

CASE 13356: In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting vertical and horizontal limits, and extending certain pools in Chaves, Lea and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Atoka production and designated as the East Bagley-Atoka Gas Pool (**Pool Code 97371**). The discovery well is the Yates Petroleum Corporation Lazy J State Unit Well No. 1 (**API No. 30-025-36639**) located in Unit I of Section 8, Township 12 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM

Section 8: E/2

(b) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Upper Pennsylvanian production and designated as the North Bell Lake-Upper Pennsylvanian Gas Pool (**Pool Code 97363**). The discovery well is the BTA Oil Producers Bell Lake 7909 JV-P Well No. 2 (**API No. 30-025-34827**) located in Unit O of Section 18, Township 23 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 18: S/2

(c) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Bone Spring production and designated as the South Bilbrey Basin-Bone Spring Pool (**Pool Code 97366**). The discovery well is the Yates Petroleum Corporation Cleary AKC Federal Well No. 1 (**API No. 30-025-24823**) located in Unit J of Section 17, Township 22 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 17: SE/4

(d) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Wolfcamp production and designated as the South Leamex-Wolfcamp Pool (**Pool Code 97348**). The discovery well is the Patterson Petroleum L.P. Mohican 28 State Well No. 1 (**API No. 30-025-36419**) located in Unit J of Section 28, Township 17 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 28: SE/4

(e) CREATE a new pool in Lea County, New Mexico classified as an oil pool for San Andres production and designated as the Northeast Nadine-San Andres Pool (**Pool Code 97353**). The discovery well is the Trilogy Operating Inc. Diamond Well No. 3 (**API No. 30-025-36221**) located in Unit D of Section 24, Township 19 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 24: NW/4

(f) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Atoka production and designated as the North Ranger Lake-Atoka Gas Pool (**Pool Code 97349**). The discovery well is the Yates Petroleum Corporation Reese BDE State Com Well No. 1 (**API No. 30-025-29791**) located in Unit J of Section 13, Township 12 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM

Section 13: E/2

Section 24: E/2

(g) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the North Ranger Lake-Morrow Gas Pool (**Pool Code 97362**). The discovery well is the Yates Petroleum Corporation Kookaburra AZB State Well No. 2 (**API No. 30-025-29741**) located in Unit B of Section 24, Township 12 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM

Section 24: E/2

(h) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Bone Spring production and designated as the East Red Hills-Bone Spring Pool (**Pool Code 97369**). The discovery well is the EOG Resources Inc. Warren 3 Well No. 1 (**API No. 30-025-28765**) located in Unit O of Section 3, Township 25 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 3: SE/4

(i) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Strawn production and designated as the West Salt Lake-Strawn Gas Pool (**Pool Code 97359**). The discovery well is the Fasken Oil & Ranch Ltd. Laguna 16 State Well No. 1 (**API No. 30-025-36437**) located in Unit P of Section 16, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM

Section 16: E/2

(j) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Abo production and designated as the Saunders-Abo Pool (**Pool Code 97367**). The discovery well is the Yates Petroleum Corporation Superior WA State Well No. 5 (**API No. 30-025-31648**) located in Unit C of Section 11, Township 14 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 14 SOUTH, RANGE 33 EAST, NMPM

Section 11: NW/4

(k) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Delaware production and designated as the East Tamano-Delaware Pool (**Pool Code 97356**). The discovery well is the Mack Energy Corporation Pearsall BX Federal Well No. 9 (**API No. 30-025-36521**) located in Unit H of Section 34, Township 17 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM

Section 34: NE/4

(l) CREATE a new pool in Lea County, New Mexico classified as a gas pool for McKee production and designated as the South Vacuum-McKee Gas Pool (**Pool Code 97368**). The discovery well is the Paladin Energy Corporation South Vacuum Unit Well No. 353 (**API No. 30-025-03152**) located in Unit C of Section 35, Township 18 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM

Section 35: N/2

(m) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Atoka production and designated as the East X-4 Ranch-Atoka Gas Pool (**Pool Code 97365**). The discovery well is the Yates Petroleum Corporation Merle State Unit Well No. 1 (**API No. 30-025-36581**) located in Unit O of Section 13, Township 10 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 13: S/2

(n) CONTRACT the vertical limits of the East Bagley-Pennsylvanian Pool (**Pool Code 3790**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the East Bagley-Upper Pennsylvanian Pool (**Pool Code 3790**).

(o) EXTEND the Northeast Bell Lake-Devonian Gas Pool (**Pool Code 97328**) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM

Section 33: S/2

(p) EXTEND the West Cato-San Andres Gas Pool (**Pool Code 74445**) in Chaves County, New Mexico to include:

TOWNSHIP 8 SOUTH, RANGE 30 EAST, NMPM

Section 6: SE/4

(q) EXTEND the North Chaveroo-Permo Pennsylvanian Pool (**Pool Code 12020**) in Roosevelt County, New Mexico to include:

TOWNSHIP 7 SOUTH, RANGE 33 EAST, NMPM

Section 3: SW/4

(r) EXTEND the Corbin-Delaware Pool (**Pool Code 13190**) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 31: SE/4

(s) CONTRACT the vertical limits of the Crossroads-Pennsylvanian Pool (**Pool Code 13870**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Crossroads-Upper Pennsylvanian Pool (**Pool Code 13870**).

(t) CONTRACT the Southeast Dean-Wolfcamp Pool (**Pool Code 97005**) in Lea County, New Mexico by the deletion of the following described area:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 2: SW/4

Section 10: NE/4

Section 11: NW/4

(u) EXTEND the North Eidson-Morrow Gas Pool (**Pool Code 76360**) in Lea County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM

Section 25: S/2

(v) EXTEND the Northwest Eight Mile Draw-Morrow Gas Pool (**Pool Code 97190**) in Lea County, New Mexico to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM

Section 21: W/2

Section 28: W/2

(w) EXTEND the EK-Delaware Pool (**Pool Code 21655**) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM

Section 26: NE/4

(x) EXTEND the Four Lakes-Morrow Gas Pool (**Pool Code 97082**) in Lea County, New Mexico to include:

TOWNSHIP 11 SOUTH, RANGE 35 EAST, NMPM

Section 29: W/2

Section 31: S/2

Section 32: W/2

TOWNSHIP 12 SOUTH, RANGE 35 EAST, NMPM

Section 6: E/2

(y) CONTRACT the vertical limits of the Four Lakes-Pennsylvanian Pool (**Pool Code 25460**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Four Lakes-Upper Pennsylvanian Pool (**Pool Code 25460**).

(z) EXTEND the North Fowler-Tubb Pool (**Pool Code 97325**) in Lea County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM

Section 9: SE/4

Section 16: NE/4

(aa) EXTEND the East Grama Ridge-Morrow Gas Pool (**Pool Code 77690**) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Section 29: S/2

(bb) EXTEND the Southeast Greenwood-Morrow Gas Pool (**Pool Code 97224**) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 31: S/2

(cc) CONTRACT the North Hardy-Tubb-Drinkard Pool (**Pool Code 96356**) in Lea County, New Mexico by the deletion of the following described area:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 24: SE/4

(dd) EXTEND the Hat Mesa-Morrow Gas Pool (**Pool Code 78240**) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 33 EAST, NMPM

Section 18: SW/4

Section 19: W/2

(ee) EXTEND the House-Tubb Pool (**Pool Code 78760**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 2: W/2

(ff) EXTEND the Southwest House-Yates-Seven Rivers Gas Pool (**Pool Code 78790**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 14: SW/4

Section 23: W/2

(gg) CONTRACT the vertical limits of the Inbe-Permo Pennsylvanian Pool (**Pool Code 33660**) in Lea County, New Mexico to include only the Wolfcamp, Cisco, Canyon and Strawn formations and redesignate the pool as the Inbe-Permo Upper Pennsylvanian Pool (**Pool Code 33660**).

(hh) EXTEND the King-Wolfcamp Pool (**Pool Code 36100**) in Lea County, New Mexico to include:

TOWNSHIP 14 SOUTH, RANGE 37 EAST, NMPM

Section 2: NE/4

(ii) EXTEND the Laguna Valley-Delaware Pool (**Pool Code 96694**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM

Section 25: NW/4

(jj) CONTRACT the vertical limits of the Lazy J-Pennsylvanian Pool (**Pool Code 37430**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Lazy J-Upper Pennsylvanian Pool (**Pool Code 37430**).

(kk) EXTEND the Southeast Livingston Ridge-Delaware Pool (**Pool Code 39380**) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM

Section 31: E/2

Section 32: SW/4

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM

Section 6: NE/4

(ll) CONTRACT the vertical limits of the Llano-Pennsylvanian Pool (**Pool Code 39400**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Llano-Upper Pennsylvanian Pool (**Pool Code 39400**).

(mm) EXTEND the Northeast Lovington-Wolfcamp Pool (**Pool Code 41060**) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 7: SW/4

Section 18: NW/4

(nn) EXTEND the East Lusk-Morrow Gas Pool (**Pool Code 80770**) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 33: N/2

Section 34: N/2

(oo) EXTEND the Monument-Abo Pool (**Pool Code 46970**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 7: SE/4

(pp) EXTEND the Nadine-Drinkard-Abo Pool (**Pool Code 47510**) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 33: SE/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 4: NE/4

(qq) EXTEND the West Nadine-Drinkard Pool (**Pool Code 47505**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 7: SE/4

(rr) EXTEND the West Nadine-Paddock-Blinebry Pool (**Pool Code 47400**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 4: E/2

Section 7: S/2

(ss) EXTEND the West Nadine-Tubb Pool (**Pool Code 47530**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 4: E/2

Section 17: NE/4

(tt) EXTEND the Osudo-Morrow Gas Pool (**Pool Code 82120**) in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM

Section 8: SE/4

(uu) EXTEND the West Osudo-Morrow Gas Pool (**Pool Code 82240**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM

Section 34: S/2

(vv) CONTRACT the vertical limits of the Ranger Lake-Pennsylvanian Pool (**Pool Code 50730**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Ranger Lake-Upper Pennsylvanian Pool (**Pool Code 50730**).

(ww) EXTEND the Sand Springs-Atoka-Morrow Gas Pool (**Pool Code 84871**) in Lea County, New Mexico to include:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 31: E/2

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM

Section 3: SE/4 and Lots 1 and 2

(xx) CONTRACT the vertical limits of the East Saunders-Permo Pennsylvanian Pool (**Pool Code 54960**) in Lea County, New Mexico to include only the Wolfcamp, Cisco, Canyon and Strawn formations and redesignate the pool as the East Saunders-Permo Upper Pennsylvanian Pool (**Pool Code 54960**).

(yy) CONTRACT the vertical limits of the South Saunders-Permo Pennsylvanian Pool (**Pool Code 55100**) in Lea County, New Mexico to include only the Wolfcamp, Cisco, Canyon and Strawn formations and redesignate the pool as the South Saunders-Permo Upper Pennsylvanian Pool (**55100**).

(zz) EXTEND the West Sawyer-Morrow Gas Pool (**Pool Code 97103**) in Lea County, New Mexico to include:

TOWNSHIP 9 SOUTH, RANGE 37 EAST, NMPM

Section 16: E/2

Section 21: NE/4

(aaa) EXTEND the Skaggs-Drinkard Pool (**Pool Code 57000**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM

Section 1: SW/4

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 17: NE/4

(bbb) EXTEND the Tonto-Seven Rivers Pool (**Pool Code 59470**) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM

Section 16: NE/4

(ccc) EXTEND the Townsend-Morrow Gas Pool (**Pool Code 86400**) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 22: SE/4

Section 23: SW/4

Section 27: N/2

(ddd) CONTRACT the vertical limits of the Tres Papalotes-Pennsylvanian Pool (**Pool Code 59870**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Tres Papalotes-Upper Pennsylvanian Pool (**Pool Code 59870**).

(eee) CONTRACT the vertical limits of the West Tres Papalotes-Pennsylvanian Pool (**Pool Code 59873**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the West Tres Papalotes-Upper Pennsylvanian Pool (**Pool Code 59873**).

(fff) EXTEND the Trinity-Wolfcamp Pool (**Pool Code 59890**) in Lea County, New Mexico to include:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM

Section 23: SE/4 and NW/4

(ggg) EXTEND the West Triste Draw-Delaware Pool (**Pool Code 59945**) in Lea County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM
Section 29: NE/4

(hhh) EXTEND the Vacuum-Morrow Gas Pool (**Pool Code 86840**) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 1: E/2

(iii) EXTEND the North Vacuum-Lower Wolfcamp Pool (**Pool Code 62380**) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 1: NW/4
Section 2: NE/4

(jjj) CONTRACT the vertical limits of the Vada-Pennsylvanian Pool (**Pool Code 62459**) in Lea and Roosevelt Counties, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Vada-Upper Pennsylvanian Pool (**Pool Code 62459**).

(kkk) EXTEND the Warren-Tubb Gas Pool (**Pool Code 87080**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 24: SE/4

(lll) EXTEND THE Watkins-Yates-Seven Rivers-Queen-Grayburg Pool (**Pool Code 63680**) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST., NMPM
Section 30: SW/4

(mmm)CONTRACT the vertical limits of the Williams-Pennsylvanian Pool (**Pool Code 64410**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the Williams-Upper Pennsylvanian Pool (**Pool Code 64410**).

(nnn) CONTRACT the vertical limits of the North Williams-Pennsylvanian Pool (**Pool Code 64440**) in Lea County, New Mexico to include only the Cisco, Canyon and Strawn formations and redesignate the pool as the North Williams-Upper Pennsylvanian Pool (**Pool Code 64440**).

(ooo) EXTEND the X-4 Ranch-Morrow Gas Pool (**Pool Code 97049**) in Lea County, New Mexico to include:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM

Section 9: SE/4

Section 10: W/2

Section 16: E/2

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