Case 13699

OIL CONSERVATION DIVISION ARTESIA, NEW MEXICO DISTRICT II NOMENCLATURE ADVERTISEMENT

In the matter of the application of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department upon its own motion for an order for the abolishment and the creation, discovery allowable assignment and extension of certain existing pools in Eddy County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof, to show cause why such creation, discovery allowable assignment, and extensions and or deletions should not be made.

(A) There is a need for the creation of a new pool in Eddy County, New Mexico for the production of gas from the Wolfcamp formation, bearing the designation of Rio Penasco; Wolfcamp Gas Pool. (Pool Code: 97512) The Rio Penasco; Wolfcamp Gas Pool was discovered by Mack Energy Corporation, Brazos State # 1 (API # 30-015-34165) located in Unit D of Section 18, township 18 South, Range 24 East NMPM, which was completed in the Wolfcamp formation on December 12, 2005. The top of the perforations is at 5479'.

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM

Section 18: W/2

(B) Extend the Black River; Wolfcamp, East Gas Pool (Pool Code 97442) in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 27 EAST, NMPM

Section 35: E/2

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM

Sections: 2-E/2 & 11: NE/4

(C) Extend the Buffalo Valley; Pennsylvanian Gas Pool (Pool Code 73080) in Chaves County, New Mexico, to include therein:

TOWNSHIP 14 SOUTH, RANGE 28 EAST, NMPM

Section 30: S/2

(D) Extend the Cabin Lake; Delaware Oil Pool (Pool Code 8435) in Eddy County, New Mexico, to include therein:

TOWNSHIP22 SOUTH, RANGE 31 EAST, NMPM

Section 7: SE/4

(E) Extend the Cemetery; Wolfcamp Gas Pool (Pool Code 74680) in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 25 EAST, NMPM

Section 29: N/2

(F) Extend the Cottonwood Creek; Wolfcamp Gas Pool (Pool Code 75250) in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 25 EAST, NMPM

Sections: 22-N/2 & 31: W/2

(G) Extend the Coyote; Wolfcamp Gas Pool (Pool Code 97361) in Chaves County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 26 EAST, NMPM V

Sections: 24-SE/4, 25-E/2, 36-N/2

TOWNSHIP 11 SOUTH, RANGE 27 EAST, NMPM &

Section 19: SW/4

(H) Extend the Crow Flats; Morrow, Southeast Gas Pool (Pool Code 96840) in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 8: S/2

(I) Extend the Foor Ranch; Wolfcamp, Northwest Gas Pool (Pool Code 97066) in Chves County, New Mexico to include therein:

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM

Section 27: E/2

(J) Extend the Four Mile Draw; Morrow Gas Pool (Pool Code 76960) in Eddy County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 26 EAST, NMPM

Section 14: W/2

(K) Extend the Fren; Paddock Oil Pool (Pool Code 26770) in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 14: SW/4 & 15: S/2

(L) Extend the Happy Valley; Morrow Gas Pool (Pool Code 78060) in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 15: S/2

(M) Extend the Malaga; Morrow Gas Pool (Pool Code 80920) in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM ✓

Section 21: W/2

(N) Extend the Nash Draw; Delaware/Bone Spring (Avalon Sand) Oil Pool (Pool Code 47545) in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 36: NE/4

(O) Extend the Parkway; Atoka, West Gas Pool (Pool Code 82560) in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 32: W/2

(P) Extend the Penasco Draw; Morrow Gas Pool (Pool Code 82770) in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM

Section 35: N/2

(Q) Extend the Sulphate Draw; Wolfcamp Gas Pool (Pool Code 85780) in Eddy County, New Mexico to include therein:

TOWNSHIP 24 SOUTH, RANGE 27 EAST, NMPM

Section 26: E/2