

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION
NOMENCLATURE ADVERTISEMENT FOR HEARING NOVEMBER 7, 2003

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 creation, and extensions of certain pools in Lea and Roosevelt Counties, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof to show cause why such creations, contractions and extensions should not be made.

- (a) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Atoka production designated as the Caprock;Atoka, Northeast (Gas) Pool (**pool code: 97292**). The discovery well is the Paladin Energy Corp., State EC C, Well No. 1 (**API No. 30-025-00104**), located in Unit G of Section 11, Township 12 South, Range 32 East, NMPM. It was completed June 16, 2003, in the Atoka formation. The top of the perforations is at 10,120 feet. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 32 EAST, NMPM ✓
Section 11: N/2

- (b) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Atoka production designated as the Dempster Mill;Atoka (Gas) Pool (**pool code: 97299**). The discovery well is the Yates Petroleum Corp., Ray BBR State, Well No. 1 (**API No. 30-025-02674**), located in Unit P of Section 25, Township 11 South, Range 35 East, NMPM. It was completed March 27, 2003, in the Atoka formation. The top of the perforations is at 12,361 feet. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 35 EAST, NMPM ✓
Section 25: E/2

- (c) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Mississippian production designated as the Dempster Mill;Mississippian (Gas) Pool (**pool code: 97291**). The discovery well is the Yates Petroleum Corp., Dempster State Unit, Well No. 1 (**API No. 30-025-36077**), located in Unit N of Section 30, Township 11 South, Range 36 East, NMPM. It was completed August 4, 2003, in the Mississippian formation. The top of the perforations is at 12,675 feet. Said pool would comprise:

TOWNSHIP 11 SOUTH, RANGE 36 EAST, NMPM ✓
Section 30: S/2

- (d) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Atoka production designated as the Lazy J;Atoka, North (Gas) Pool (**pool code: 97301**). The discovery well is the Asher Enterprises Ltd Co., Lawton State, Well No. 2 (**API No. 30-025-01070**), located in Unit P of Section 10, Township 13 South, Range 33 East, NMPM. It was completed August 4, 2003, in the Atoka formation. The top of the perforations is at 11,340 feet. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 33 EAST, NMPM ✓
Section 10: E/2

- (e) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Upper Pennsylvannian production designated as the Morton;Upper Pennsylvannian, South Pool (**pool code: 97300**). The discovery well is the Permian Resources Inc., Townstar ACS State, Well No. 1 (**API No. 30-025-35867**), located in Unit L of Section 18, Township 15 South, Range 35 East, NMPM. It was completed November 16, 2002, in the Upper Pennsylvannian formation. The top of the perforations is at 10,726 feet. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM ✓
Section 18: SW/4

- (f) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Bone Spring production designated as the Ojo Chiso;Bone Spring, South Pool (**pool code: 97293**). The discovery well is the BTA Oil Producers, Maxus B 8026 JV-P, Well No. 3 (**API No. 30-025-30661**), located in Unit B of Section 34, Township 22 South, Range 34 East, NMPM. It was completed March 2, 2003, in the Bone Spring formation. The top of the perforations is at 10,840 feet. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM ✓
Section 34: NE/4

- (g) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Chester production designated as the Ranger Lake;Chester, South (Gas) Pool (**pool code: 97296**). The discovery well is the Yates Petroleum Corp., 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. It was completed June 24, 2003, in the Chester formation. The top of the perforations is at 12,600 feet. 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 classified as a gas pool for Lower Mississippian Lime production designated as the Ranger Lake; Lower Mississippian Lime, South (Gas) Pool (**pool code: 97295**). The discovery well is the Yates Petroleum Corp., Slick AZU State Com, Well No. 1 (**API No. 30-025-01868**), located in Unit C of Section 1, Township 13 South, Range 34 East, NMPM. It was completed June 24, 2003, in the Lower Mississippian Lime formation. The top of the perforations is at 13,152 feet. Said pool would comprise:

TOWNSHIP 13 SOUTH, RANGE 34 EAST, NMPM ✓

Section 1: N/2

- (i) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Upper Pennsylvannian production designated as the Shoe Bar; Upper Pennsylvannian, West Pool (**pool code: 97297**). The discovery well is the TMBR/Sharp Drilling Inc., State 5, Well No. 1 (**API No. 30-025-35040**), located in Unit G of Section 5, Township 17 South, Range 35 East, NMPM. It was completed April 11, 2003, in the Upper Pennsylvannian formation. The top of the perforations is at 10,952 feet. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM ✓

Section 5: NE/4

- (j) Extend the Allison; San Andres Pool (**pool code: 01190**) in Roosevelt County, New Mexico to include therein:

TOWNSHIP 8 SOUTH, RANGE 36 EAST, NMPM ✓

Section 36: SE/4

- (k) Extend the Dean; Wolfcamp, Southeast Pool (**pool code: 97005**) in Lea County, New Mexico to include therein:

TOWNSHIP 16 SOUTH, RANGE 37 EAST, NMPM ✓

Section 2: SW/4

Section 10: NE/4

Section 11: NW/4

- (l) Extend the Diamond;Strawn Pool (**pool code: 96248**) in Lea County, New Mexico to include therein:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM ✓
Section 15: NW/4

- (m) Extend the Diamondtail;Delaware, Southwest Pool (**pool code: 96916**) in Lea County, New Mexico to include therein:

TOWNSHIP 23 SOUTH, RANGE 32 EAST, NMPM ✓
Section 28: W/2

- (n) Extend the Eidson;Morrow, North (Gas) Pool (**pool code: 76360**) in Lea County, New Mexico to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM ✓
Section 22: S/2
Section 27: NE/4
Section 28: W/2 & SE/4
Section 29: N/2
Section 30: N/2

- (o) Extend the Grassland;Austin (Gas) Pool (**pool code: 97235**) in Lea County, New Mexico to include therein:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM ✓
Section 21: S/2
Section 22: SW/4
Section 28: W/2

- (p) Extend the Hardy;Tubb-Drinkard Pool (**pool code: 29760**) in Lea County, New Mexico to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM ✓
Section 12: NE/4

TOWNSHIP 21 SOUTH, RANGE 37 EAST, NMPM ✓
Section 7: NW/4

- (q) Extend the Hobbs;Abo, Northwest Pool (**pool code: 97212**) in Lea County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM ✓
Section 13: SE/4

- (r) Extend the Hobbs;Drinkard, Northwest Pool (**pool code: 97184**) in Lea County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM ✓
Section 13: SE/4

- (s) Extend the Hobbs;Tubb, Northwest Pool (**pool code: 97211**) in Lea County, New Mexico to include therein:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM ✓
Section 13: SE/4

- (t) Extend the House;Drinkard Pool (**pool code: 33250**) in Lea County, New Mexico to include therein:

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM ✓
Section 18: S/2

- (u) Extend the House;San Andres Pool (**pool code: 33440**) in Lea County, New Mexico to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM ✓
Section 14: NW/4

TOWNSHIP 20 SOUTH, RANGE 39 EAST, NMPM ✓
Section 17: SW/4

- (v) Extend the Livingston Ridge;Delaware, East Pool (**pool code: 39366**) in Lea County, New Mexico to include therein:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM ✓
Section 19: SW/4

- (w) Extend the Monument;Tubb Pool (**pool code: 47090**) in Lea County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM ✓

Section 27: SE/4

Section 34: NE/4

- (x) Extend the Nadine;Paddock-Blaine, West Pool (**pool code: 47400**) in Lea County, New Mexico to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM ✓

Section 17: SW/4

Section 18: NE/4

- (y) Extend the Nadine;Tubb, West Pool (**pool code: 47530**) in Lea County, New Mexico to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM ✓

Section 17: SW/4

- (z) Extend the Quail Ridge;Morrow, North (Gas) Pool (**pool code: 83320**) in Lea County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM ✓

Section 8: E/2

- (aa) Extend the San Simon;Yates Pool (**pool code: 53770**) in Lea County, New Mexico to include therein:

TOWNSHIP 22 SOUTH, RANGE 35 EAST, NMPM ✓

Section 9: W/2

- (bb) Extend the Shoe Bar;Atoka (Gas) Pool (**pool code: 85210**) in Lea County, New Mexico to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM ✓

Section 16: W/2

- (cc) Extend the Shoe Bar;Morrow, North (GAS) Pool (**pool code: 96882**) in Lea County, New Mexico to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM ✓

Section 1: Lots 3,4,5,6,11,12,13,14

- (dd) Extend the Skaggs;Drinkard Pool (**pool code: 57000**) in Lea County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM ✓
Section 36: N/2 & SE/4

- (ee) Extend the Skaggs;Drinkard, Northwest Pool (**pool code: 96768**) in Lea County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 37 EAST, NMPM
Section 35: NE/4 ✓

- (ff) Extend the Tonto;Bone Spring Pool (**pool code: 59475**) in Lea County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM ✓
Section 16: SE/4
Section 21: N/2

- (gg) Extend the Tonto;Seven Rivers Pool (**pool code: 59470**) in Lea County, New Mexico to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM ✓
Section 10: SW/4

- (hh) Extend the Townsend;Mississppian (Gas) Pool (**pool code: 86380**) in Lea County, New Mexico to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM ✓
Section 9: S/2
Section 10: W/2

- (ii) Extend the Townsend;Morrow (Gas) Pool (**pool code: 86400**) in Lea County, New Mexico to include therein:

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM ✓
Section 12: S/2
Section 23: SE/4

- (jj) Extend the Trinity;Wolfcamp Pool (**pool code: 59890**) in Lea County, New Mexico to include therein:

TOWNSHIP 12 SOUTH, RANGE 38 EAST, NMPM ✓
Section 23: SW/4

- (kk) Extend the Tulk;Upper Wolfcamp, South Pool (**pool code: 60620**) in Lea County, New Mexico to include therein:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM ✓
Section 18: SW/4

- (ll) Extend the Vacuum;Abo, North Pool (**pool code: 61760**) in Lea County, New Mexico to include therein:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM ✓
Section 6: NW/4