Township 18 Range 34 and was completed on November 23, 1986. Top of perforations is at 5,728 feet.

It is recommended that a new oil pool be created and designated as the Baum-Abo Pool.

Vertical limits to be the Abo formation and the horizontal limits should be as follows: As outlined in Paragraph (b) Exhibit I

Discovery well was Coastal Oil & Gas Corp. Federal 20 #5 located in Unit K Section 20 Township 13 Range 33 and was completed on April 11, 1987. Top of perforations is at 8,890 feet.

It is recommended that a new oil pool be created and designated as the East Lusk-Delaware Pool.

Vertical limits to be the Delaware formation and the horizontal limits should be as follows: As outlined in Paragraph (c) Exhibit I

Discovery well was Amoco Production Company Federal AW #1 located in Unit E Section 26 Township 19 Range 32 and was completed on January 26, 1987. Top of perforations is at 4,848 feet.

NEW POOLS

It is recommended that a new oil pool be created and designated as the West Lusk-Delaware Pool.

Vertical limits to be the Delaware formation and the horizontal limits should be as follows: As outlined in Paragraph (d) Exhibit I

Discovery well was Texaco Inc. New Mexico CR State #1 located in Unit D Section 32 Township 19 Range 32 and was completed on November 2, 1986. Top of perforations is at 6,416 feet.

It is recommended that a new oil pool be created and designated as the East Shoe Bar-Pennsylvanian Pool.

Vertical limits to be the Pennsylvanian formation and the horizontal limits should be as follows: As outlined in Paragraph (e) Exhibit I

Discovery well was Mobil Producing TX & NM Inc. Lovington Deep Amoco #1 located in Unit E Section 6 Township 17 Range 36 and was completed on November 29, 1986. Top of perforations is at 10,746 feet.

It is recommended that a new oil pool be created and designated as the Tulk-Abo Pool.

Vertical limits to be the Abo formation and the horizontal limits should be as follows: As outlined in Paragraph (f) Exhibit I

Discovery well was Coastal Oil & Gas Corp. State 27 #3 located in Unit A Section 27 Township 14 Range 32 and was completed on January 16, 1987. Top of perforations is at 8,879 feet.