

CASE NO. 10240
EXHIBIT I

CASE 10240: In the matter of the hearing called by the Oil Conservation Division extending certain pools in Lea and Roosevelt Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the Buffalo-Seven Rivers Pool. The discovery well is the Chevron USA Inc. Langlie A Federal Well No. 1 located in Unit K of Section 9, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 9: SW/4

- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Tansill-Yates-Seven Rivers production and designated as the West Dollarhide Tansill-Yates-Seven Rivers Gas Pool. The discovery well is the Texaco Producing Inc. Mexico J Well No. 2 located in Unit O of Section 32, Township 24 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
Section 32: SE/4

- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Gem-Delaware Pool. The discovery well is the JFG Enterprises Tonto State Well No. 1 located in Unit J of Section 32, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 32: SE/4

- (d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Geronimo-Delaware Pool. The discovery well is the Mitchell Energy Corporation Geronimo Federal Well No. 1 located in Unit D of Section 31, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 31: NW/4

- (e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Northeast Lovington-Wolfcamp Pool. The discovery well is the Bridge Oil Company L. P. Kim Harris Well No. 1 located in Unit B of Section 12, Township 16 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 12: NE/4

- (f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Abo production and designated as the East Nadine-Abo Pool. The discovery well is the Petroleum Technical Services Company Carter Well No. 1 located in Unit I of Section 30, Township 19 South, Range 39 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM
Section 30: SE/4

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Red Tank-Bone Spring Pool. The discovery well is the Chevron USA Inc. Covington A Federal Well No. 1 located in Unit C of Section 25, Township 22 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 25: NW/4

- (h) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Paddock production and designated as the Teague-Paddock Pool. The discovery well is the Arch Petroleum Inc. E. C. Hill B Federal Well No. 1 located in Unit A of Section 34, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

- (i) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Vaca Draw-Atoka Gas Pool. The discovery well is the Oryx Energy Company Gila 4 Deep Com Well No. 1 located in Unit G of Section 4, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 4: E/2

- (j) EXTEND the Bilbrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 32: SW/4

- (k) EXTEND the West Corbin-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 16: SE/4

- (l) EXTEND the East Crossroads-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 25: NE/4

- (m) EXTEND the Cuerno Largo-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 35: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 5: SE/4
Section 8: E/2

- (o) EXTEND the Flying M-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 8: NE/4
Section 9: NW/4

- (p) EXTEND the East Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 2: S/2

- (q) EXTEND the Hat Mesa-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 32: SE/2/4

- (r) EXTEND the Kemnitz-Cisco Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 22: W/2
Section 27: N/2

- (s) EXTEND the Lane-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 26: SW/4

- (t) EXTEND the East Lusk-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 16: SW/4
Section 26: SE/4
Section 30: NE/4

- (u) EXTEND the East Lusk-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 26: S/2

- (v) EXTEND the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM
Section 34: SE/4

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 3: NW/4

- (w) EXTEND the Monument-Tubb Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 23: SW/4

- (x) EXTEND the Tonto-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 22: N/2

- (y) EXTEND the West Tonto-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 1: NE/4

- (z) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 1: NW/4
Section 16: NE/4

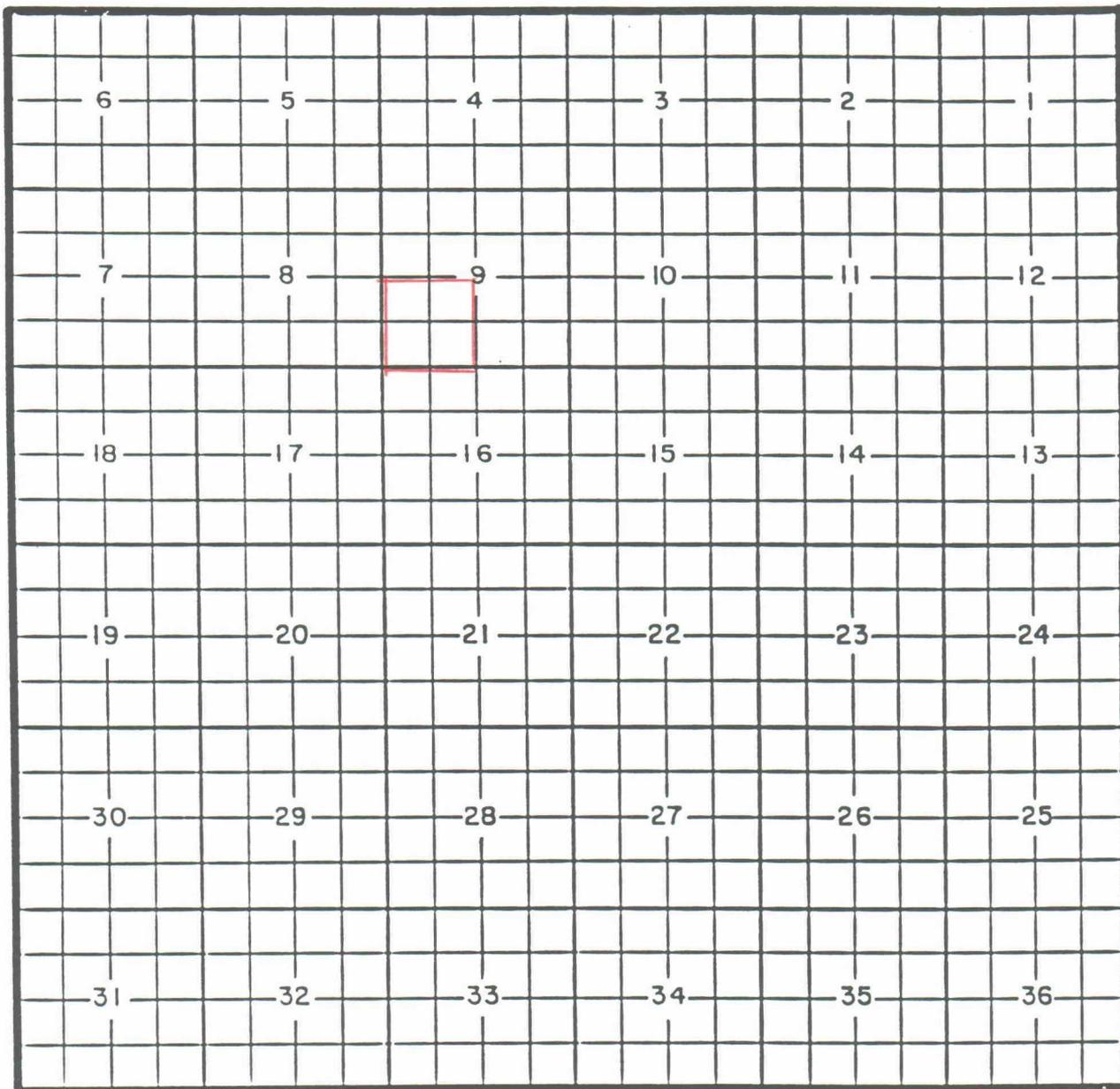
- (aa) EXTEND the Young-Wolfcamp Pool in Lea County, New Mexico, to include therein:

Section 32: SW/4

- (k) EXTEND the West Corbin-Delaware Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 16: SE/4
- (l) EXTEND the East Crossroads-Devonian Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 25: NE/4
- (m) EXTEND the Cuerno Largo-Pennsylvanian Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 35: NE/4
- (n) EXTEND the Southwest Eunice-San Andres Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 5: SE/4
Section 8: E/2
- (o) EXTEND the Flying M-San Andres Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 8: NE/4
Section 9: NW/4
- (p) EXTEND the East Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 2: S/2
- (q) EXTEND the Hat Mesa-Delaware Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 32: SE/2
- (r) EXTEND the Kemnitz-Cisco Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 22: W/2
Section 27: N/2
- (s) EXTEND the Lane-Abo Pool in Lea County, New Mexico, to include therein:
TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 26: SW/4

COUNTY LEA POOL BUFFALO-SEVEN RIVERS

TOWNSHIP 19 South RANGE 33 East NMPM



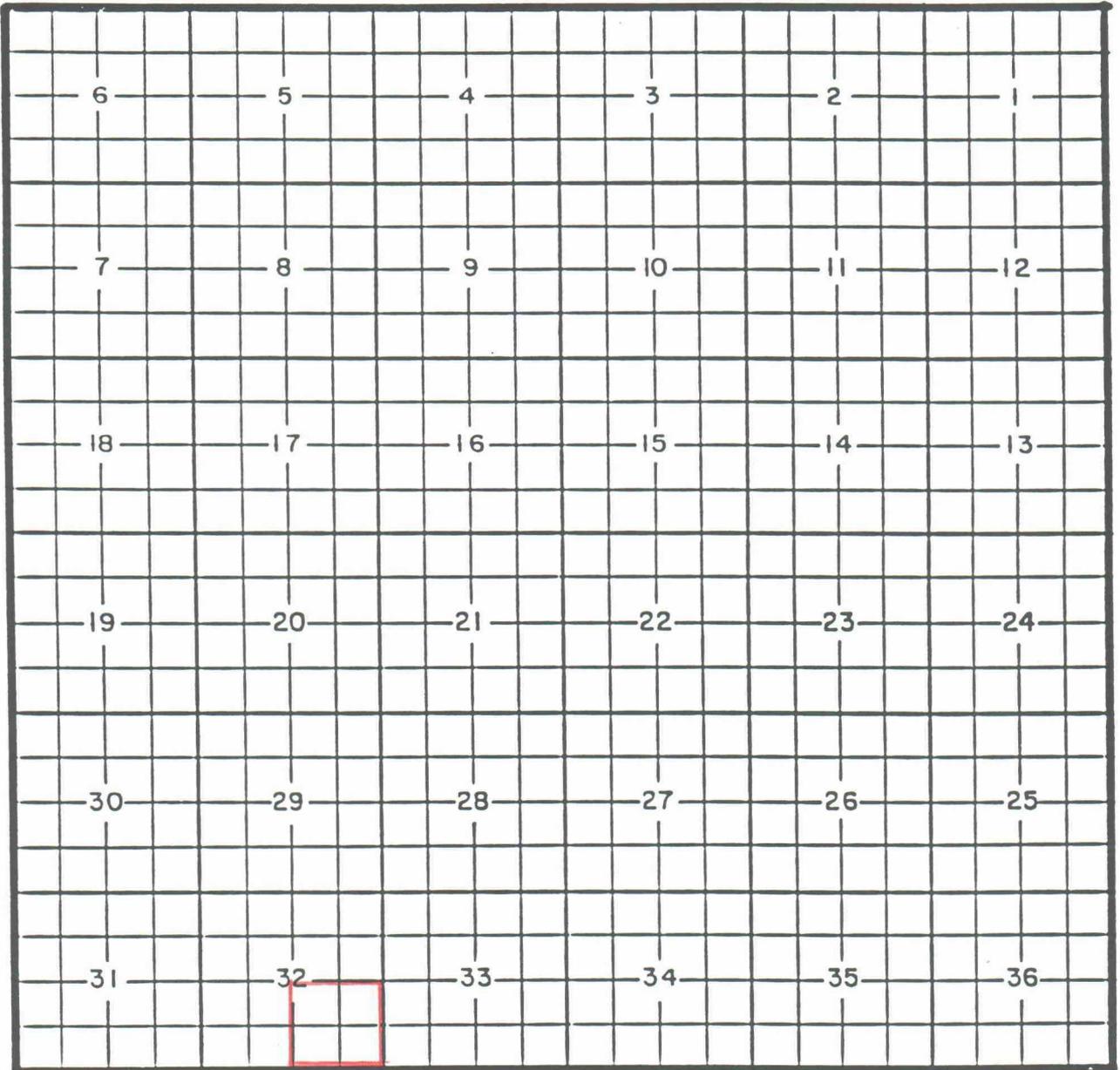
PURPOSE: One completed oil well capable of producing.

Chevron U.S.A. Inc. Langlie A Federal Well No. 1 located in Unit K of Section 9, township 19 South, Range 33 East, NMPM. It was completed August 9, 1990, in the Seven Rivers formation. The top of the perforations is at 3,572 feet.

Proposed pool boundary outlined in red. Section 9: SW/4

COUNTY LEA POOL WEST DOLLARHIDE TANSILL-YATES-SEVEN RIVERS GAS

TOWNSHIP 24 South RANGE 38 East NMPM



PURPOSE: One completed gas well capable of producing.

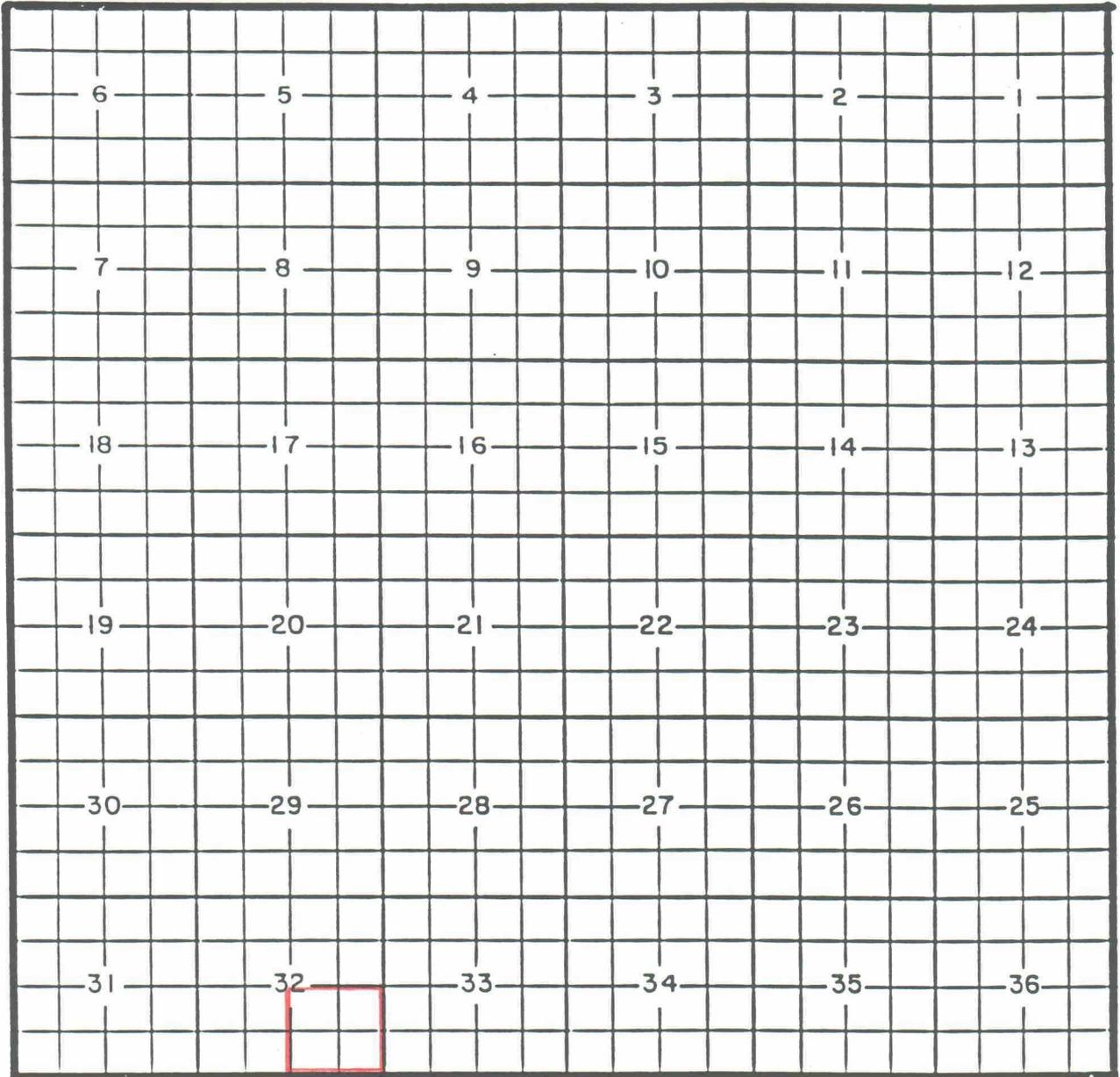
Texaco Producing Inc. Mexico J Well No. 2 located in Unit 0 of Section 32.

Township 24 South, Range 38 East, NMPM. It was completed July 24, 1990, in the Tansill-Yates-Seven Rivers formation. The top of the perforations is at 2,647 feet.

Proposed pool boundary outlined in red. Section 32: SE/4

COUNTY LEA POOL GEM-DELAWARE

TOWNSHIP 19 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

JFG Enterprises Tonto State Well No. 1 located in Unit J of Section 32, Township 19 South, Range 33 East, NMPM. It was completed November 8, 1990, in the Delaware formation. The top of the perforations is at 7,906 feet.

Proposed pool boundary outlined in red. Section 32: SE/4

COUNTY LEA POOL GERONIMO-DELAWARE

TOWNSHIP	19 South	RANGE	33 East	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 oil well capable of producing.

Mitchell Energy Corporation Geronimo Federal Well No. 1 located in Unit D of Section 31, Township 19 South, Range 33 East, NMPM. It was completed October 3, 1990, in the Delaware formation. The top of the perforations is at 7,586 feet.

Proposed pool boundary outlined in red. Section 31: NW/4

COUNTY LEA

POOL NORTHEAST LOVINGTON-WOLFCAMP

TOWNSHIP 16 South

RANGE 36 East

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 oil well capable of producing.

Bridge Oil Company L.P. Kim Harris Well No. 1 located in Unit B of Section 12, Township 16 South, Range 36 East, NMPM. It was completed October 19, 1990, in the Wolfcamp formation. The top of the perforations is at 10,590 feet.

Proposed pool boundary outlined in red. Section 12: NE/4

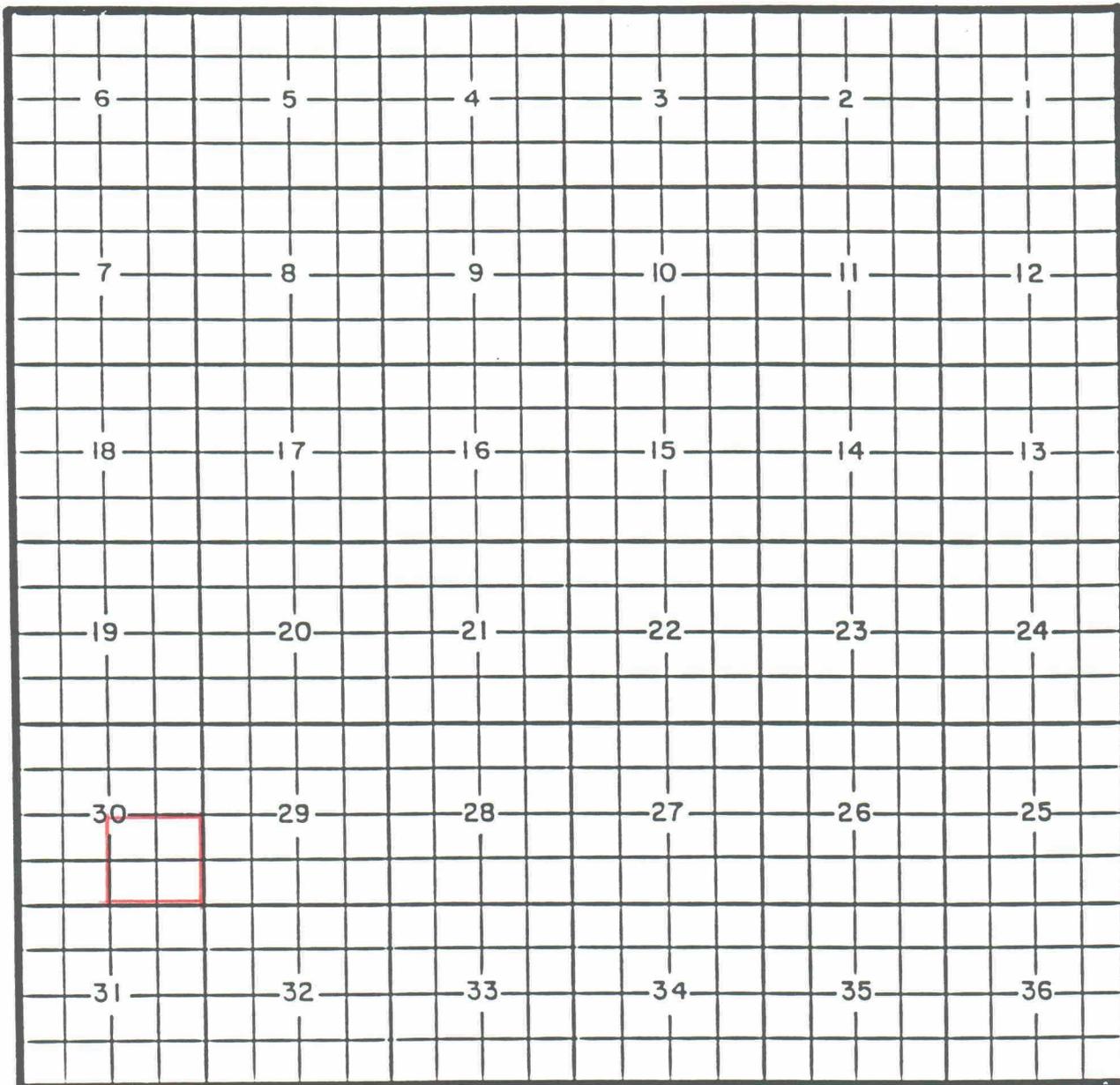
COUNTY LEA

POOL EAST NADINE-ABO

TOWNSHIP 19 South

RANGE 39 East

NMPM



PURPOSE: One completed oil well capable of producing.

Petroleum Technical Services Company Carter Well No. 1 located in Unit I of Section 30, Township 19 South, Range 39 East, NMPM. It was completed May 9, 1990, in the Abo formation. The top of the perforations is at 7,456 feet.

Proposed pool boundary outlined in red. Section 30: SE/4

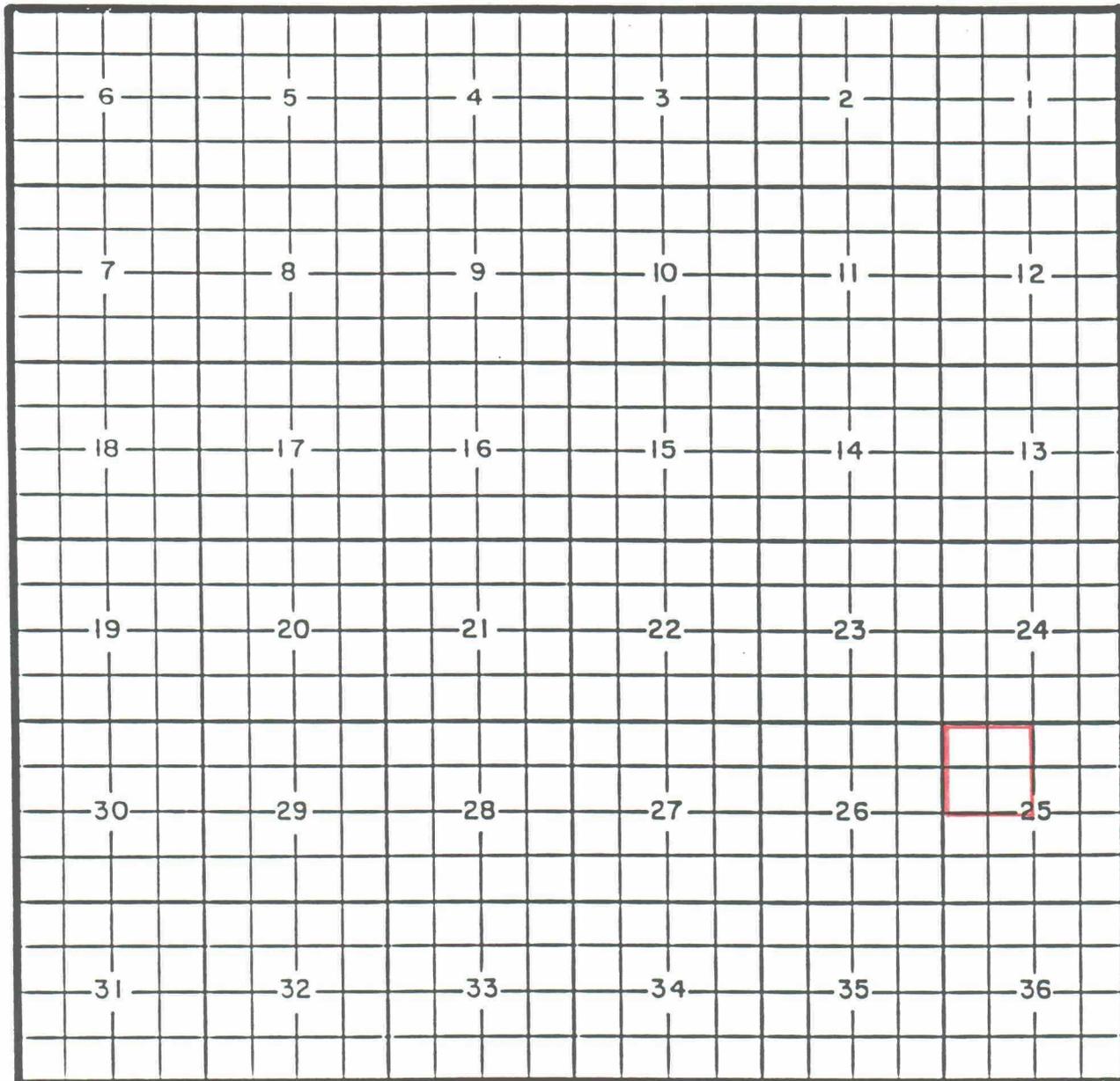
COUNTY LEA

POOL RED TANK-BONE SPRING

TOWNSHIP 22 South

RANGE 32 East

NMPM



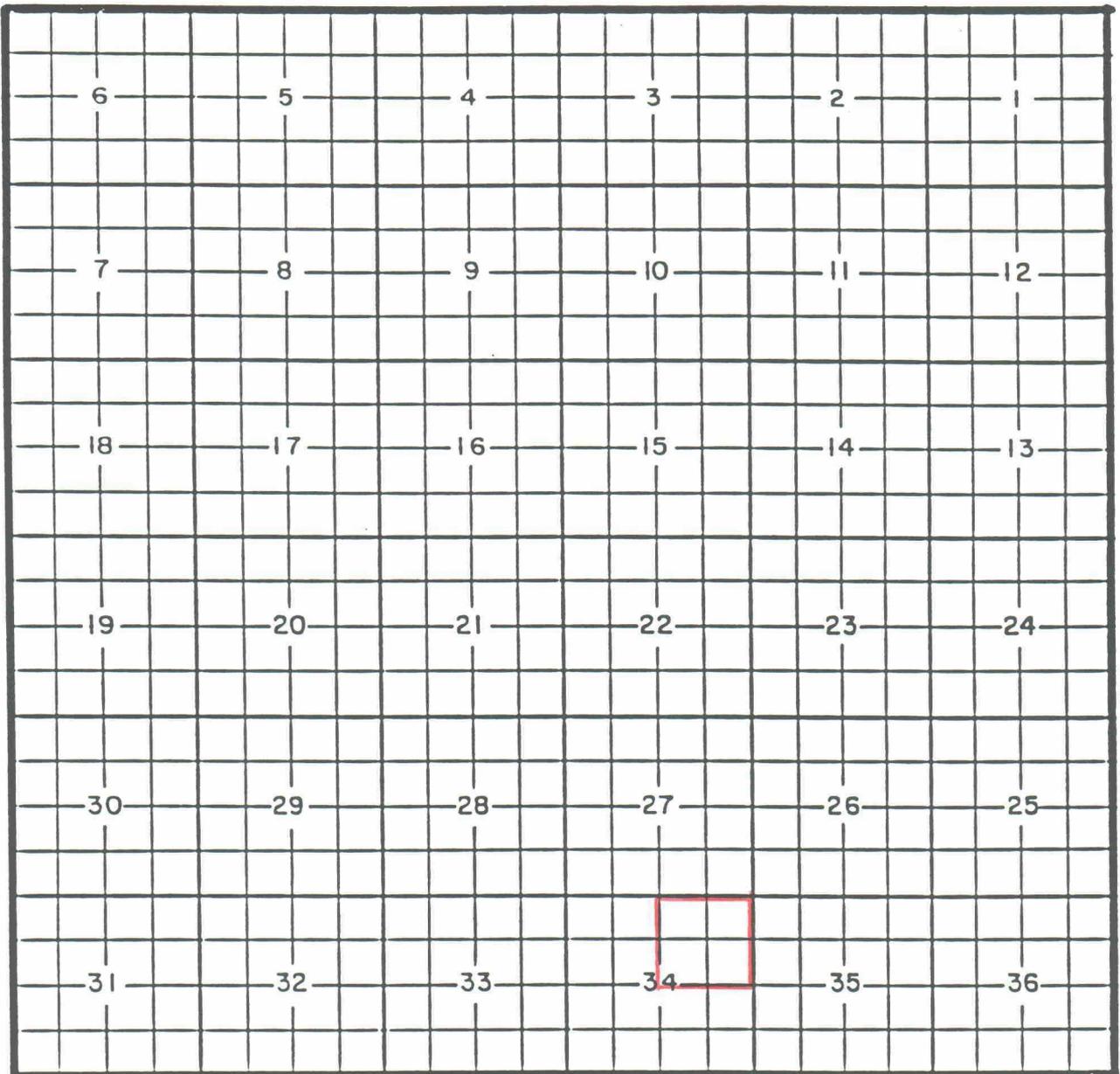
PURPOSE: One completed oil well capable of producing.

Chevron U.S.A. Inc. Covington A Federal Well No. 1 located in Unit C of Section 25, Township 22 South, Range 32 East, NMPM. It was completed August 22, 1990, in the Bone Spring formation. The top of the perforations is at 9,976 feet.

Proposed pool boundary outlined in red. Section 25: NW/4

COUNTY LEA POOL TEAGUE-PADDOCK

TOWNSHIP 23 South RANGE 37 East NMPM



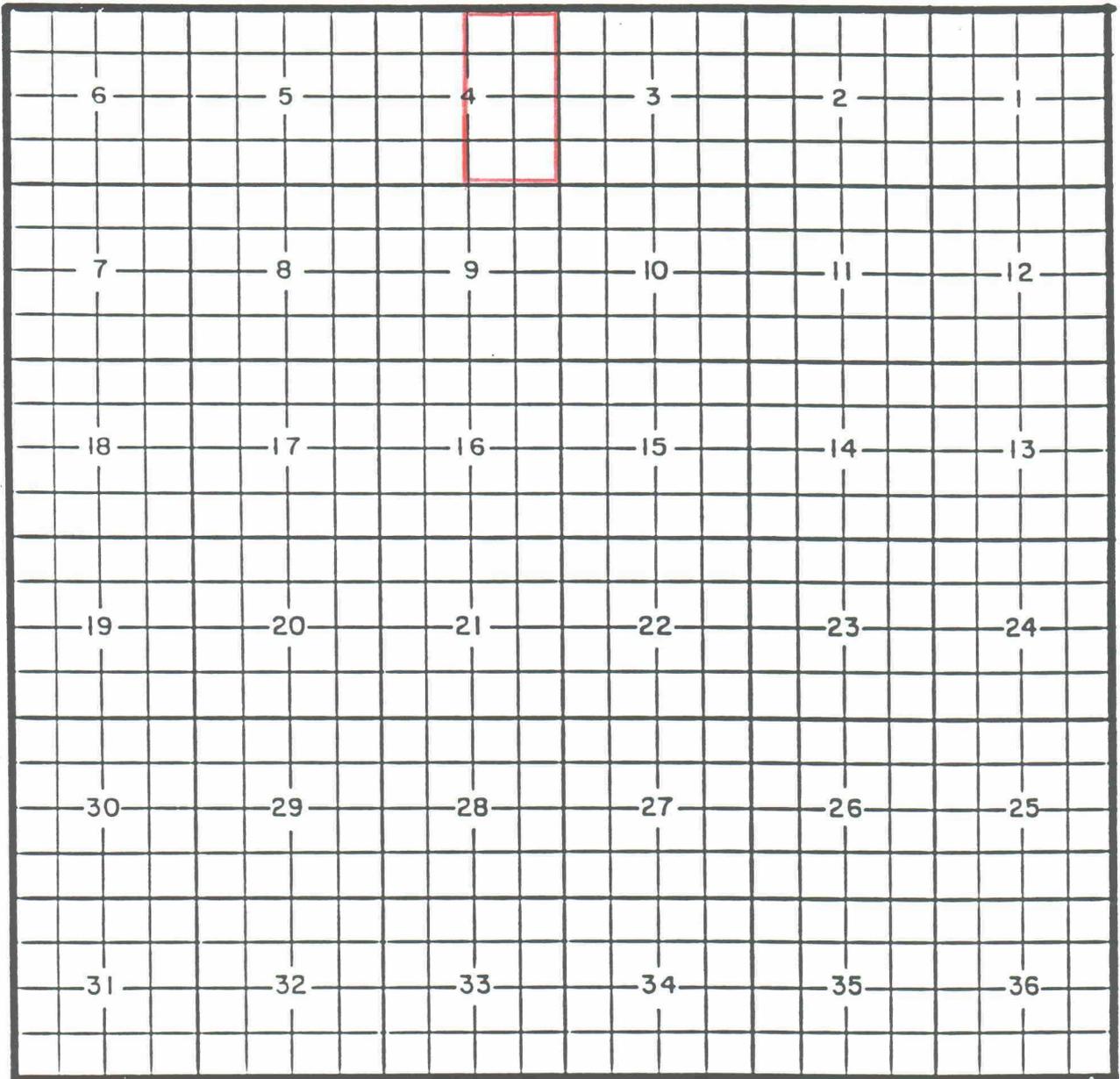
PURPOSE: One completed oil well capable of producing.

Arch Petroleum Inc. E. C. Hill B Federal Well No. 1 located in Unit A of Section 34, Township 23 South, Range 37 East, NMPM. It was completed November 2, 1990, in the Paddock formation. The top of the perforations is at 4,888 feet.

Proposed pool boundary outlined in red. Section 34: NE/4

COUNTY LEA POOL VACA DRAW-ATOKA GAS

TOWNSHIP 25 South RANGE 33 East NMPM



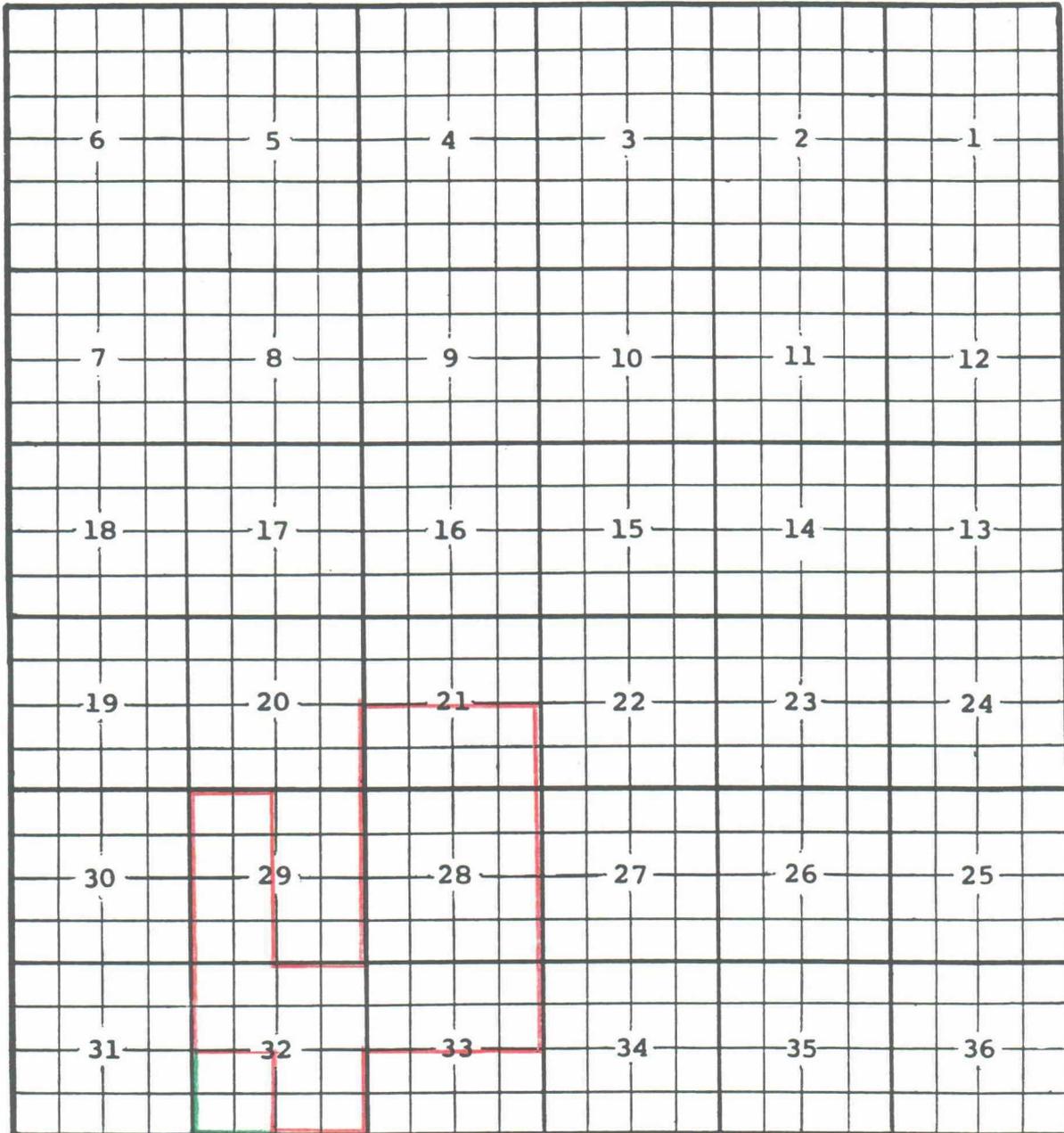
PURPOSE: One completed gas well capable of producing.

Oryx Energy Company Gila 4 Deep Com Well No. 1 located in Unit G of Section 4, Township 25 South, Range 33 East, NMPM. It was completed July 18, 1990, in the Atoka formation. The top of the perforations is at 14,276 feet.

Proposed pool boundary outlined in red. Section 4: E/2

COUNTY LEA POOL BILBREY-MORROW GAS

TOWNSHIP 21 South RANGE 32 East NMPM



PURPOSE: One completed gas well capable of producing.

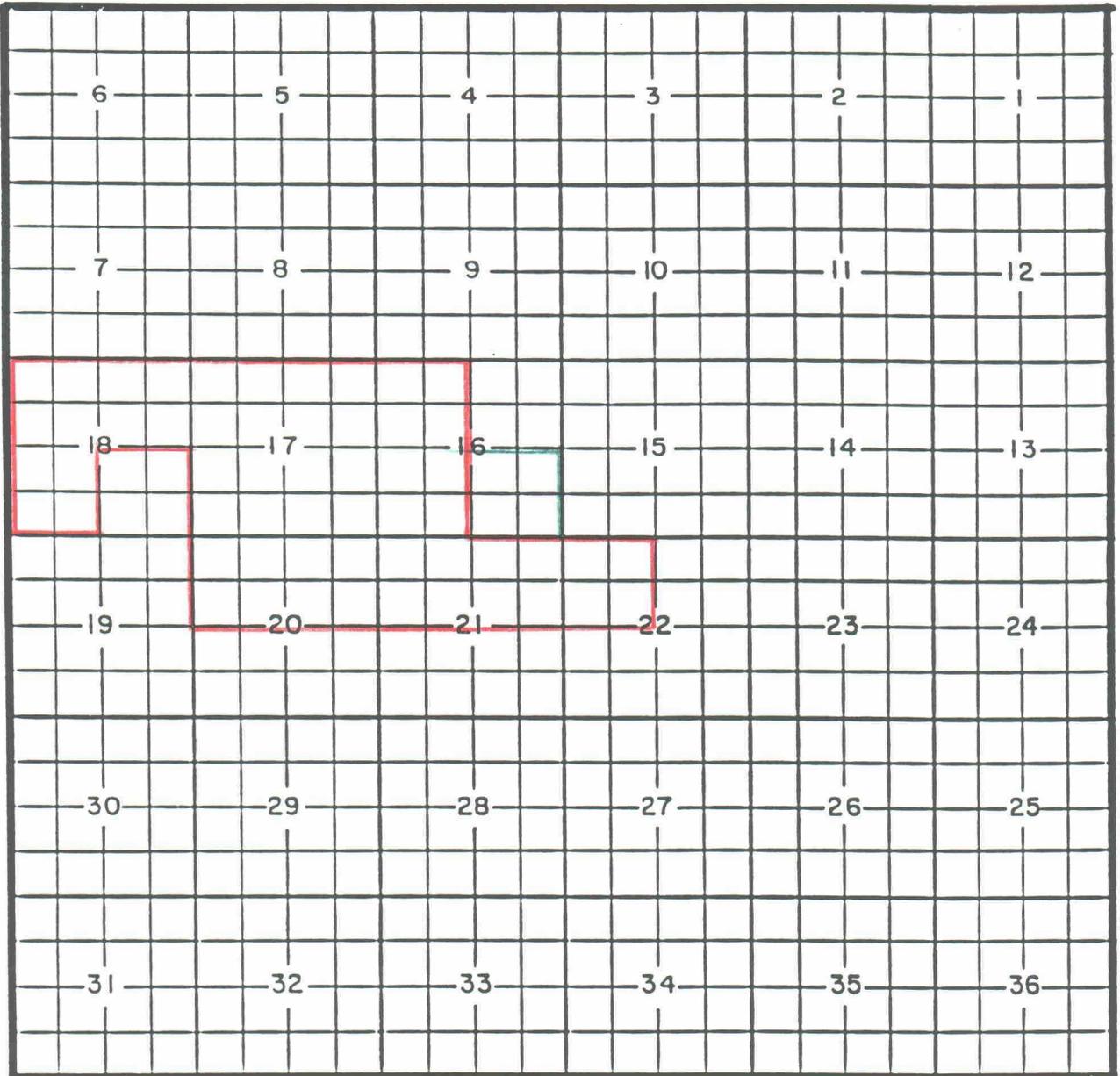
Texaco Producing Inc. Bilbrey 32 State Com Well No. 1 located in Unit F of Section 32, Township 21 South, Range 32 East, NMPM. It was completed September 19, 1990, in the Morrow formation. The top of the perforations is at 14,394 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 32: SW/4

COUNTY LEA POOL WEST CORBIN-DELAWARE

TOWNSHIP 18 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

Meridian Oil Inc. State 16 Well No. 6 located in Unit 0 of Section 16, Township 18 South, Range 33 East, NMPM. It was completed September 6, 1990, in the Delaware formation. The top of the perforations is at 5,097 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 16: SE/4

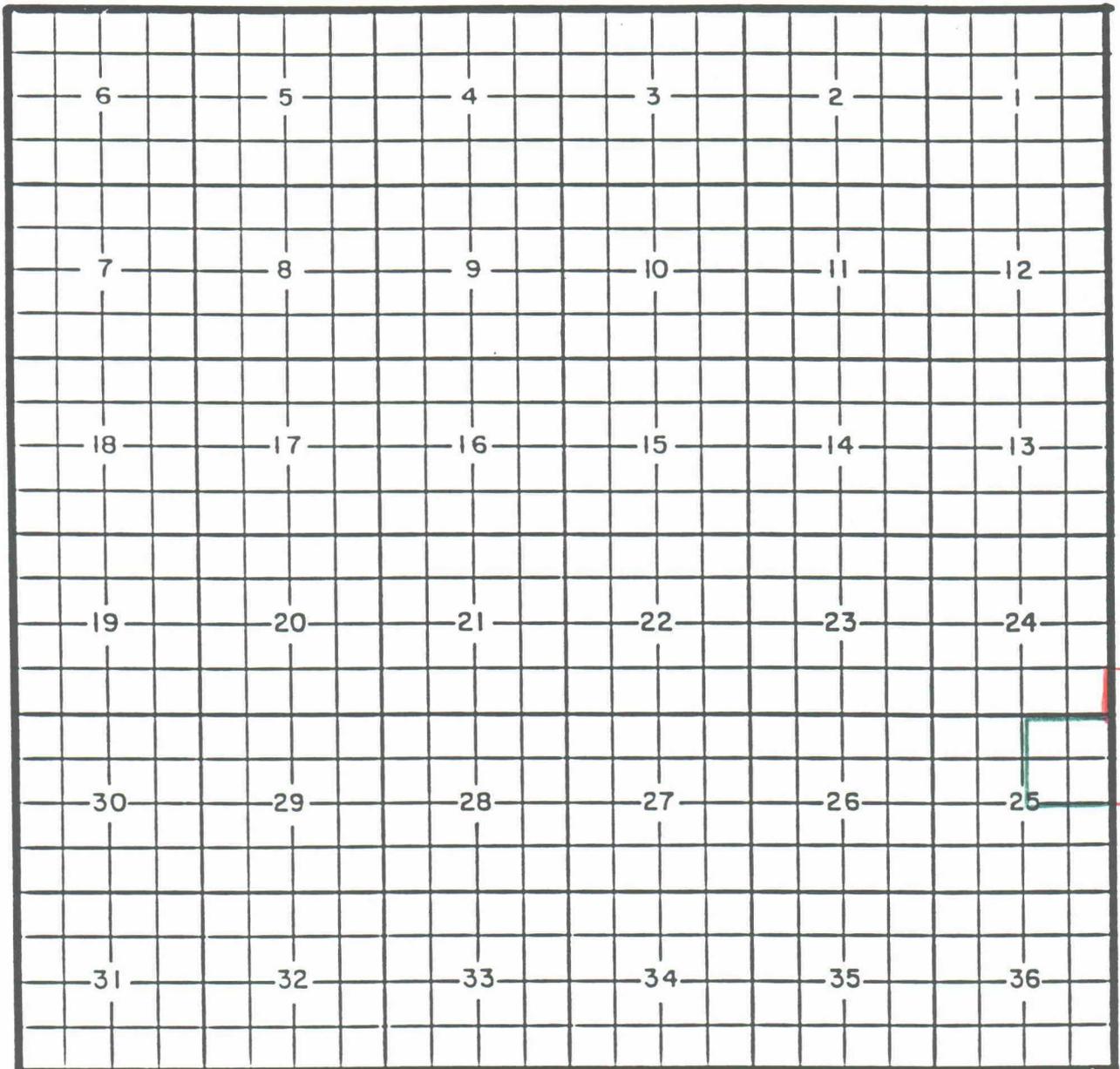
COUNTY LEA

POOL EAST CROSSROADS-DEVONIAN

TOWNSHIP 9 South

RANGE 36 East

NMPM



PURPOSE: One completed oil well capable of producing.

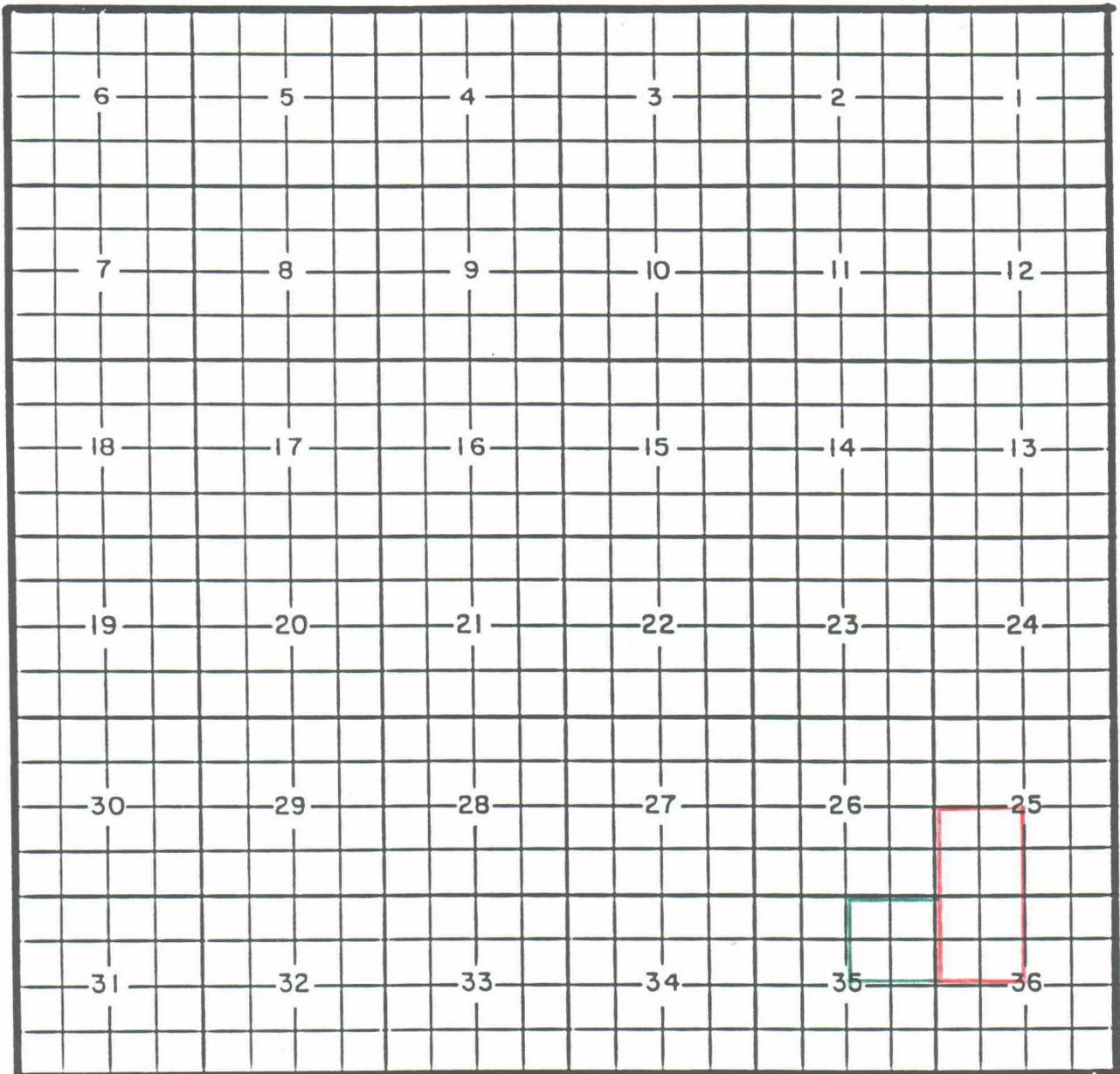
Grover-McKinney Oil Company Wild Turkey Well No. 1 located in Unit A of Section 25, Township 9 South, Range 36 East, NMPM. It was completed October 5, 1990, in the Devonian formation. The top of the perforations is at 12,172 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 25: NE/4

COUNTY LEA POOL CUERNO LARGO-PENNSYLVANIAN

TOWNSHIP 10 South RANGE 32 East NMPM



PURPOSE: One completed oil well capable of producing.

Manzano Oil Corporation Yates State Well No. 1 located in Unit H of Section 35, Township 10 South, Range 32 East, NMPM. It was completed November 15, 1990, in the Pennsylvanian formation. The top of the perforations is at 9,190 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 35: NE/4

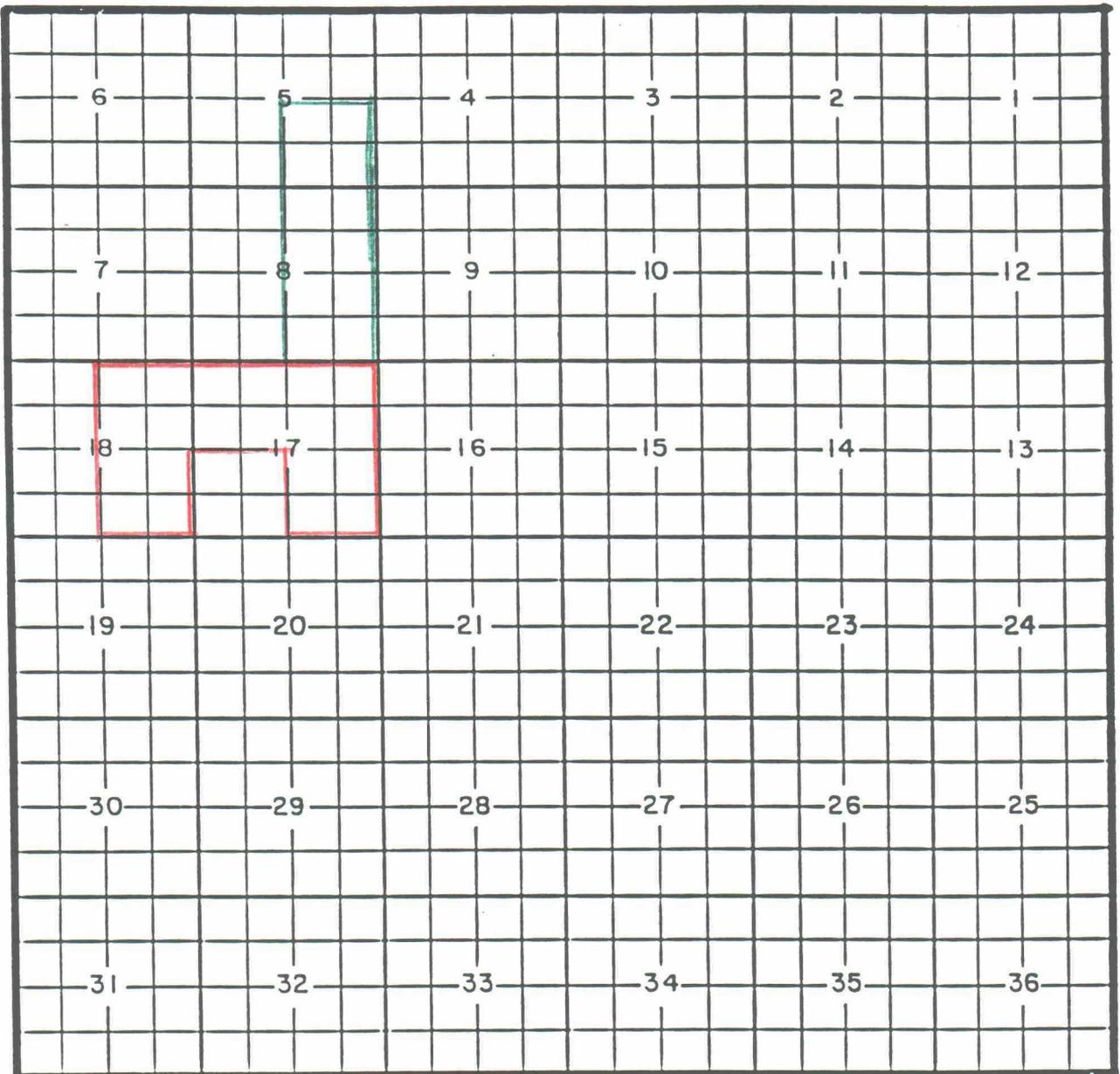
COUNTY LEA

POOL SOUTHWEST EUNICE-SAN ANDRES

TOWNSHIP 22 South

RANGE 37 East

NMPM



PURPOSE: One completed gas well capable of producing.

Zia Energy Inc. Grizzell Well No. 3 located in Unit 0 of Section 5, Township 22 South, Range 37 East, NMPM. It was completed October 5, 1990, in the San Andres formation. The top of the perforations is at 3,950 feet.

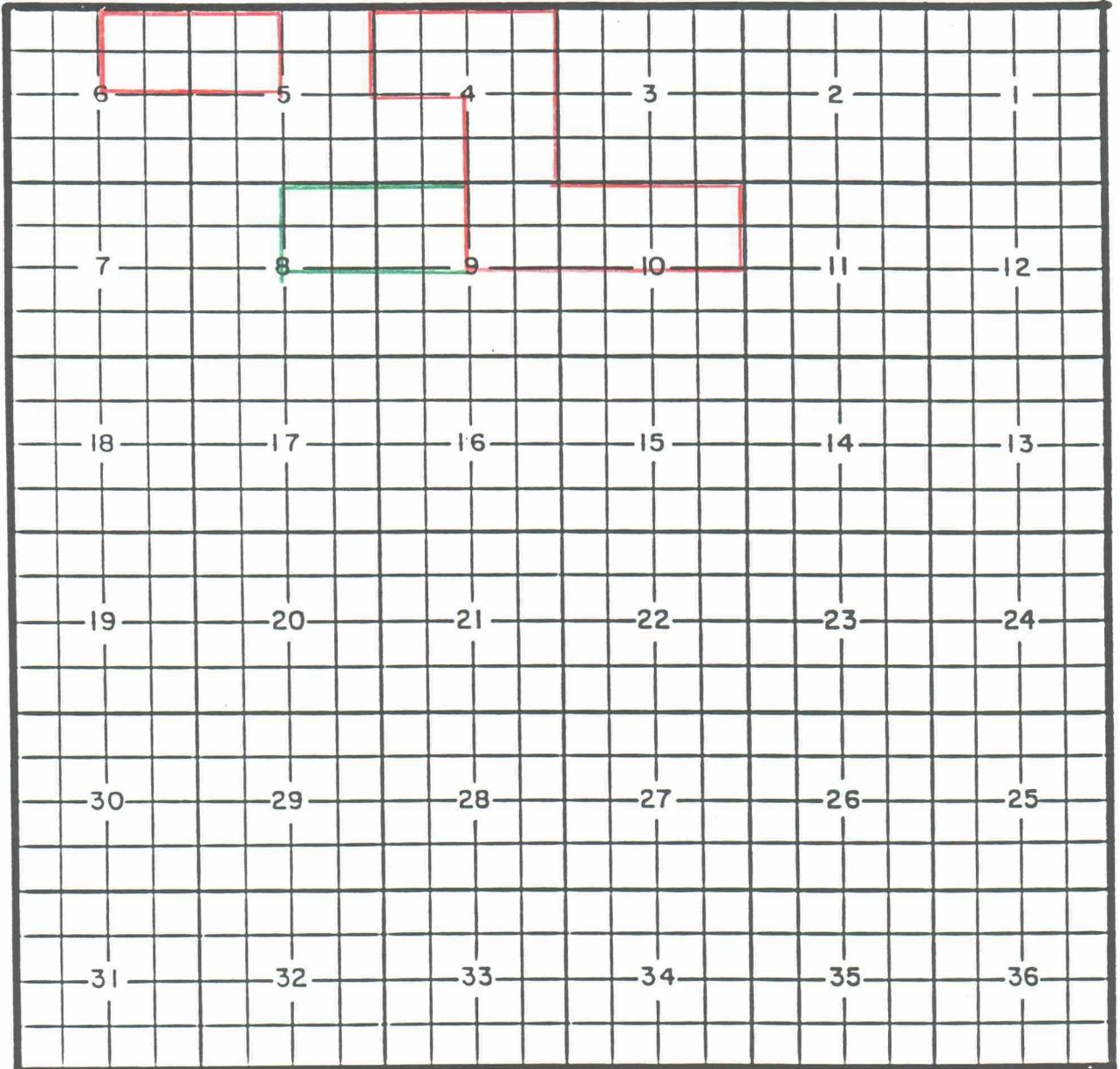
Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 5: SE/4

Section 8: E/2

COUNTY LEA POOL FLYING M-SAN ANDRES

TOWNSHIP 10 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

Yates Petroleum Corporation Remuda State Unit Well No. 2 located in Unit B of Section 8, Township 10 South, Range 33 East, NMPM. It was completed November 10, 1990, in the San Andres formation. The top of the perforations is at 4,390 ft.

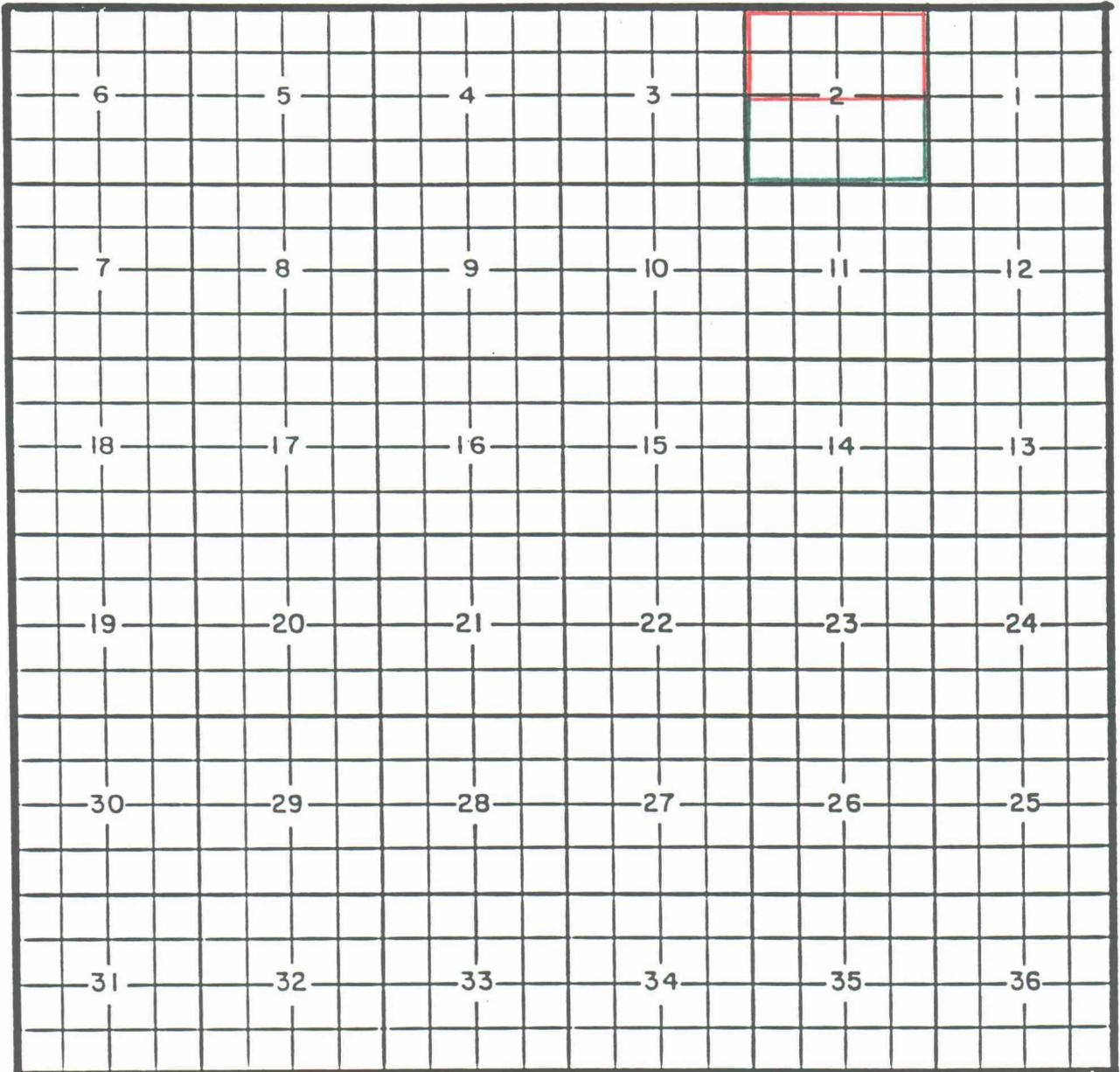
Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 8: NE/4

Section 9: NW/4

COUNTY LEA POOL EAST GEM-MORROW GAS

TOWNSHIP 20 South RANGE 33 East NMPM



PURPOSE: One completed gas well capable of producing.

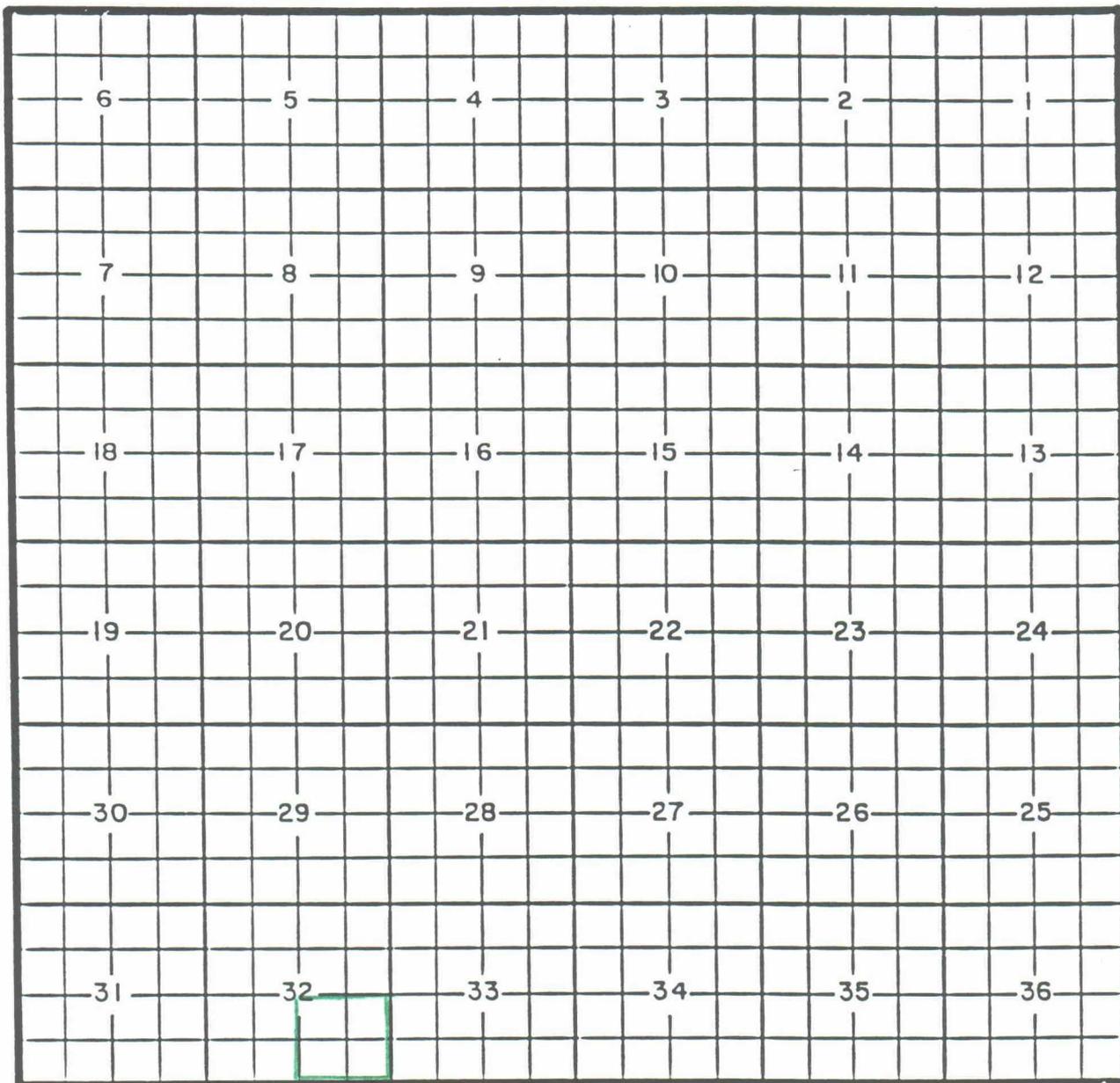
BTA Oil PProducers Gem 8705 JV-P WELL No. 3 located in Unit 0 of Section 2, Township 20 South, Range 33 East, NMPM. It was completed December 2, 1990, in the Morrow formation. The top of the perforations is at 13,534 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 2: S/2

COUNTY LEA POOL HAT MESA-DELAWARE

TOWNSHIP 20 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

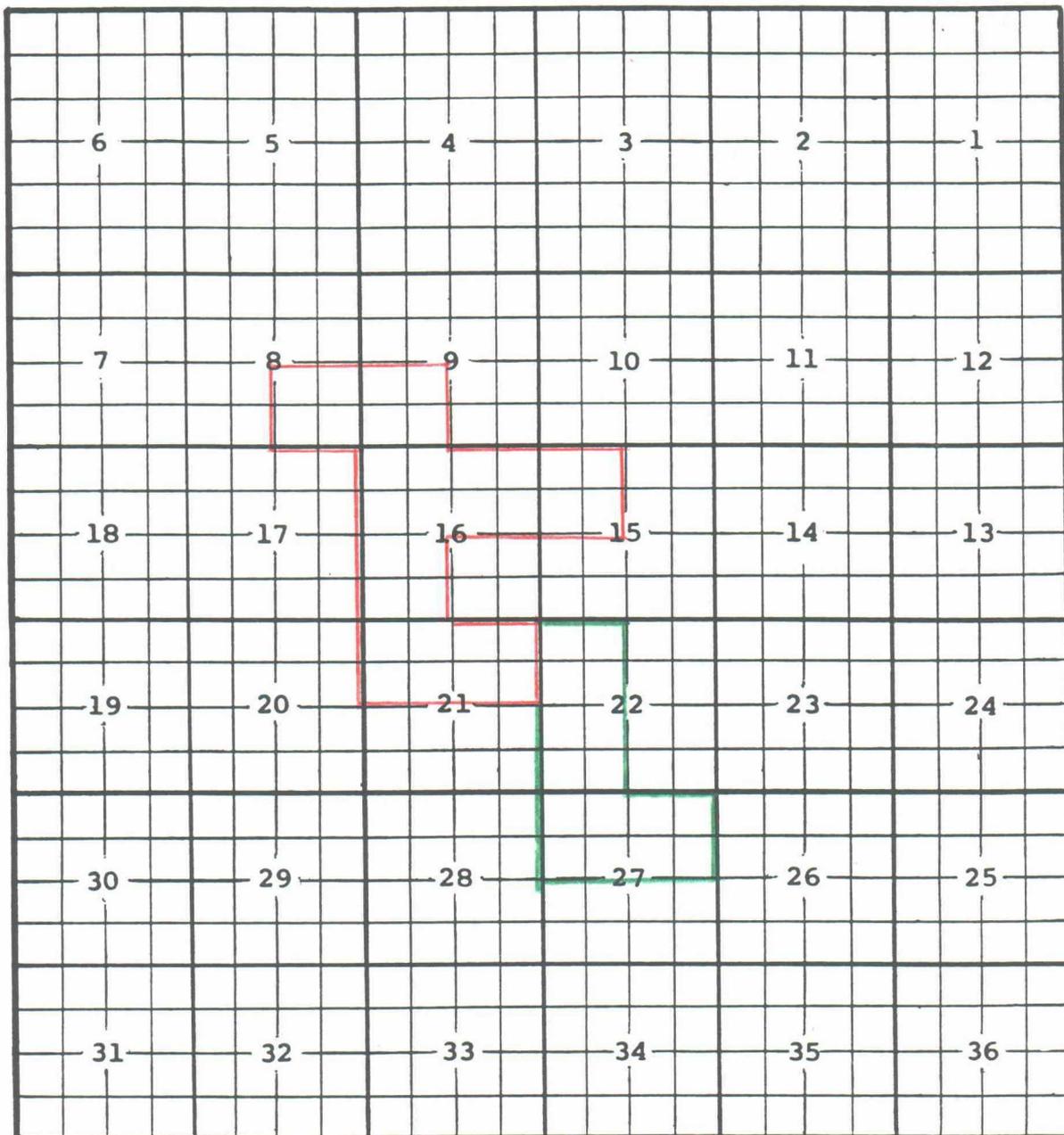
Strata Production Company Ganso State Well No. 1 located in Unit 0 of Section 32, Township 20 South, Range 33 East, NMPM. It was completed November 4, 1990, in the Delaware formation. The top of the perforations is at 7,148 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 32: SE/4

COUNTY LEA POOL KEMNITZ-CISCO

TOWNSHIP 16 South RANGE 34 East NMPM



PURPOSE: One completed oil well capable of producing.

Elk Oil Company East Kemnitz Well No. 2 located in Unit G of Section 27, Township 16 South, Range 34 East, NMPM. It was completed October 14, 1990, in the Cisco formation. The top of the perforations is at 11,167 feet.

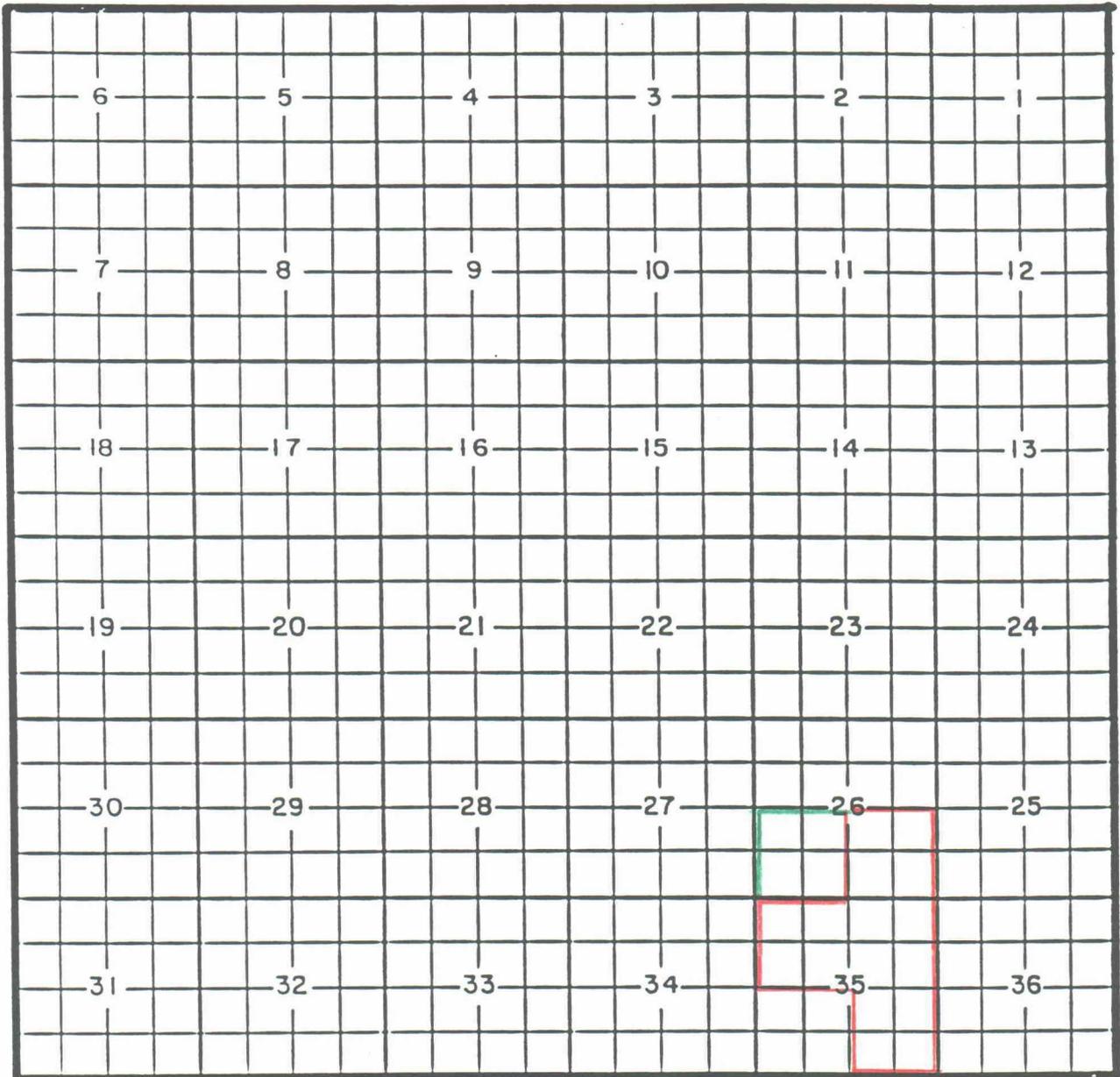
Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 22: W/2

Section 27: N/2

COUNTY LEA POOL LANE-ABO

TOWNSHIP 9 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

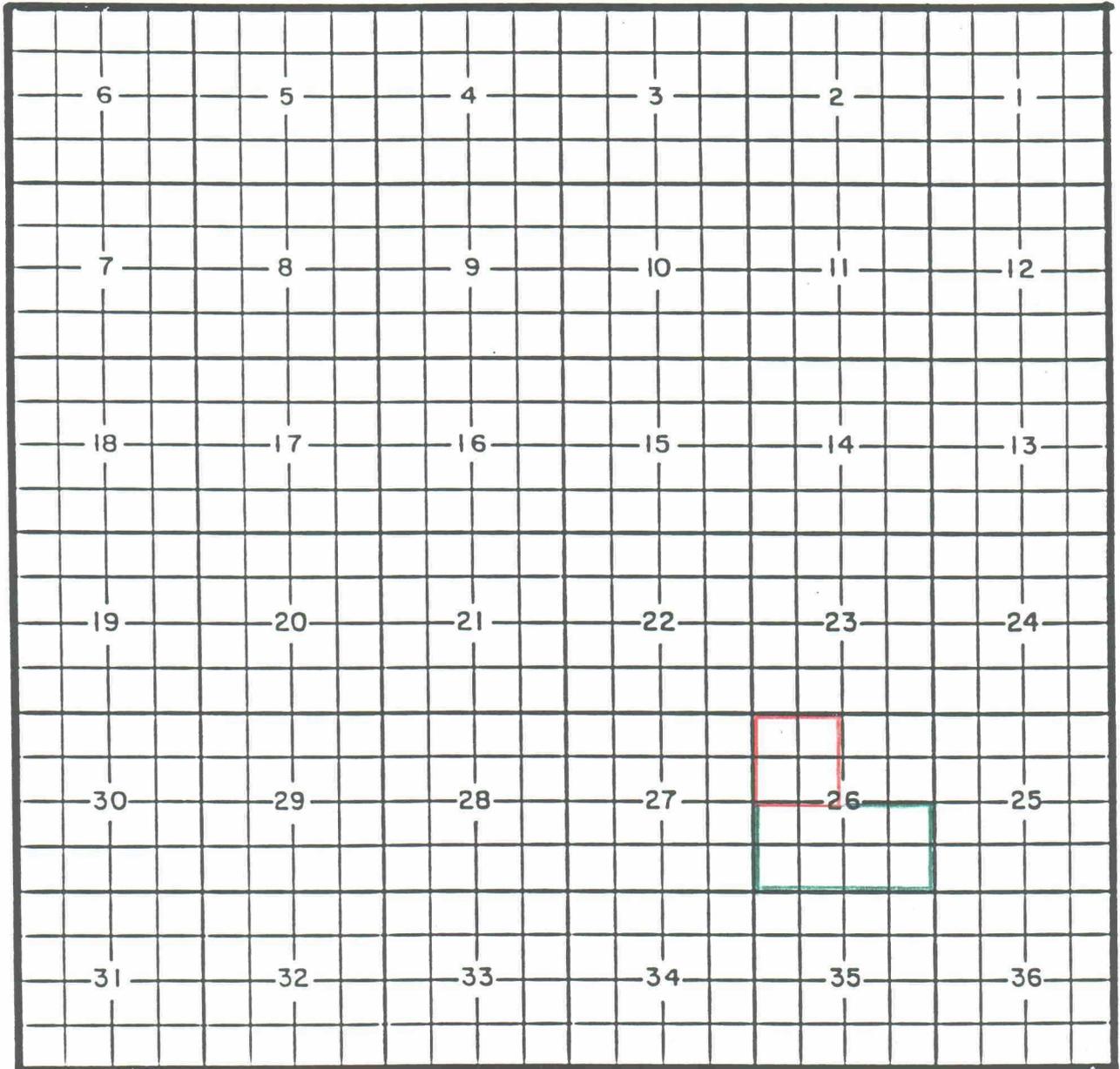
Yates Petroleum Corporation Sooner AHP Federal Well No. 1 located in Unit N of Section 26, Township 9 South, Range 33 East, NMPM. It was completed December 13, 1990, in the Abo formation. The top of the perforations is at 8,785 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 26: SW/4

COUNTY LEA POOL EAST LUSK-DELAWARE

TOWNSHIP 19 South RANGE 32 East NMPM



PURPOSE: One completed oil well capable of producing.

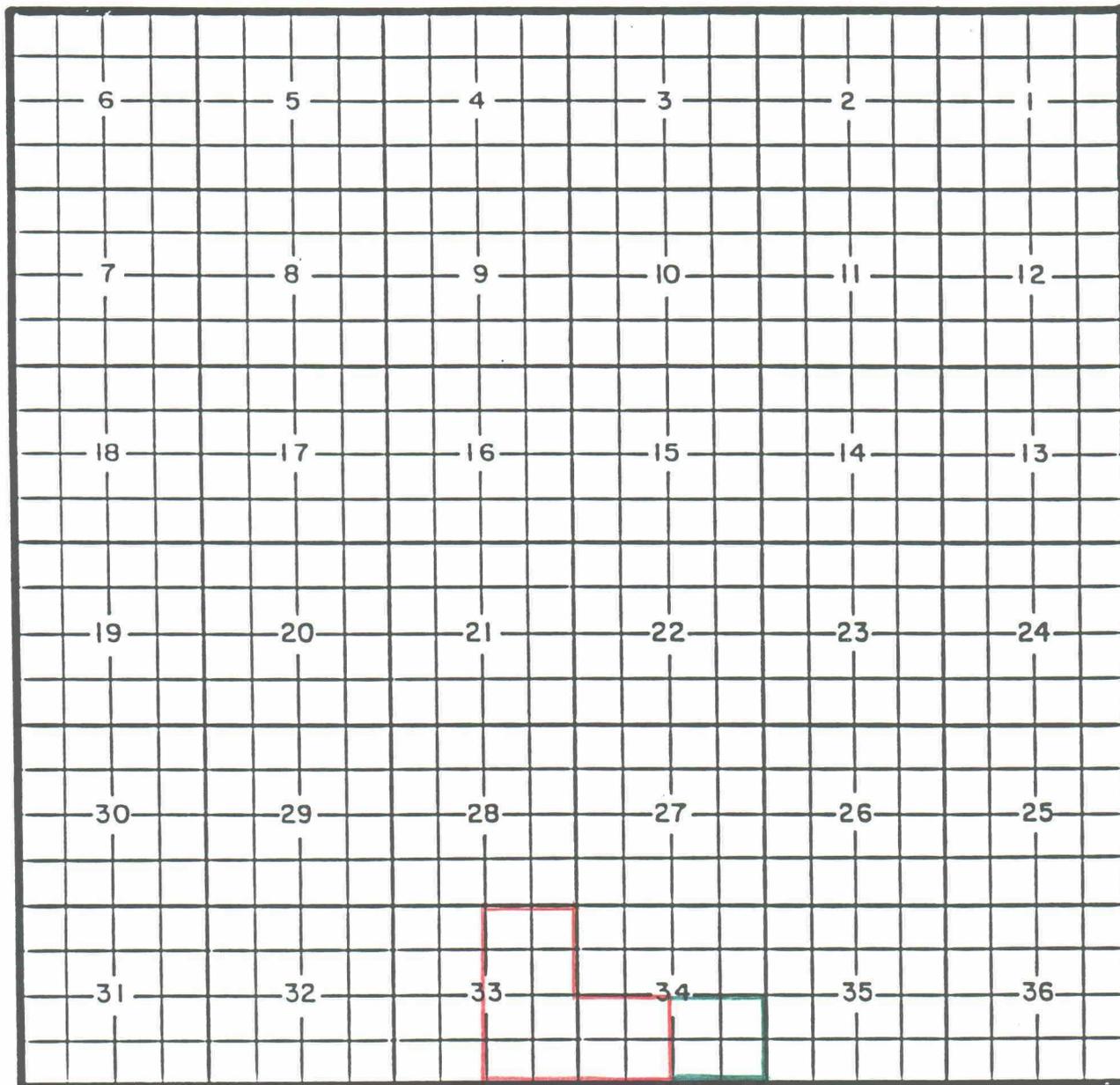
Meridian Oil Inc. Federal AW Well No. 2 located in Unit 0 of Section 26, Township 19 South, Range 32 East, NMPM. It was completed November 27, 1990, in the Delaware formation. The top of the perforations is at 4,870 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 26: S/2

COUNTY ROOSEVELT POOL MILNESAND-ABO

TOWNSHIP 8 South RANGE 35 East NMPM



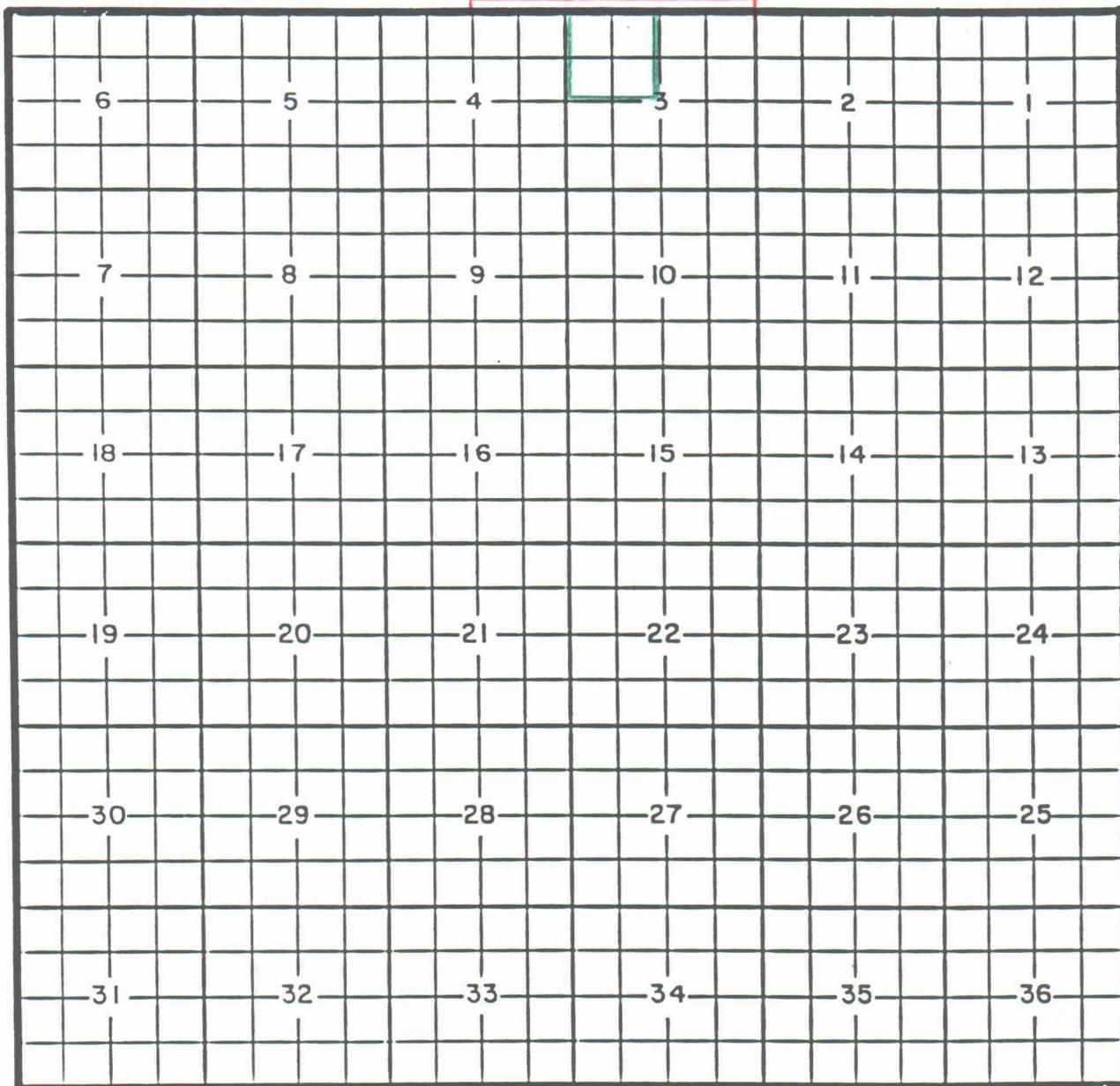
PURPOSE: One completed oil well capable of producing.
 Petroleum Production Management Inc. Will 693 Ltd. Well No. 4 located in Unit J
 of Section 34, Township 8 South, Range 35 East, NMPM. It was completed
 October 28, 1990, in the Abo formation. The top of the perforations is at
 8,919 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 34: SE/4

COUNTY LEA POOL MILNESAND-ABO

TOWNSHIP 9 South RANGE 35 East NMPM



PURPOSE: One completed oil well capable of producing.

Purvis Oil Corporation Federal 3C Well No. 2 located in Unit C of Section 3, Township 9 South, Range 35 East, NMPM. It was completed October 8, 1990, in the Abo formation. The top of the perforations is at 8,920 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 3: NW/4

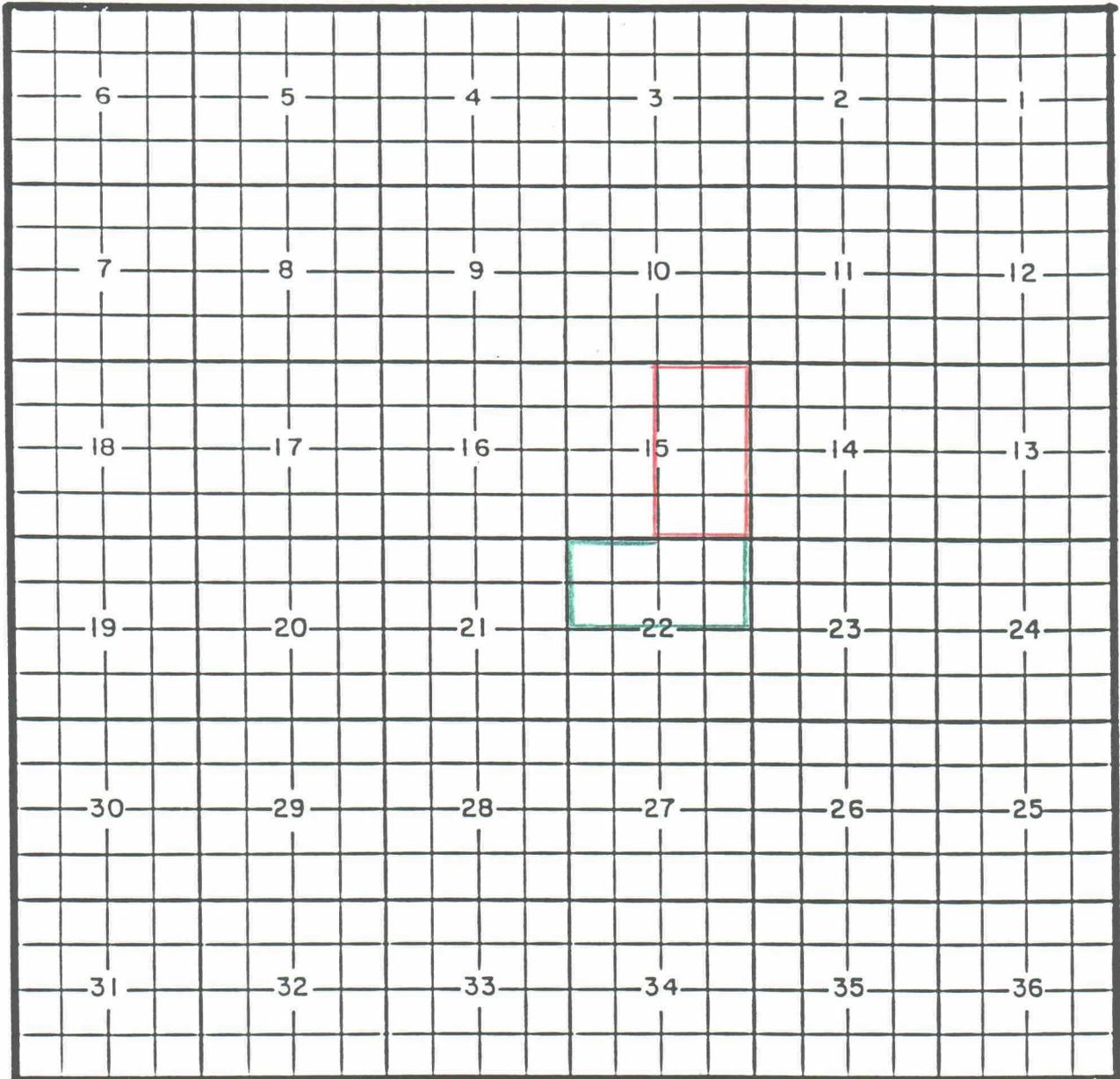
COUNTY LEA

POOL TONTO-ATOKA GAS

TOWNSHIP 19 South

RANGE 33 East

NMPM



PURPOSE: One completed gas well capable of producing.

Santa Fe Energy Operating Partners L.P. Amethyst 22 Federal Well No. 1 located in Unit C of Section 22, Township 19 South, Range 33 East, NMPM. It was completed October 5, 1990, in the Atoka formation. The top of the perforations is at 12,635 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 22: N/2

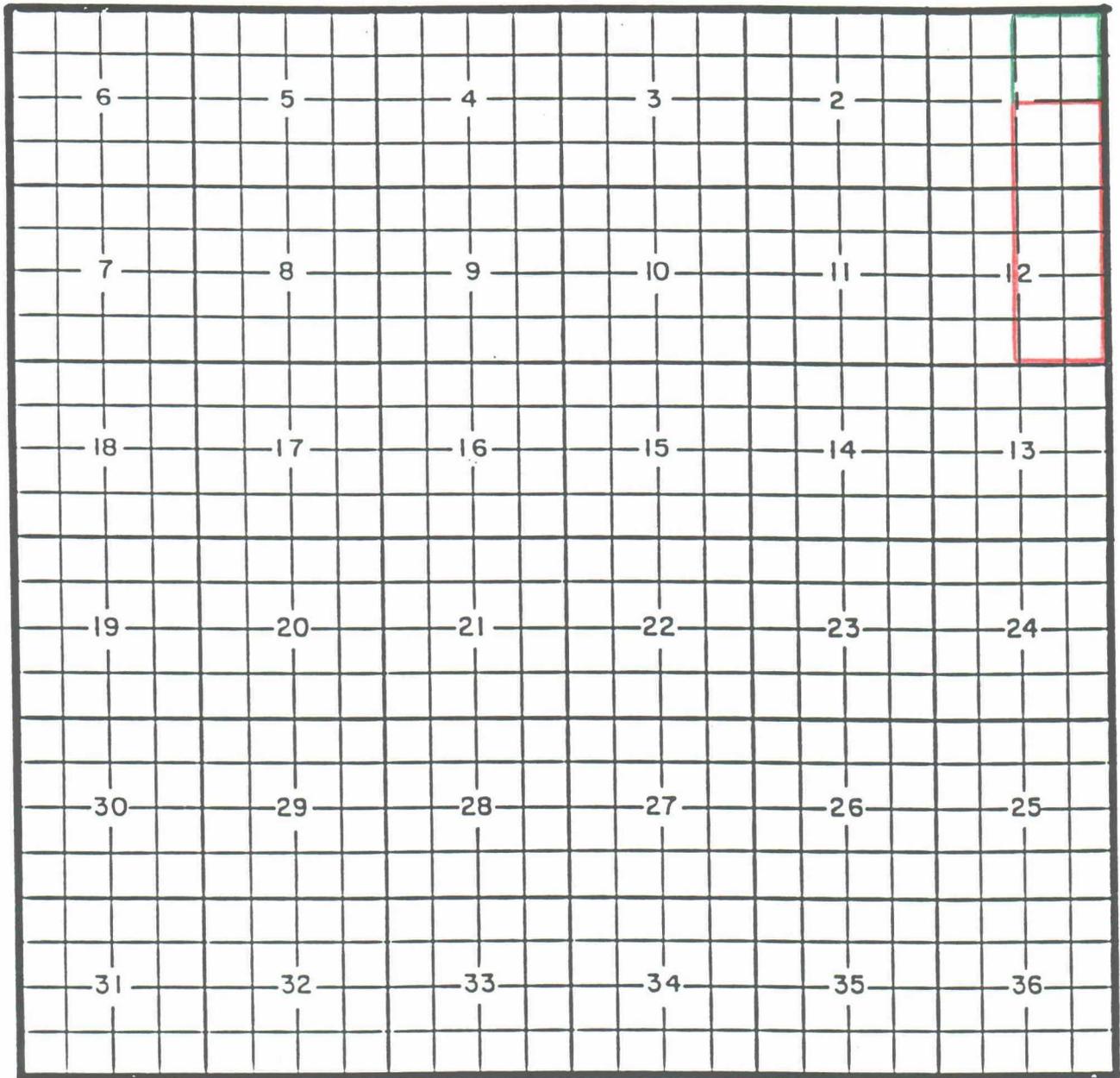
COUNTY LEA

POOL WEST TONTO-BONE SPRING

TOWNSHIP 19 South

RANGE 32 East

NMPM



PURPOSE: One completed oil well capable of producing.

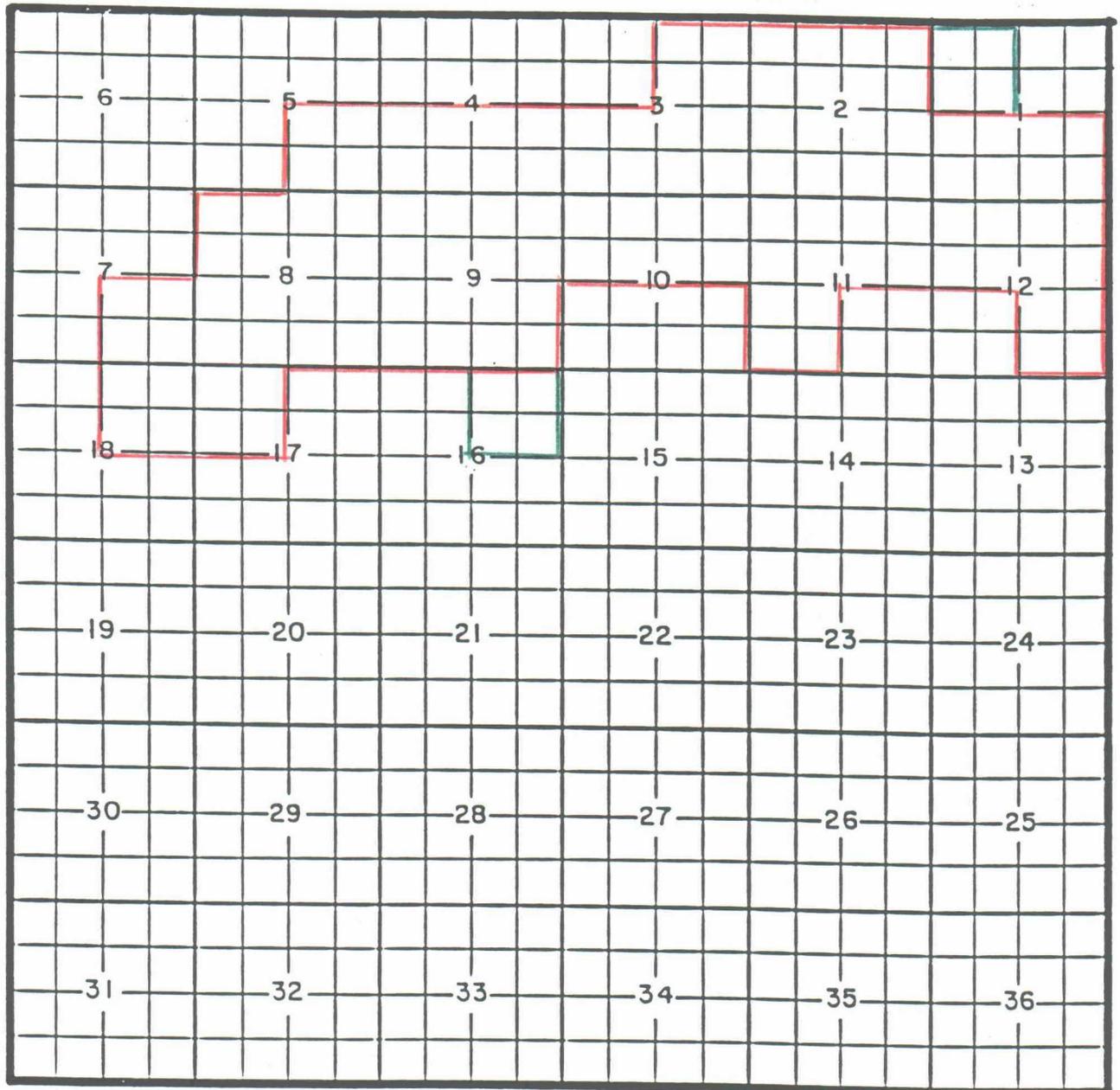
Meridian Oil Inc. Bondurant Federal Com Well No. 2 located in Unit H of Section 1, Township 19 South, Range 32 East, NMPM. It was completed October 18, 1990, in the Bone Spring formation. The top of the perforations is at 8,750 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 1: NE/4

COUNTY LEA POOL NORTH YOUNG-BONE SPRING

TOWNSHIP 18 South RANGE 32 East NMPM



PURPOSE: Two completed oil wells capable of producing.

Chevron USA Inc. Sprinkle B Federal Well No. 2 located in Unit E of Section 1, Township 18 South, Range 32 East, NMPM. It was completed November 11, 1990, in the Bone Spring formation. The top of the perforations is at 8,226 feet.

Meridian Oil Inc. Mitchell 16 St Well No. 3 located in Unit G of Section 16, Township 18 South, Range 32 East, NMPM. It was completed October 25, 1990, in the Bone Spring formation. The top of the perforations is at 8,478 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 1: NW/4; Section 16: NE/4

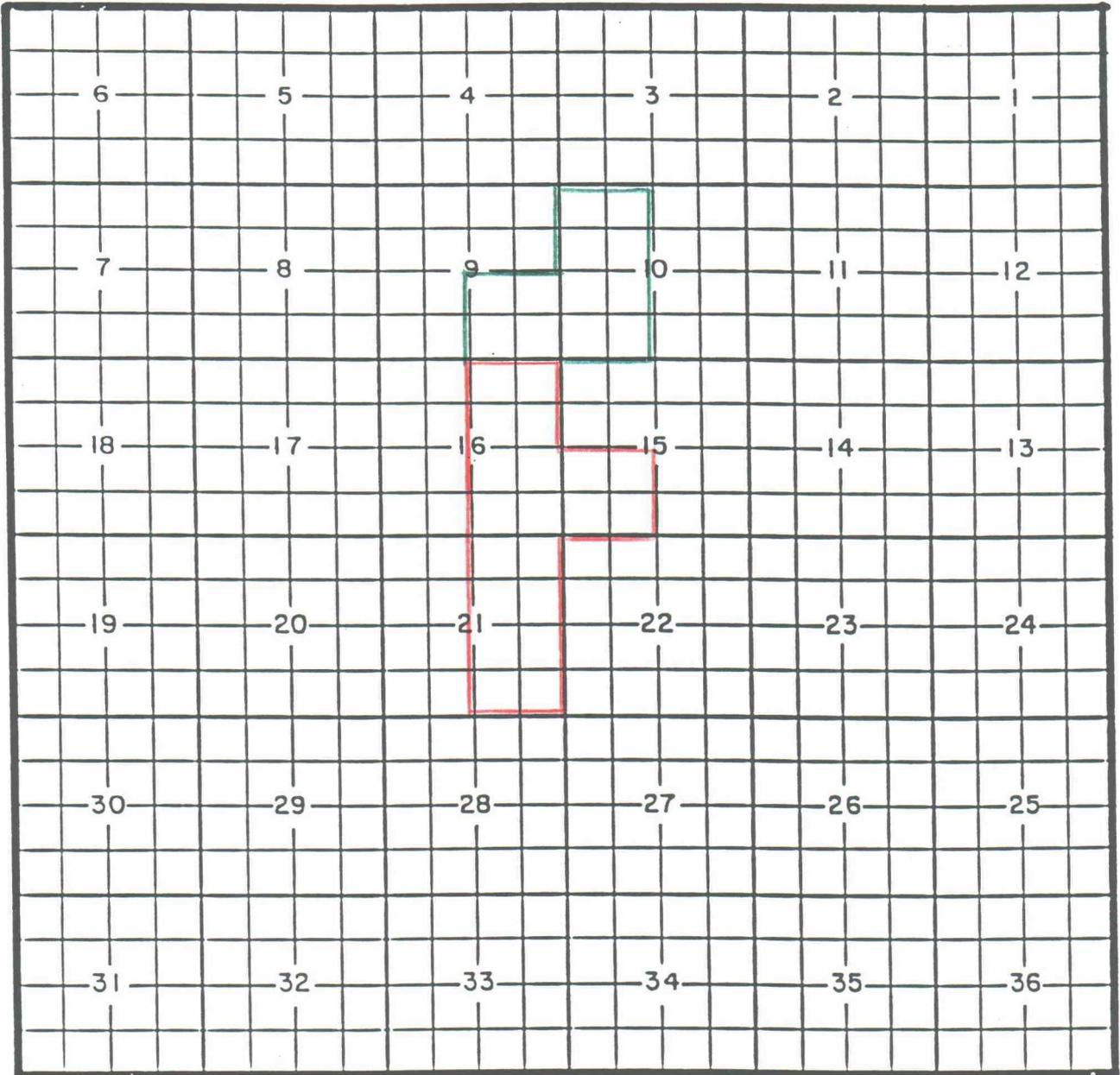
COUNTY LEA

POOL YOUNG-WOLFCAMP

TOWNSHIP 18 South

RANGE 32 East

NMPM



PURPOSE: One completed oil well capable of producing.

Harvey E. Yates Company Young Deep Unit Well No. 1 located in Unit D of Section 10, Township 18 South, Range 32 East, NMPM. It was completed October 31, 1990, in the Wolfcamp formation. The top of the perforations is at 10,406 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 9: SE/4

Section 10: W/2

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. 10240
Order No. R-9447

THE APPLICATION OF THE OIL CONSERVATION
DIVISION UPON ITS OWN MOTION FOR AN
ORDER CREATING AND EXTENDING CERTAIN
POOLS IN LEA AND ROOSEVELT COUNTIES,
NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on February 7, 1991, at Santa Fe, New Mexico, before Examiner Michael E. Stogner.

NOW, on this 18th day of February, 1991, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

(1) Due public notice having been given as required by law, the Division has jurisdiction of this cause and the subject matter thereof.

(2) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Seven Rivers formation, said pool to bear the designation of Buffalo-Seven Rivers Pool. Said Buffalo-Seven Rivers Pool was discovered by the Chevron U.S.A. Inc. Langlie A Federal Well No. 1 located in Unit K of Section 9, Township 19 South, Range 33 East, NMPM. It was completed in the Seven Rivers formation on August 9, 1990. The top of the perforations is at 3,572 feet.

(3) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Tansill-Yates-Seven Rivers formation, said pool to bear the designation of West Dollarhide Tansill-Yates-Seven Rivers

Gas Pool. Said West Dollarhide Tansill-Yates-Seven Rivers Gas Pool was discovered by the Texaco Producing Inc. Mexico J Well No. 2 located in Unit O of Section 32, Township 24 South, Range 38 East, NMPM. It was completed in the Tansill-Yates-Seven Rivers formation on July 24, 1990. The top of the perforations is at 2,647 feet.

(4) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Gem-Delaware Pool. Said Gem-Delaware Pool was discovered by the JFG Enterprises Tonto State Well No. 1 located in Unit J of Section 32, Township 19 South, Range 33 East, NMPM. It was completed in the Delaware formation on November 8, 1990. The top of the perforations is at 7,906 feet.

(5) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Delaware formation, said pool to bear the designation of Geronimo-Delaware Pool. Said Geronimo-Delaware Pool was discovered by the Mitchell Energy Corporation Geronimo Federal Well No. 1 located in Unit D of Section 31, Township 19 South, Range 33 East, NMPM. It was completed in the Delaware formation on October 3, 1990. The top of the perforations is at 7,586 feet.

(6) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Wolfcamp formation, said pool to bear the designation of Northeast Lovington-Wolfcamp Pool. Said Northeast Lovington-Wolfcamp Pool was discovered by the Bridge Oil Company L. P. Kim Harris Well No. 1 located in Unit B of Section 12, Township 16 South, Range 36 East, NMPM. It was completed in the Wolfcamp formation on October 19, 1990. The top of the perforations is at 10,590 feet.

(7) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Abo formation, said pool to bear the designation of East Nadine-Abo Pool. Said East Nadine-Abo Pool was discovered by the Petroleum Technical Services Company Carter Well No. 1 located in Unit I of Section 30, Township 19 South, Range 39 East, NMPM. It was completed in the Abo formation on May 9, 1990. The top of the perforations is at 7,456 feet.

(8) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the

Bone Spring formation, said pool to bear the designation of Red Tank-Bone Spring Pool. Said Red Tank-Bone Spring Pool was discovered by the Chevron U.S.A. Inc. Covington A Federal Well No. 1 located in Unit C of Section 25, Township 22 South, Range 32 East, NMPM. It was completed in the Bone Spring formation on August 22, 1990. The top of the perforations is at 9,976 feet.

(9) There is need for the creation of a new pool in Lea County, New Mexico, for the production of oil from the Paddock formation, said pool to bear the designation of Teague-Paddock Pool. Said Teague-Paddock Pool was discovered by the Arch Petroleum Inc. E. C. Hill B Federal Well No. 1 located in Unit A of Section 34, Township 23 South, Range 37 East, NMPM. It was completed in the Paddock formation on November 2, 1990. The top of the perforations is at 4,888 feet.

(10) There is need for the creation of a new pool in Lea County, New Mexico, for the production of gas from the Atoka formation, said pool to bear the designation of Vaca Draw-Atoka Gas Pool. Said Vaca Draw-Atoka Gas Pool was discovered by the Oryx Energy Company Gila 4 Deep Com Well No. 1 located in Unit G of Section 4, Township 25 South, Range 33 East, NMPM. It was completed in the Atoka formation on July 18, 1990. The top of the perforations is at 14,276 feet.

(11) There is need for certain extensions to the Bilbrey-Morrow Gas Pool, the West Corbin-Delaware Pool, the East Crossroads-Devonian Pool, the Cuerno Largo-Pennsylvanian Pool, the Southwest Eunice-San Andres Pool, the Flying M-San Andres Pool, the East Gem-Morrow Gas Pool, the Hat Mesa-Delaware Pool, the Kemnitz-Cisco Pool, the Lane-Abo Pool, the East Lusk-Bone Spring Pool, the East Lusk-Delaware Pool, the Monument-Tubb Pool, the Tonto-Atoka Gas Pool, the West Tonto-Bone Spring Pool, the North Young-Bone Spring Pool, and the Young-Wolfcamp Pool, all in Lea County, New Mexico, and the Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Lea County, New Mexico, classified as an oil pool for Seven Rivers production is hereby created and designated as the Buffalo-Seven Rivers Pool, consisting

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of the following described area:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 9: SW/4

(b) A new pool in Lea County, New Mexico, classified as a gas pool for Tansill-Yates-Seven Rivers production is hereby created and designated as the West Dollarhide Tansill-Yates-Seven Rivers Gas Pool, consisting of the following described area:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM
Section 32: SE/4

(c) A new pool in Lea County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the Gem-Delaware Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 32: SE/4

(d) A new pool in Lea County, New Mexico, classified as an oil pool for Delaware production is hereby created and designated as the Geronimo-Delaware Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 31: NW/4

(e) A new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production is hereby created and designated as the Northeast Lovington-Wolfcamp Pool, consisting of the following described area:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM
Section 12: NE/4

(f) A new pool in Lea County, New Mexico, classified as an oil pool for Abo production is hereby created and designated as the East Nadine-Abo Pool, consisting of the following described area:

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM
Section 30: SE/4

(g) A new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production is hereby created and designated as the Red Tank-Bone Spring Pool, consisting of the following described area:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM
Section 25: NW/4

(h) A new pool in Lea County, New Mexico, classified as an oil pool for Paddock production is hereby created and designated as the Teague-Paddock Pool, consisting of the following described area:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 34: NE/4

(i) A new pool in Lea County, New Mexico, classified as a gas pool for Atoka production is hereby created and designated as the Vaca Draw-Atoka Gas Pool, consisting of the following described area:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 4: E/2

(j) The Bilbrey-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 32: SW/4

(k) The West Corbin-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 16: SE/4

(l) The East Crossroads-Devonian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM
Section 25: NE/4

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(m) The Cuerno Largo-Pennsylvanian Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 35: NE/4

(n) The Southwest Eunice-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 5: SE/4
Section 8: E/2

(o) The Flying M-San Andres Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM
Section 8: NE/4
Section 9: NW/4

(p) The East Gem-Morrow Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 2: S/2

(q) The Hat Mesa-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM
Section 32: SE/4

(r) The Kemnitz-Cisco Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM
Section 22: W/2
Section 27: N/2

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(s) The Lane-Abo Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 26: SW/4

(t) The East Lusk-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 16: SW/4
Section 26: SE/4
Section 35: NE/4

(u) The East Lusk-Delaware Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 26: S/2

(v) The Milnesand-Abo Pool in Lea and Roosevelt Counties, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM
Section 34: SE/4

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 3: NW/4

(w) The Monument-Tubb Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 23: SW/4

(x) The Tonto-Atoka Gas Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 22: N/2

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(y) The West Tonto-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 1: NE/4

(z) The North Young-Bone Spring Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 1: NW/4
Section 16: NE/4

(aa) The Young-Wolfcamp Pool in Lea County, New Mexico, as heretofore classified, defined, and described, is hereby extended to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 9: SE/4
Section 10: W/2

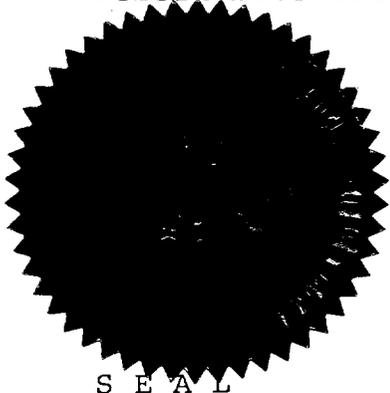
IT IS FURTHER ORDERED THAT:

(1) Pursuant to Section 70-2-18, NMSA 1978, contained in Chapter 271, Laws of 1969, any well which, by virtue of any of the above pool extensions, is subject to pool rules providing for spacing or proration units larger than the one which is presently dedicated thereto, shall have 60 days from the effective date of this order in which to file new Forms C-102 dedicating a standard unit for the pool to said well, or to obtain a non-standard unit approved by the Division. Pending such compliance, the well shall receive a maximum allowable in the same proportion to a standard allowable for the pool that the acreage dedicated to the well bears to a standard unit for the pool. Failure to file Form C-102 dedicating a standard unit to the well or to obtain a non-standard unit approved by the Division within said 60-day period shall subject the well to cancellation of allowable.

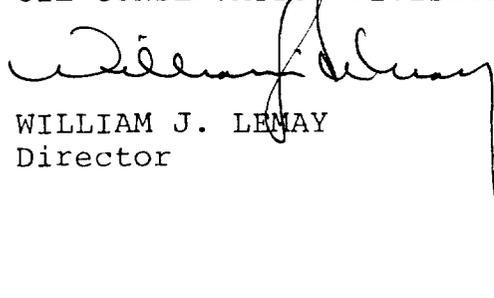
(2) The effective date of this order and all creations and extensions included herein shall be March 1, 1991.

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



STATE OF NEW MEXICO
OIL CONSERVATION DIVISION



WILLIAM J. LEMAY
Director

fd/