

New Mexico.

CASE 13877: Continued from the March 15, 2007 Examiner Hearing.

Application of Bold Energy, LP for approval of an application for permit to drill and to allow two operators on a well unit, Eddy County, New Mexico. Applicant seeks approval of an application for permit to drill its OXY Checker State Well No. 2 in the W/2 of Section 8, Township 19 South, Range 29 East, NMPM. The W/2 of Section 8 will be simultaneously dedicated to the proposed well, located in the SW/4 NW/4 of Section 8, to be operated by applicant, and to the existing OXY Checker State Well No. 1, located in the NW/4 SW/4 of Section 8, operated by OXY USA WTP Limited Partnership. The well unit is located approximately 12 miles southwest of Loco Hills, New Mexico.

CASE 13907: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Lea County, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico for the production of gas from the Morrow formation and designated as the West Anderson Ranch-Morrow Gas Pool (**Pool Code 97552**). The discovery well is the OXY USA WTP Limited Partnership OXY Night Hawk State Com. Well No. 1 (**API No. 30-025-37637**) located in Unit I of Section 20, Township 16 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 20: E/2

(b) CREATE a new pool in Lea County, New Mexico for the production of gas from the Queen formation and designated as the Northeast Brunson-Queen Gas Pool (**Pool Code 97559**). The discovery well is the Marathon Oil Company Walter Lynch Well No. 12 (**API No. 30-025-37556**) located in Unit F of Section 1, Township 22 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM
Section 1: NW/4

(c) CREATE a new pool in Lea County, New Mexico for the production of oil from the Bone Spring formation and designated as the East Corbin-Bone Spring Pool (**Pool Code 97568**). The discovery well is the Mack Energy Corporation Lea KG State Well No. 1 (**API No. 30-025-36370**) located in Unit I of Section 35, Township 17 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 35: SE/4

(d) CREATE a new pool in Lea County, New Mexico for the production of gas from the Morrow formation and designated as the Langley-Morrow Gas Pool (**Pool Code 97579**). The discovery well is the BP America Production Company Javelina Well No. 1 (**API No. 30-025-37943**) located in Unit M of Section 10, Township 22 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 10: W/2

(e) CREATE a new pool in Lea County, New Mexico for the production of oil from the Yates formation and designated as the Southeast Lusk-Yates Pool (**Pool Code 97578**). The discovery well is the Yates Petroleum Corporation Lusk AHB Federal Well No. 1 (**API No. 30-025-30808**) located in Unit B of Section 35, Township 19 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 35: NE/4

(f) CREATE a new pool in Lea County, New Mexico for the production of gas from the Atoka formation and designated as the West Mescalero-Atoka Gas Pool (**Pool Code 97570**). The discovery well is the Yates Petroleum Corporation Fender State Unit Well No. 2 (**API No. 30-025-37765**) located in Unit L of Section 17, Township 10 South,

Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM
Section 17: S/2

(g) CREATE a new pool in Lea County, New Mexico for the production of gas from the Atoka formation and designated as the Southwest Ranger Lake-Atoka Gas Pool (**Pool Code 97571**). The discovery well is the Yates Petroleum Corporation Mocha State Unit Well No. 2 (**API No. 30-025-36097**) located in Unit N of Section 33, Township 12 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 34 EAST, NMPM
Section 33: S/2

(h) CREATE a new pool in Lea County, New Mexico for the production of gas from the Atoka formation and designated as the Rock Lake-Atoka Gas Pool (**Pool Code 97525**). The discovery well is the Devon Energy Production Company LP. Keller 4 State Well No. 1 (**API No. 30-025-36643**) located in Unit K of Section 4, Township 23 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 35 EAST, NMPM
Section 4: W/2

(i) CREATE a new pool in Lea County, New Mexico for the production of oil from the Upper Pennsylvanian formation and designated as the Sand Springs-Upper Pennsylvanian Pool (**Pool Code 97556**). The discovery well is the Yates Petroleum Corporation Chesney State Unit Well No. 1 (**API No. 30-025-37259**) located in Unit O of Section 2, Township 11 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 35 EAST, NMPM
Section 2: SE/4

(j) CREATE a new pool in Lea County, New Mexico for the production of oil from the Strawn formation and designated as the Southeast Wilson-Strawn Pool (**Pool Code 97580**). The discovery well is the Mewbourne Oil Company Osudo South 20 State Well No. 1 (**API No. 30-025-37560**) located in Unit C of Section 20, Township 21 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM
Section 20: NW/4

(k) EXTEND the Southwest Anderson Ranch-Wolfcamp Pool (**Pool Code 96932**) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM
Section 10: SE/4

(l) EXTEND the Southwest Arrowhead-Grayburg Pool (**Pool Code 97518**) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 36 EAST, NMPM
Section 15: W/2

(m) EXTEND the Southwest Austin-Morrow Gas Pool (**Pool Code 96664**) in Lea County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM
Section 8: N/2

(n) EXTEND the Southwest Austin-Upper Pennsylvanian Pool (**Pool Code 97319**) in Lea County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 2: S/2

Section 10: N/2

Section 11: NW/4

- (o) EXTEND the Southwest Austin-Wolfcamp Pool (**Pool Code 3711**) in Lea County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM

Section 10: N/2

- (p) EXTEND the East Bell Lake-Delaware Pool (**Pool Code 96322**) in Lea County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 34 EAST, NMPM

Section 22: S/2

Section 27: NW/4

- (q) EXTEND the South Big Dog-Strawn Pool (**Pool Code 96690**) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM

Section 1: S/2

- (r) EXTEND the Bootleg Ridge-Morrow Gas Pool (**Pool Code 72650**) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 33 EAST, NMPM

Section 5: W/2

Section 8: NW/4

- (s) EXTEND the Casey-San Andres Pool (**Pool Code 96323**) in Lea County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM

Section 35: NE/4

- (t) EXTEND the Caudill-Atoka Gas Pool (**Pool Code 96231**) in Lea County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 36 EAST, NMPM

Section 8: N/2

Section 9: NW/4

- (u) EXTEND the Eight Mile Draw-Abo Pool (**Pool Code 21450**) in Lea County, New Mexico to include:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM

Section 25: NW/4

- (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 29: E/2

- (w) EXTEND the Eunice-San Andres Pool (**Pool Code 24150**) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 4: SE/4

- (x) EXTEND the EK-Bone Spring Pool (**Pool Code 21650**) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM
Section 31: W/2

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 6: NW/4

- (y) EXTEND the East Featherstone-Bone Spring Pool (**Pool Code 24270**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 35 EAST, NMPM
Section 13: NW/4

- (z) EXTEND the Gem-Bone Spring Pool (**Pool Code 27220**) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 30: SE/4

- (aa) EXTEND the East Gem-Yates Pool (**Pool Code 27390**) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 35: W/2

- (bb) EXTEND the North Hightower-Atoka Pool (**Pool Code 97431**) in Lea County, New Mexico to include:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM
Section 1: W/2
Section 12: NW/4

- (cc) EXTEND the House-Abo Pool (**Pool Code 33210**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 14: SW/4 and E/2

- (dd) EXTEND the Jenkins-Devonian Pool (**Pool Code 33930**) in Lea County, New Mexico to include:

TOWNSHIP 9 SOUTH, RANGE 35 EAST, NMPM
Section 29: W/2

- (ee) EXTEND the Southeast Lane-Abo Pool (**Pool Code 36676**) in Lea County, New Mexico to include:

TOWNSHIP 10 SOUTH, RANGE 34 EAST, NMPM
Section 23: N/2

- (ff) EXTEND the West Leamex-Morrow Gas Pool (**Pool Code 97387**) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 32 EAST, NMPM
Section 24: E/2

- (gg) EXTEND the North Leamex-Paddock Pool (**Pool Code 97549**) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 3: N/2 and SW/4
Section 4: SE/4

- (hh) 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 29: W/2

- (ii) EXTEND the North Lusk-Bone Spring Pool (**Pool Code 41450**) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM

Section 30: NW/4

Section 31: NW/4

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 5: S/2

- (jj) EXTEND the Lusk-Strawn Pool (**Pool Code 41589**) in Lea County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM

Section 8: N/2

- (kk) EXTEND the Maljamar-Grayburg-San Andres Pool (**Pool Code 43329**) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 6: NE/4

- (ll) EXTEND the Penrose Skelly-Grayburg Pool (**Pool Code 50350**) in Lea County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM

Section 1: NW/4

- (mm) EXTEND the Reeves-Pennsylvanian Pool (**Pool Code 52060**) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM

Section 24: NW/4

- (nn) EXTEND the South Saunders-Permo Upper Pennsylvanian Pool (**Pool Code 55100**) in Lea County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 33 EAST, NMPM

Section 33: SW/4

- (oo) EXTEND the Tres Papalotes-Atoka Gas Pool (**Pool Code 96586**) in Lea County, New Mexico to include:

TOWNSHIP 14 SOUTH, RANGE 34 EAST, NMPM

Section 35: N/2

Section 36: N/2

- (pp) 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 20: SW/4

- (qq) EXTEND the Northeast Vacuum-Blaine Pool (**Pool Code 97021**) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 22: E/2

Section 23: NW/4

- (rr) EXTEND the Vacuum-Grayburg-San Andres Pool (**Pool Code 62180**) in Lea County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 34 EAST, NMPM

Section 9: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 25: E/2

- (tt) EXTEND the Vacuum-Wolfcamp Pool (**Pool Code 62340**) in Lea County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM

Section 26: NW/4

- (uu) EXTEND the East Warren-Tubb Pool (**Pool Code 87085**) in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM

Section 18: NE/4

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