

NEW POOLS

It is recommended that a new oil pool be created and designated as the East Bilbrey-Delaware Pool.

Vertical limits to be the Delaware formation and the horizontal limits should be as follows: As outlined in Paragraph (a) Exhibit I

Discovery well was Pogo Producing Company Tomahawk Unit Well No. 1 located in Unit L Section 31 Township 21 Range 33 and was completed on November 10, 1995. Top of perforations is at 8,520 feet.

It is recommended that a new oil pool be created and designated as the North Bilbrey-Delaware Pool.

Vertical limits to be the Delaware formation and the horizontal limits should be as follows: As outlined in Paragraph (b) Exhibit I

Discovery well was Santa Fe Energy Resources Inc. Bilbrey 27A Federal Well No. 1 located in Unit F Section 27 Township 21 Range 32 and was completed on August 29, 1995. Top of perforations is at 8,626 feet.

It is recommended that a new oil pool be created and designated as the Hat Mesa-Wolfcamp Pool.

Vertical limits to be the Wolfcamp formation and the horizontal limits should be as follows: As outlined in Paragraph (c) Exhibit I

Discovery well was Hallwood Petroleum Inc. Bass Federal Well No. 1 located in Unit F Section 30 Township 20 Range 33 and was completed on September 14, 1995. Top of perforations is at 11,400 feet.

NEW POOLS

It is recommended that a new oil pool be created and designated as the South Nadine-Yates Seven Rivers Pool.

Vertical limits to be the Yates and Seven Rivers formation and the horizontal limits should be as follows: As outlined in Paragraph (d) Exhibit I

Discovery well was LBO New Mexico Inc. Alyssa Well No. 1 located in Unit H Section 27 Township 19 Range 38 and was completed on July 25, 1995. Top of perforations is at 3,000 feet.

It is recommended that a new gas pool be created and designated as the Ojo Chiso-Wolfcamp Gas Pool.

Vertical limits to be the Wolfcamp formation and the horizontal limits should be as follows: As outlined in Paragraph (e) Exhibit I

Discovery well was BTA Oil Producers Chiso C 8711 JV-P Well No. 1 located in Unit C Section 23 Township 22 Range 34 and was completed on November 11, 1995. Top of perforations is at 11,530 feet.

It is recommended that a new oil pool be created and designated as the North Red Hills-Bone Spring Pool.

Vertical limits to be the Bone Spring formation and the horizontal limits should be as follows: As outlined in Paragraph (f) Exhibit I

Discovery well was Meridian Oil Inc. Madera Ridge 25 Federal Well No. 1 located in Unit L Section 25 Township 24 Range 33 and was completed on November 5, 1995. Top of perforations is at 12,218 feet.

NEW POOLS

It is recommended that a new gas pool be created and designated as the San Simon Sink-Morrow Gas Pool.

Vertical limits to be the Morrow formation and the horizontal limits should be as follows: As outlined in Paragraph (g) Exhibit I

Discovery well was Yates Petroleum Corporation San Simon Unit Well No. 1 located in Unit 0 Section 18 Township 23 Range 35 and was completed on October 21, 1995. Top of perforations is at 13,688 feet.

It is recommended that a new oil pool be created and designated as the South Young-San Andres Pool.

Vertical limits to be the San Andres formation and the horizontal limits should be as follows: As outlined in Paragraph (h) Exhibit I

Discovery well was Snow Oil & Gas Inc. Vandiver Federal Well No. 1 located in Unit K Section 33 Township 18 Range 32 and was completed on August 10, 1995. Top of perforations is at 5,164 feet.

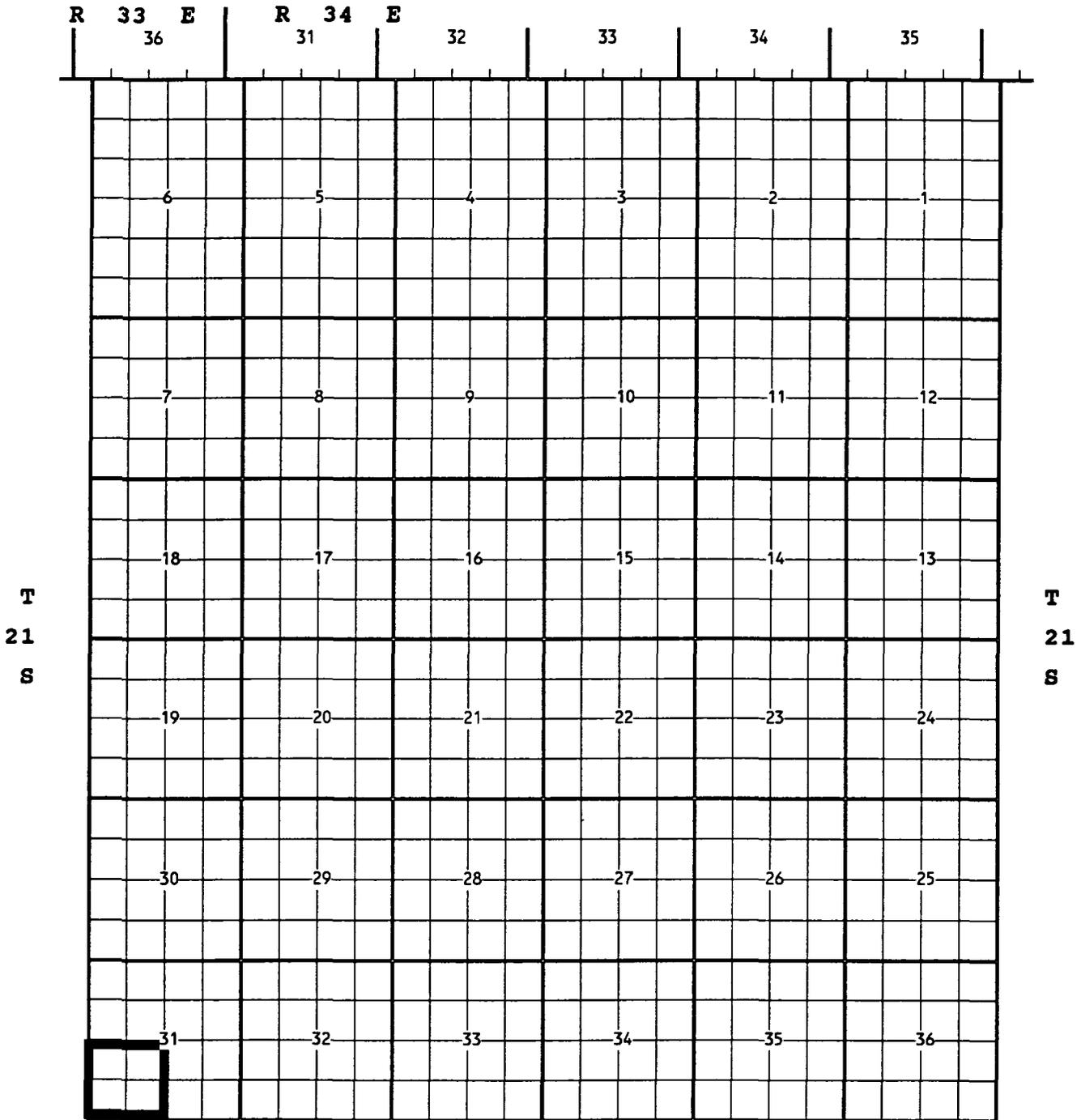
It is recommended that a new _____ pool be created and designated as the _____ Pool.

Vertical limits to be the _____ formation and the horizontal limits should be as follows: _____

Discovery well was _____ located in Unit _____ Section _____ Township _____ Range _____ and was completed on _____ . Top of perforations is at _____ feet.

POOL: BILBREY;DELAWARE, EAST

COUNTY LEA



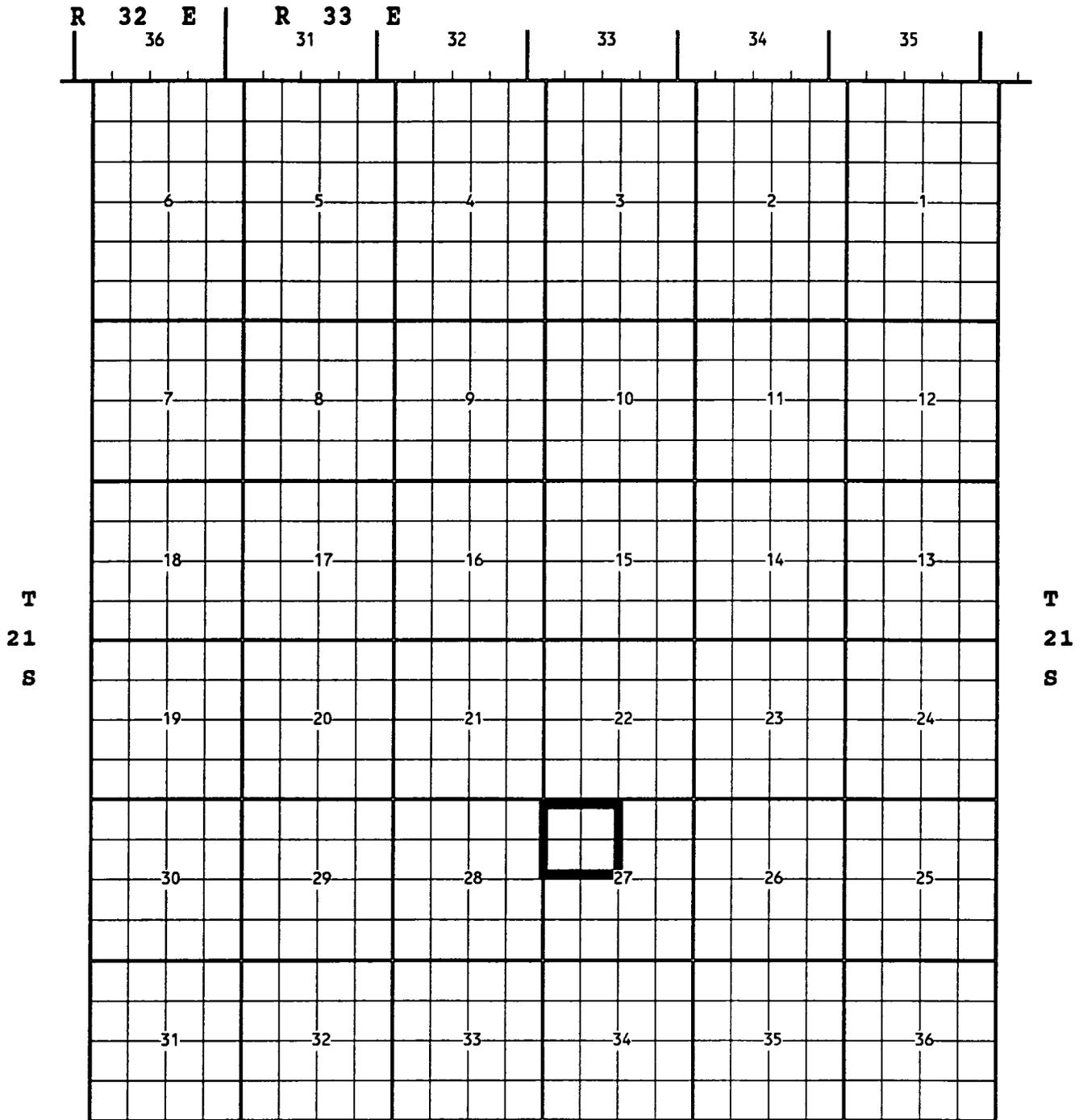
R 33 E

PURPOSE: One completed oil well capable of producing. Pogo Producing Company Tomahawk Unit Well No. 1 located in Unit L of Section 31, Township 21 South, Range 33 East, NMPM. It was completed November 10, 1995, in the Delaware formation. The top of the perforations is at 8,520 feet.

Proposed pool boundary in bold outline. Section 31: SW/4

POOL: BILBREY; DELAWARE, NORTH

COUNTY LEA



R 32 E

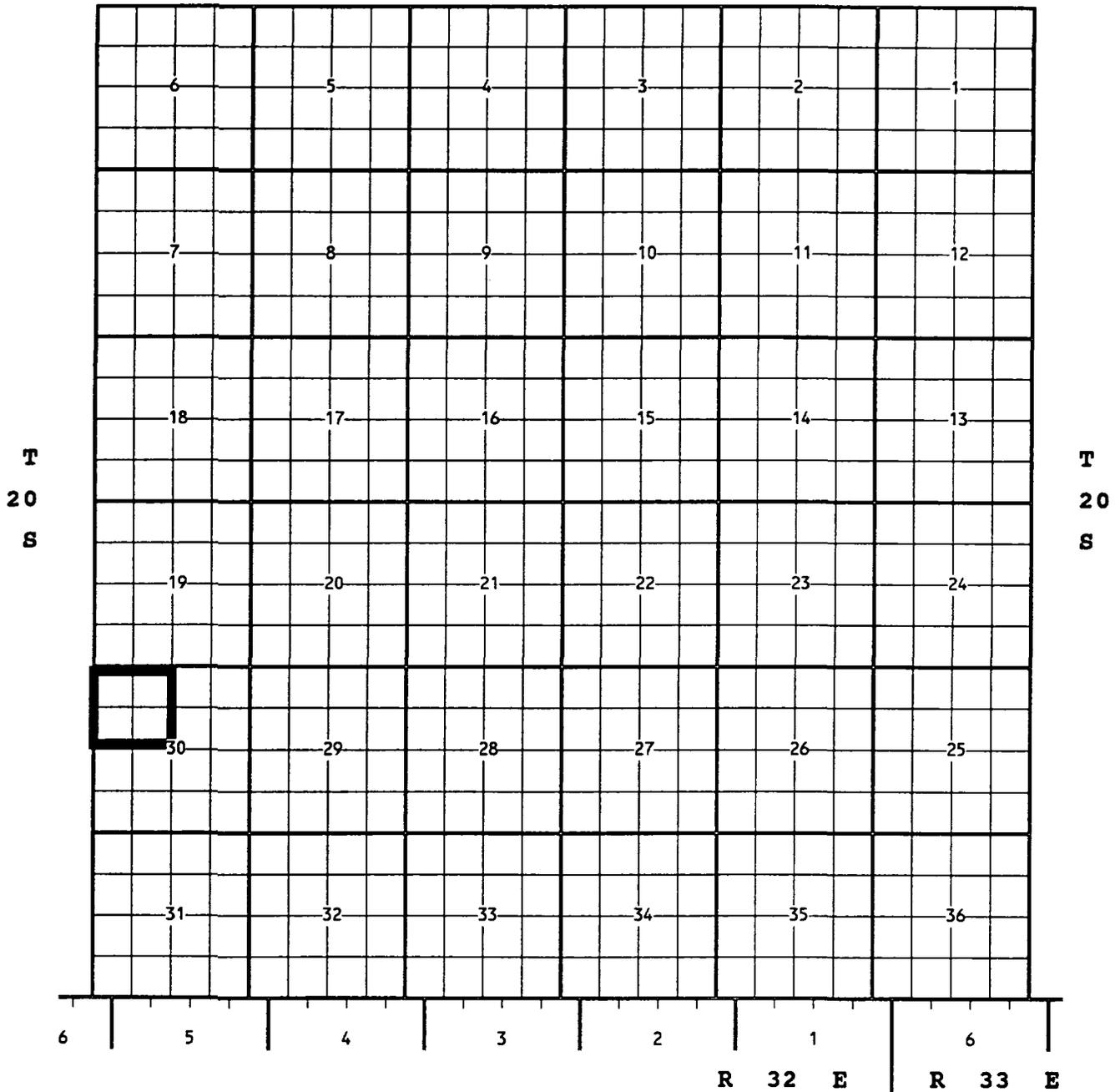
PURPOSE: One completed oil well capable of producing Santa Fe Energy Resources Inc. Bilbrey 27 A Federal Well No. 1 located in Unit F of Section 27, Township 21 South, Range 32 East, NMPM. It was completed August 29, 1995, in the Delaware formation. The top of the perforations is at 8,626 feet.

Proposed pool boundary in bold outline. Section 27: NW/4

POOL: HAT MESA;WOLFCAMP

COUNTY LEA

R 33 E

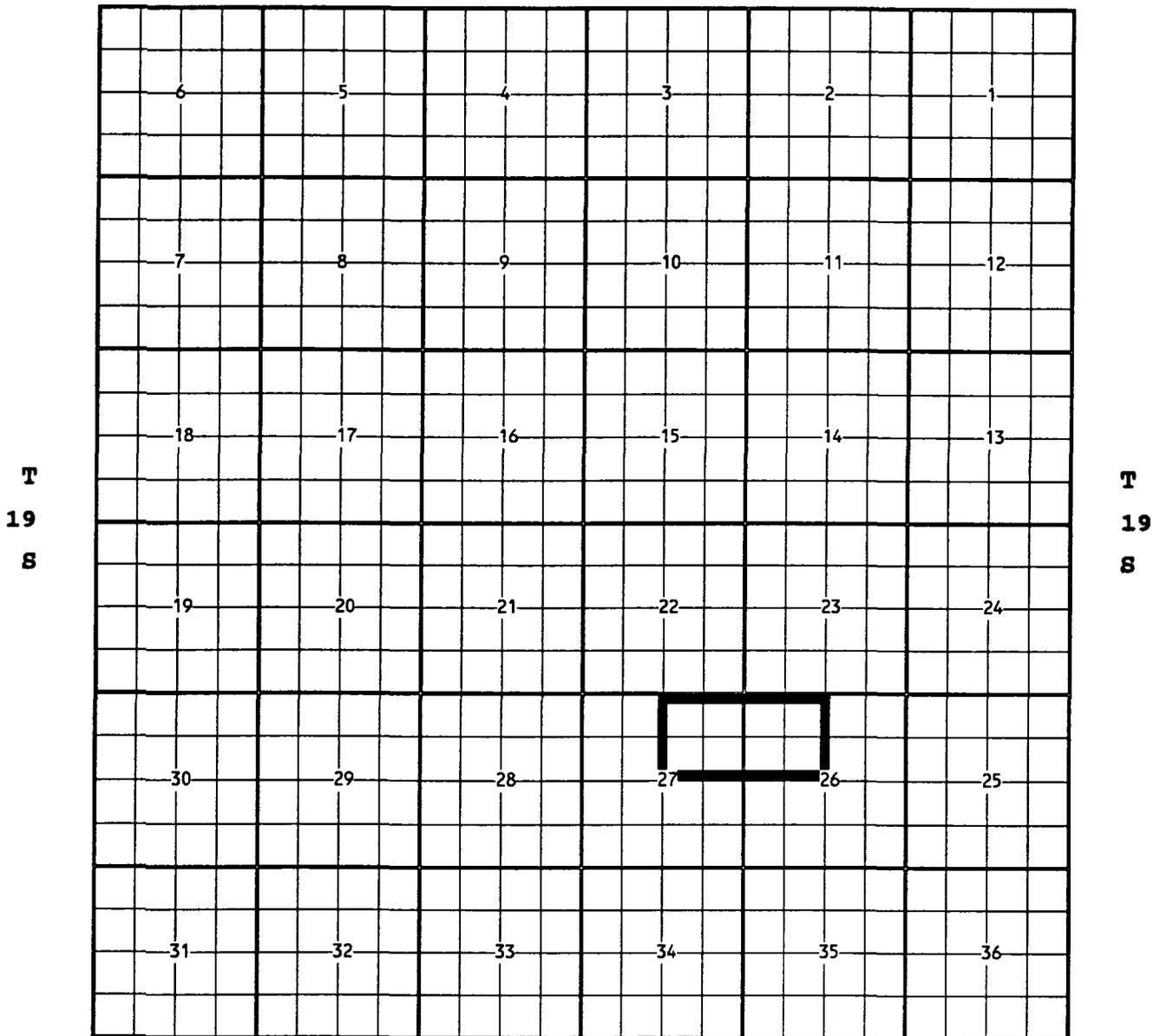


PURPOSE: One completed oil well capable of producing.
Hallwood Petroleum Inc, Bass Federal Well No. 1 located in Unit F
of Section 30, Township 20 South, Range 33 East, NMPM. It was
completed September 14, 1995, in the Wolfcamp formation. The top
of the perforations is at 11,400 feet.

Proposed pool boundary in bold outlined. Section 30: NW/4

POOL: NADINE;YATES-SEVEN RIVERS, SOUTH COUNTY LEA

R 38 E



R 38 E

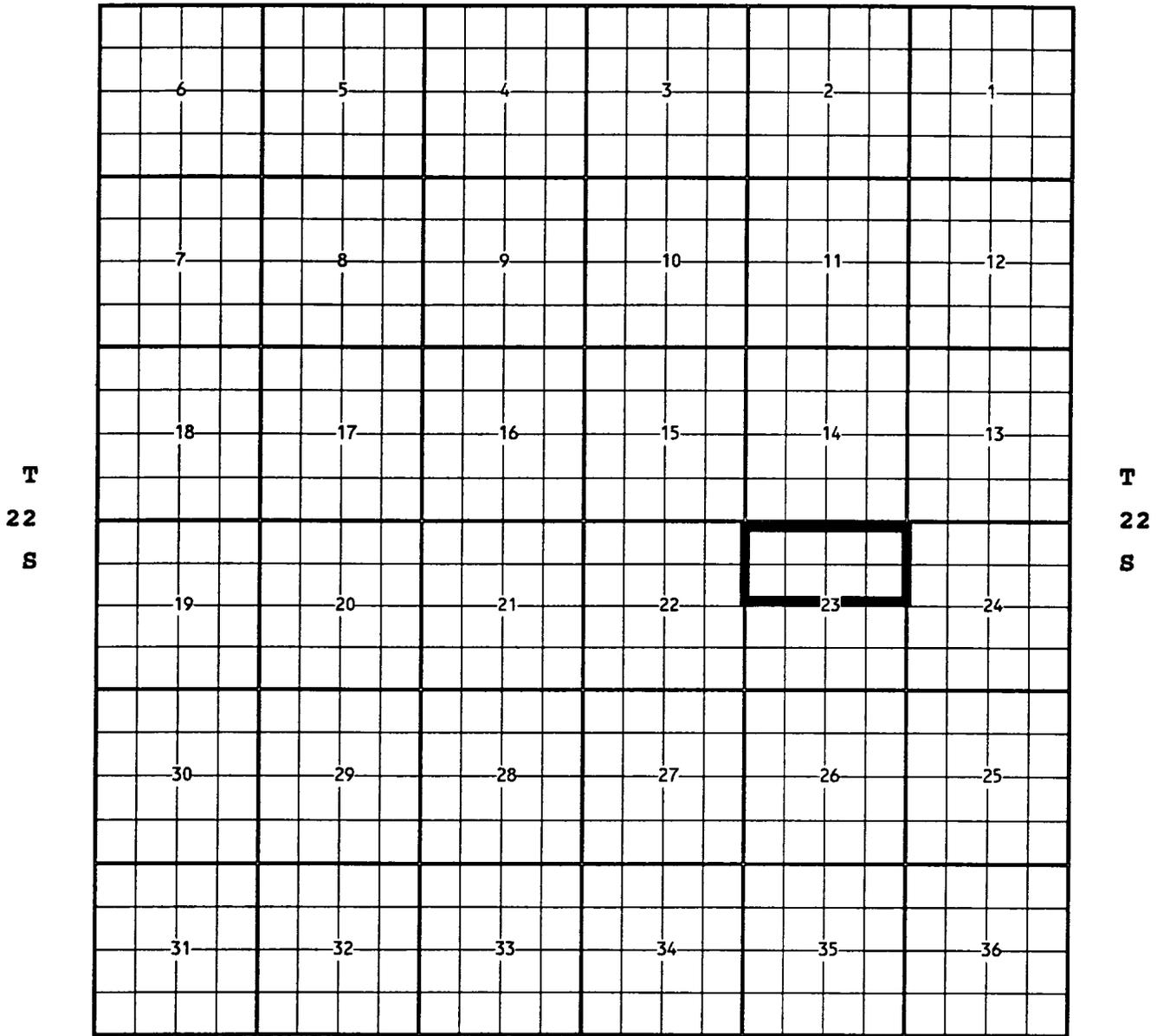
PURPOSE: Two completed oil wells capable of producing.
LBO New Mexico Inc. Alyssa Well No.1 located in Unit H of Section
27, Township 19 South, Range 38 East, NMPM. It was completed July
25, 1995, in the Seven Rivers formation. The top of the
perforations is at 3,000 feet. LBO New Mexico Inc. Tiffany Well
No. 1 located in Unit E of Section 26, Township 19 South, Range 38
East, NMPM. It was completed October 1, 1995, in the Yates
formation. The top of the perforations is at 3,015 feet.

Proposed pool boundary in bold outline. Section 26: NW/4
Section 27: NE/4

POOL: OJO CHISO;WOLFCAMP (GAS)

COUNTY LEA

R 34 E



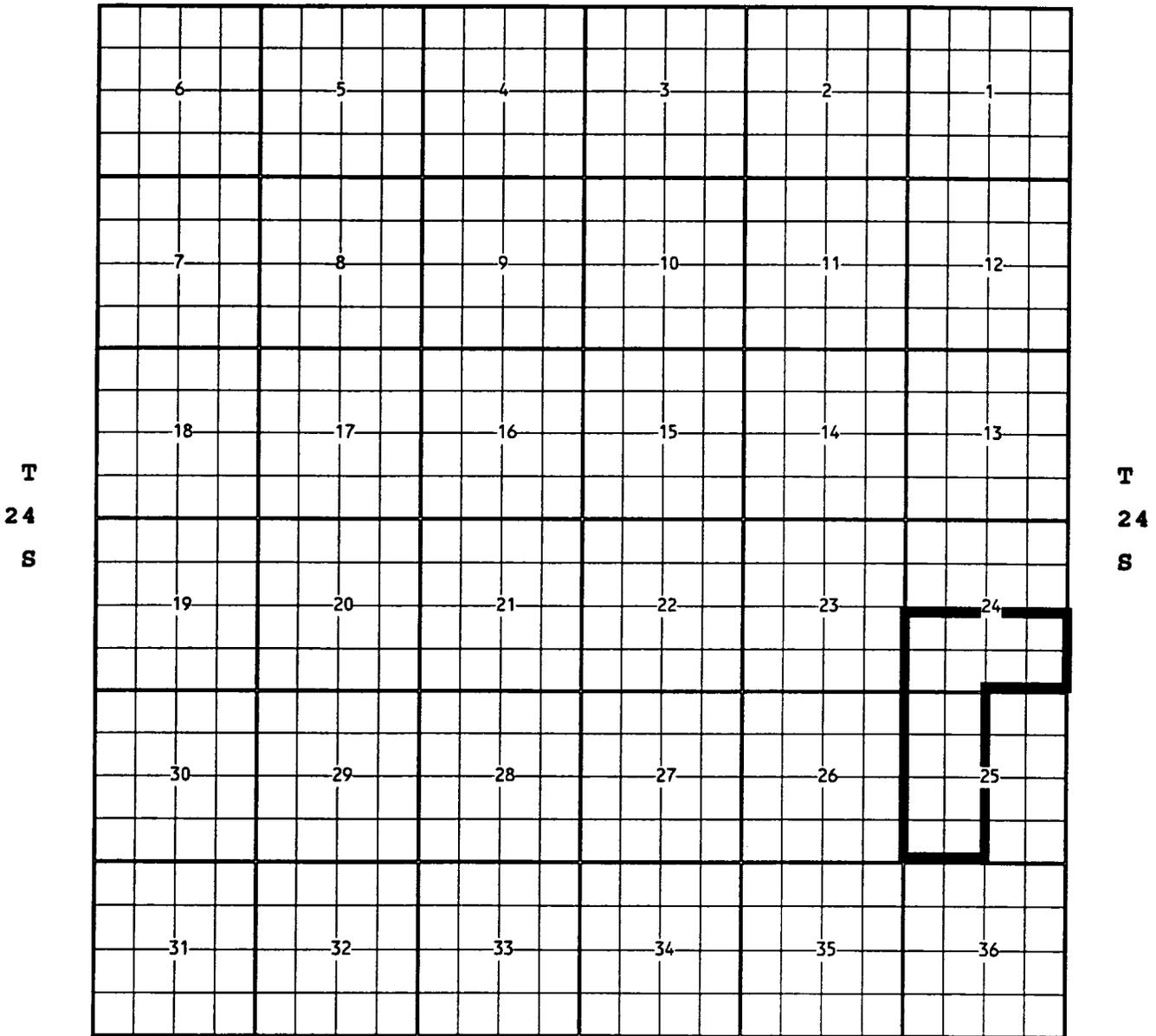
R 34 E

PURPOSE: One completed gas well capable of producing, BTA Oil Producers Chiso-C-8711 JV-P Well No. 1 located in Unit C of Section 23, Township 22 South, Range 34 East, NMPM. It was completed November 11, 1995, in the Wolfcamp formation. The top of the perforations is at 11,530 feet.

Proposed pool boundary in bold outline. Section 23: N/2

POOL: RED HILLS;BONE SPRING, NORTH COUNTY LEA

R 33 E



R 33 E

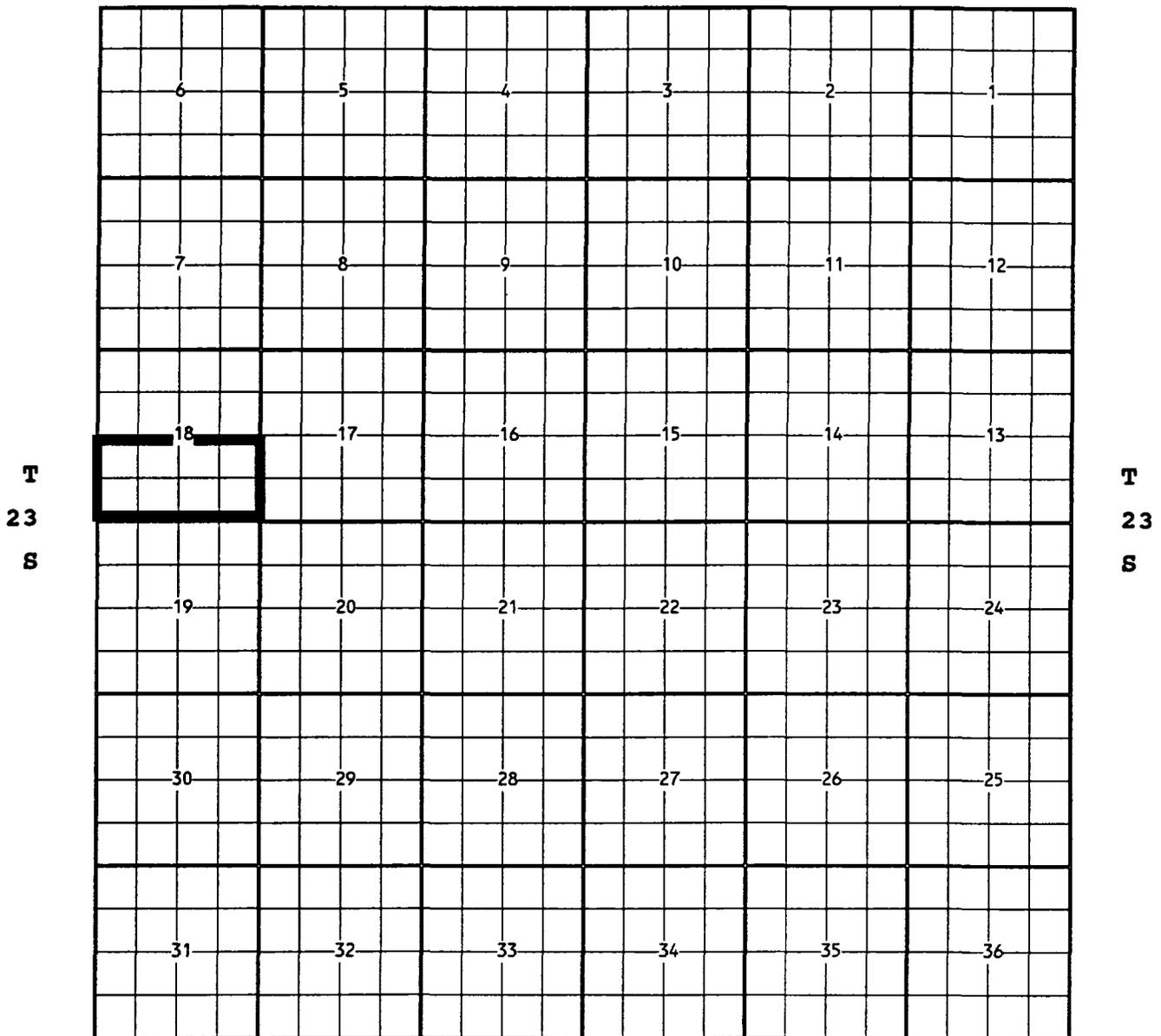
PURPOSE: One completed oil well capable of producing.
Meridian Oil Inc. Madera Ridge 25 Federal Well No. 1 located in
Unit L of Section 25, Township 24 South, Range 33 East, NMPM. It
was completed November 5, 1995, in the Bone Spring formation. The
top of the perforations is at 12,218 feet.

Proposed pool boundary in bold outline. Section 24: S/2
Section 25: W/2

POOL: SAN SIMON SINK;MORROW (GAS)

COUNTY LEA

R 35 E



R 35 E

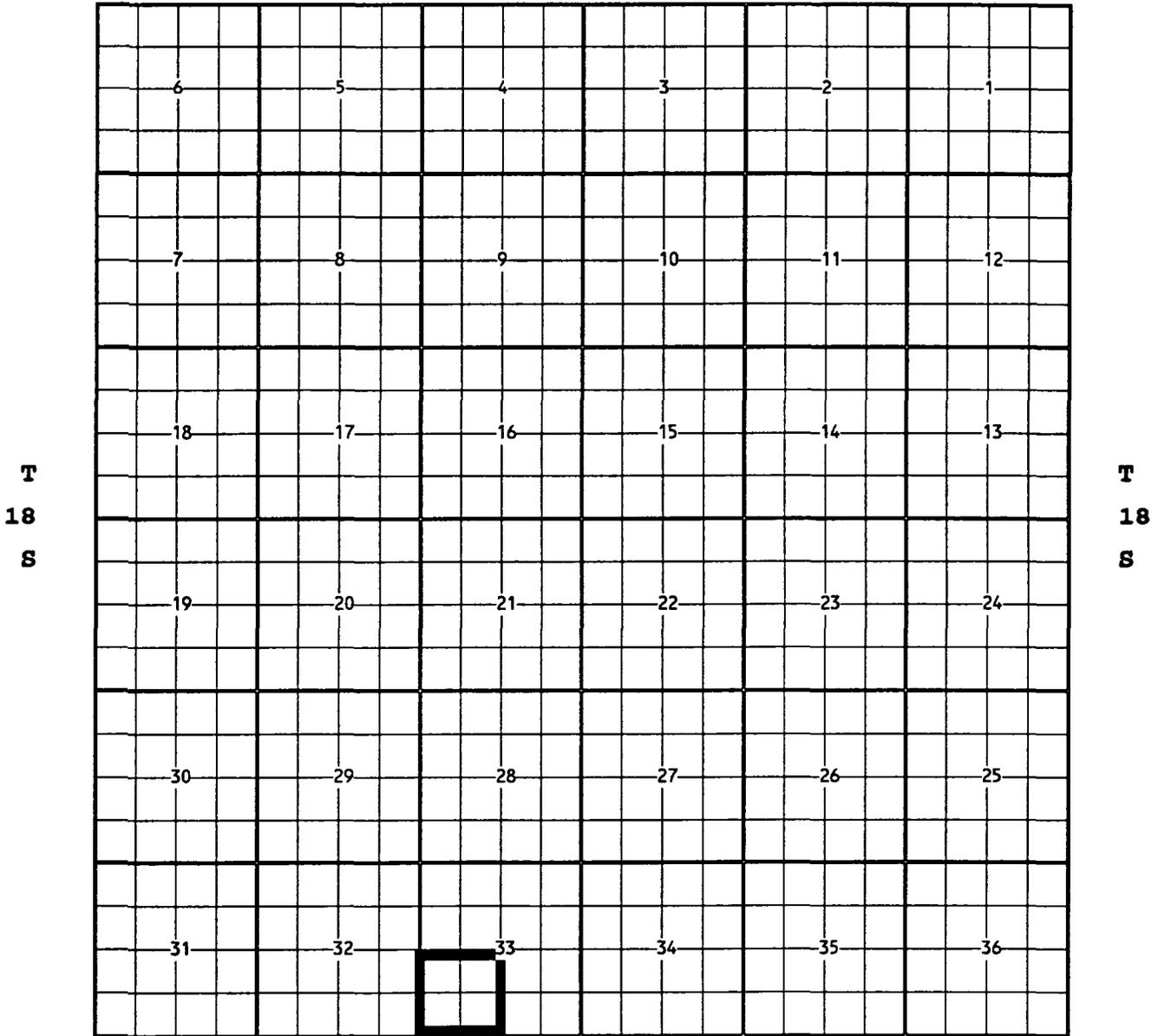
PURPOSE: One completed gas well capable of producing, Yates Petroleum Corporation San Simon Unit Well No. 1 located in Unit 0 of Section 18, Township 23 South, Range 35 East, NMFM. It was completed October 21, 1995, in the Morrow formation. The top of the perforations is at 13,688 feet.

Proposed pool boundary in bold outline. Section 18: S/2

POOL: YOUNG; SAN ANDRES, SOUTH

COUNTY LEA

R 32 E



R 32 E

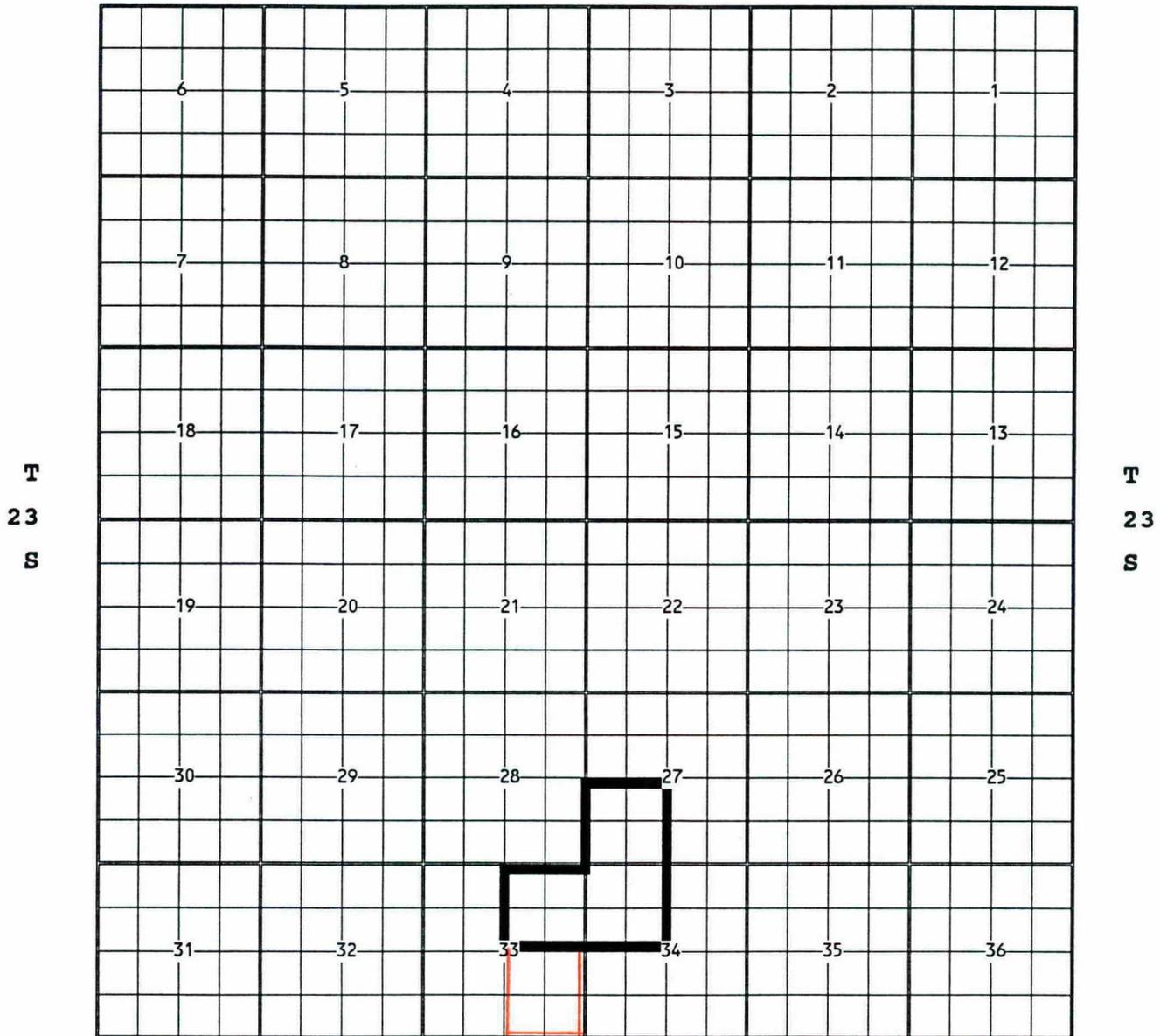
PURPOSE: One completed oil well capable of producing. Snow Oil & Gas Inc. Vandiver Federal Well No. 1 located in Unit K of Section 33, Township 18 South, Range 32 East, NMPM. It was completed August 10, 1995, in the San Andres formation. The top of the perforations is at 5,164 feet.

Proposed pool boundary in bold outline. Section 33: SW/4 _____

POOL: BELL LAKE; DELAWARE, EAST

COUNTY LEA

R 34 E



R 34 E

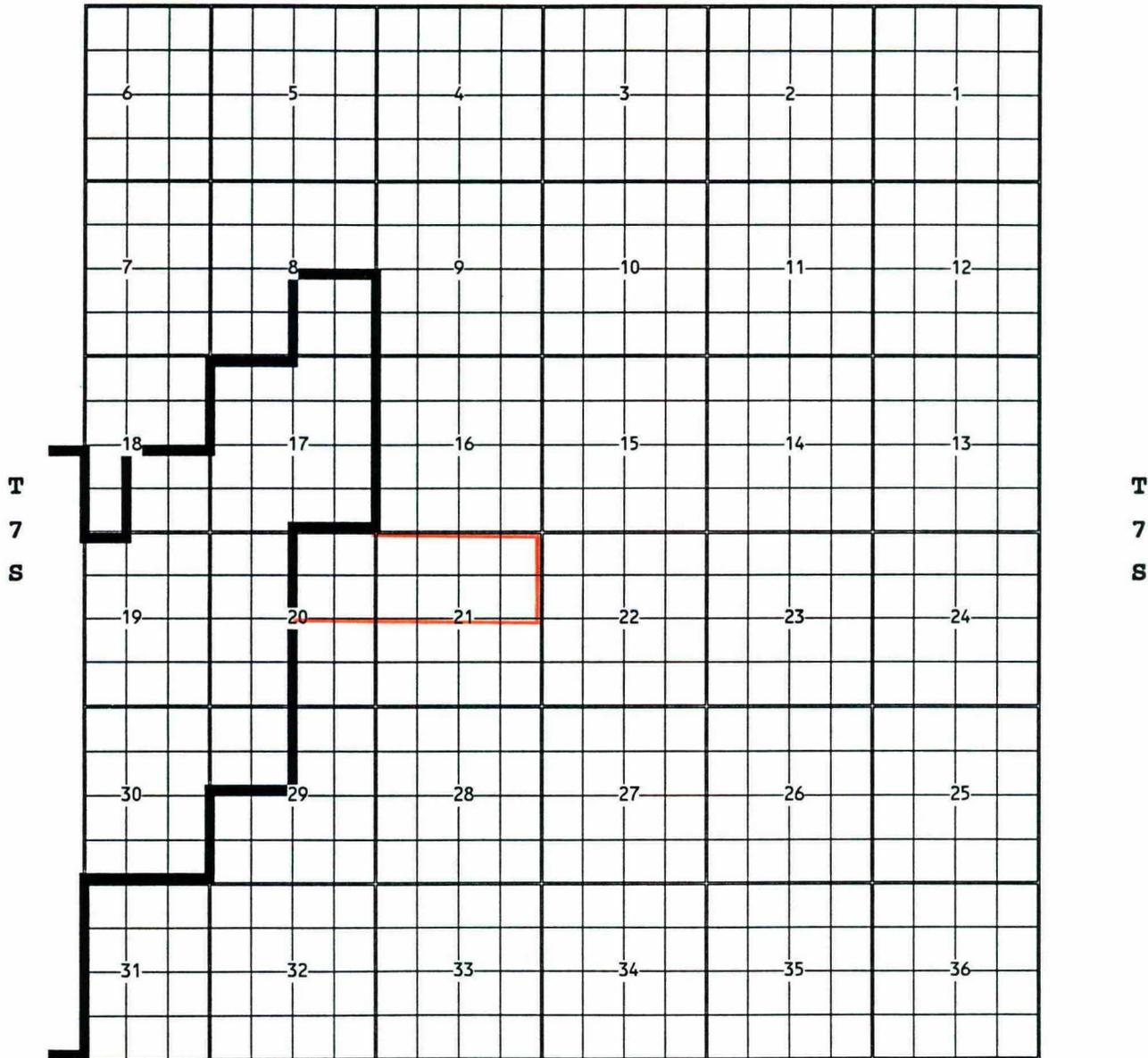
PURPOSE: One completed oil well capable of producing.
Strata Production Company Ciguena State Well No. 2 located in Unit
P of Section 33, Township 23 South, Range 34 East, NMPM. It was
completed September 1, 1995, in the Delaware formation. The top of
the perforations is at 6,896 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 33: SE/4

POOL: CHAVEROO; SAN ANDRES

COUNTY ROOSEVELT

R 34 E



NOTE: This is a narrow township.

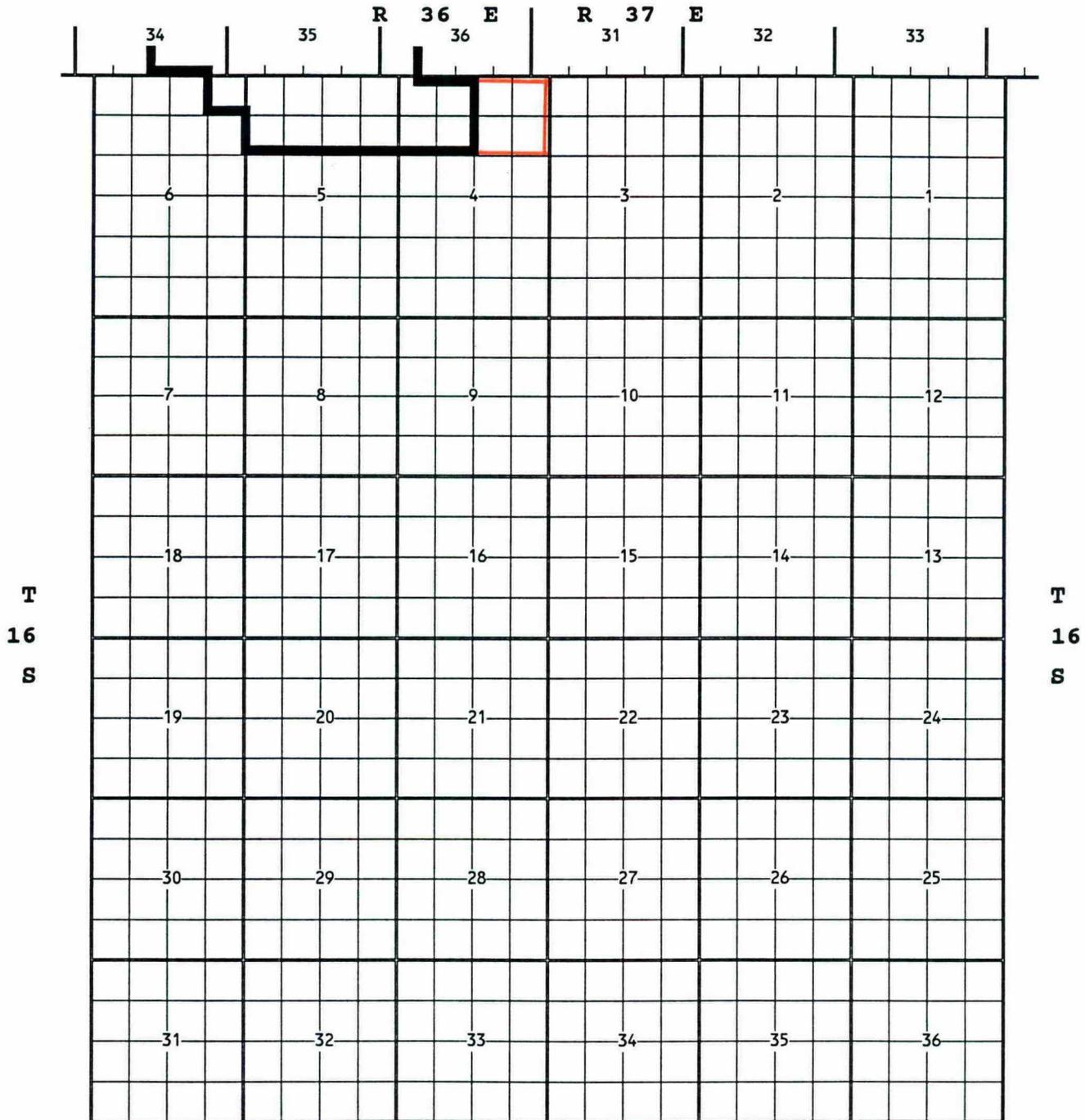
R 34 E

PURPOSE: One completed oil well capable of producing.
Strata Production Company Sunrise Federal Well No. 1 located in
Unit H of Section 21, Township 7 South, Range 34 East NMPM. It was
completed September 7, 1995, in the San Andres formation. The top
of the perforations is at 4,365 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 20: NE/4
Section 21: N/2

POOL: DEAN;PERMO PENN

COUNTY LEA



R 37 E

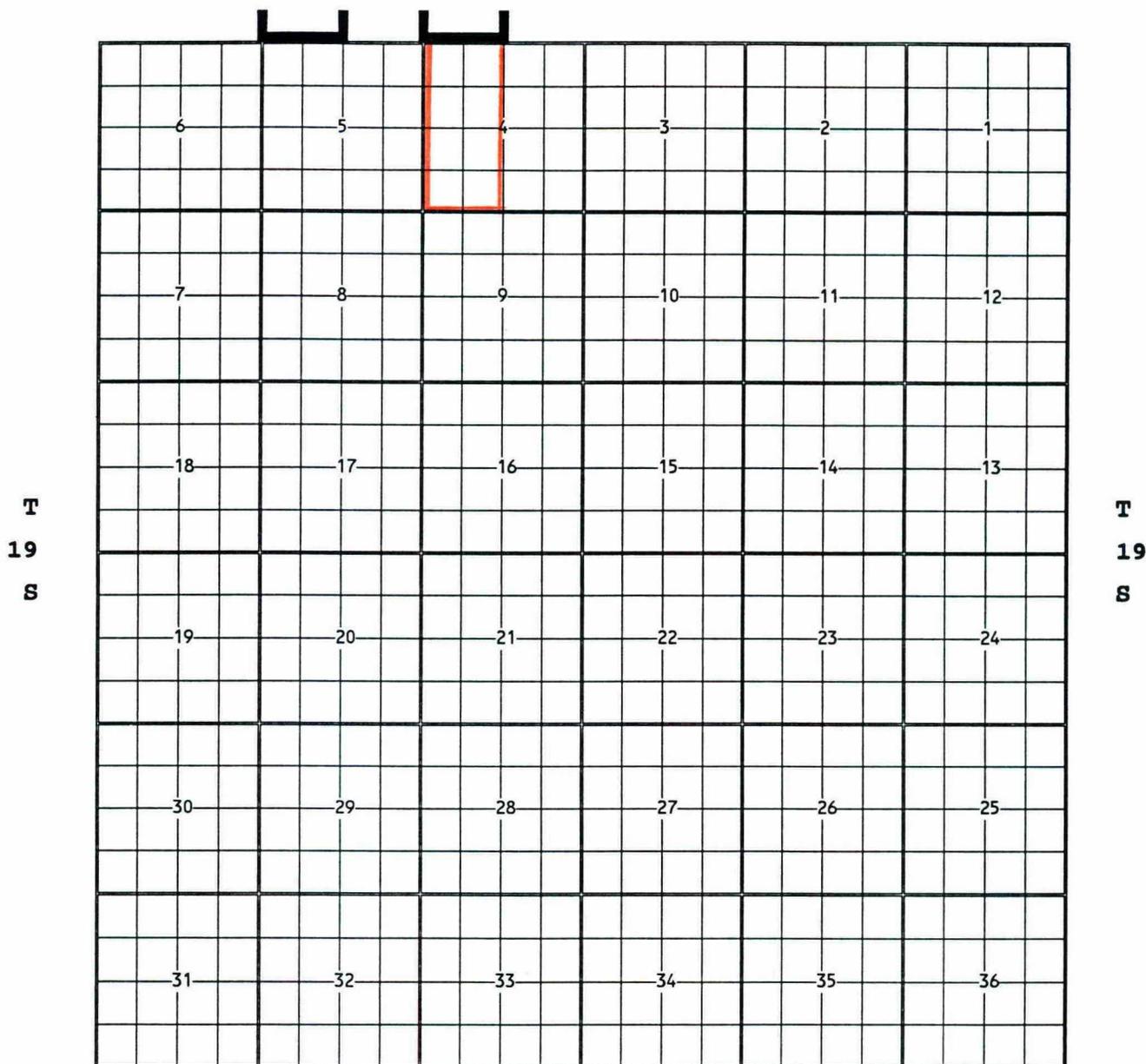
PURPOSE: One completed oil well capable of producing. TMBR/Sharp Drilling Inc. Gecko State 4 Well No. 1 located in Unit B of Section 4, Township 16 South, Range 37 East, NMPM. It was completed October 16, 1995, in the Permo Pennsylvanian formation. The top of the perforations is at 10,660 feet.

Pool boundary in bold outline. Proposed pool extension outlined in red. Section 4: Lots 1, 2, 7 & 8

POOL: E-K; BONE SPRING

COUNTY LEA

R 34 E



R 34 E

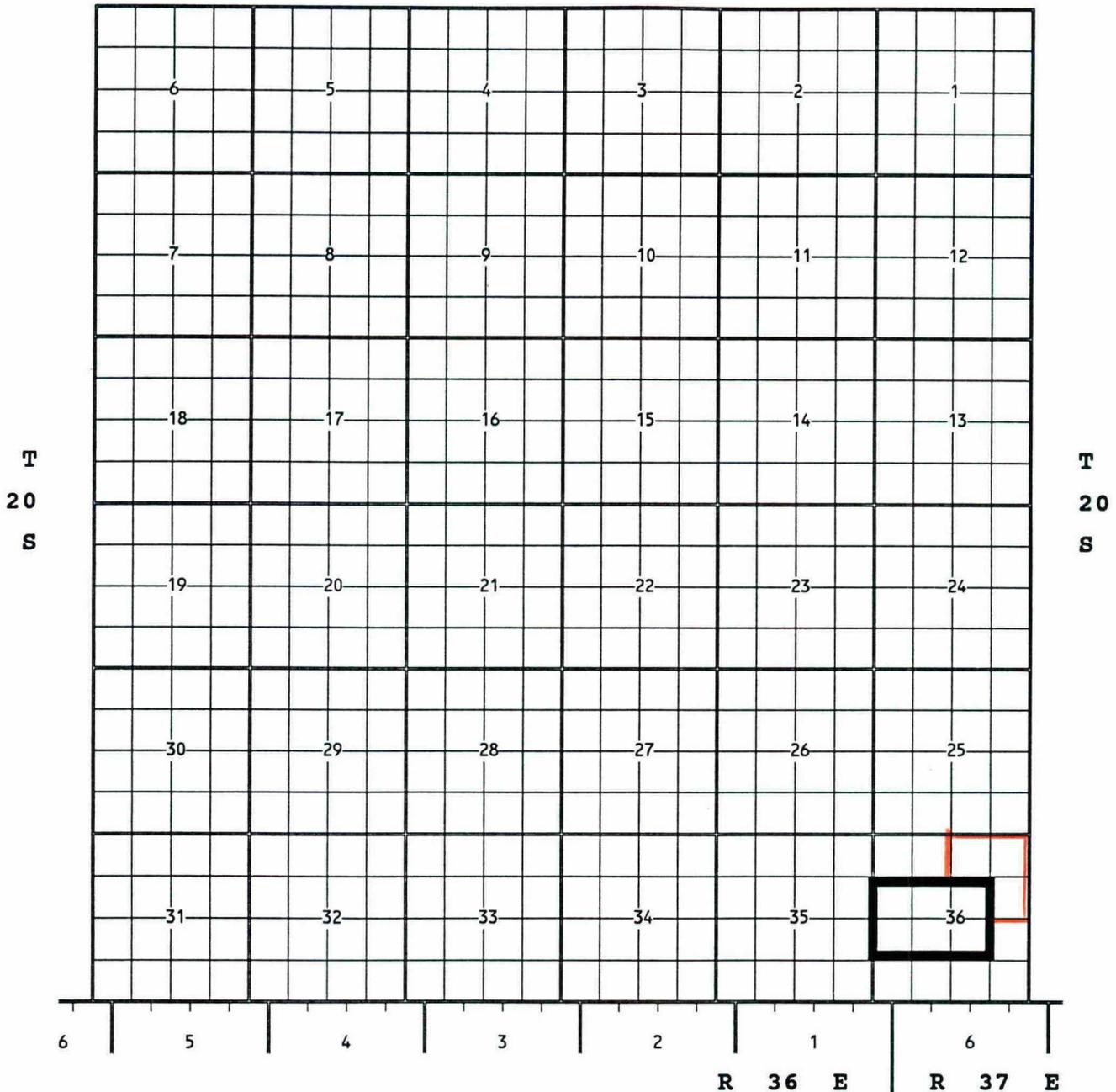
PURPOSE: One completed oil well capable of producing, Manzano Oil Corporation S.V. Bobwhite Federal Well No. 1 located in Unit L of Section 4, Township 19 South, Range 34 East, NMPM. It was completed September 2, 1995, in the Bone Spring formation. The top of the perforations is at 9,697 feet.

Pool boundary in bold outline.
 Proposed pool extension outlined in red. Section 4: W/2

POOL: **HARDY;TUBB-DRINKARD, NORTH**

COUNTY LEA

R 37 E



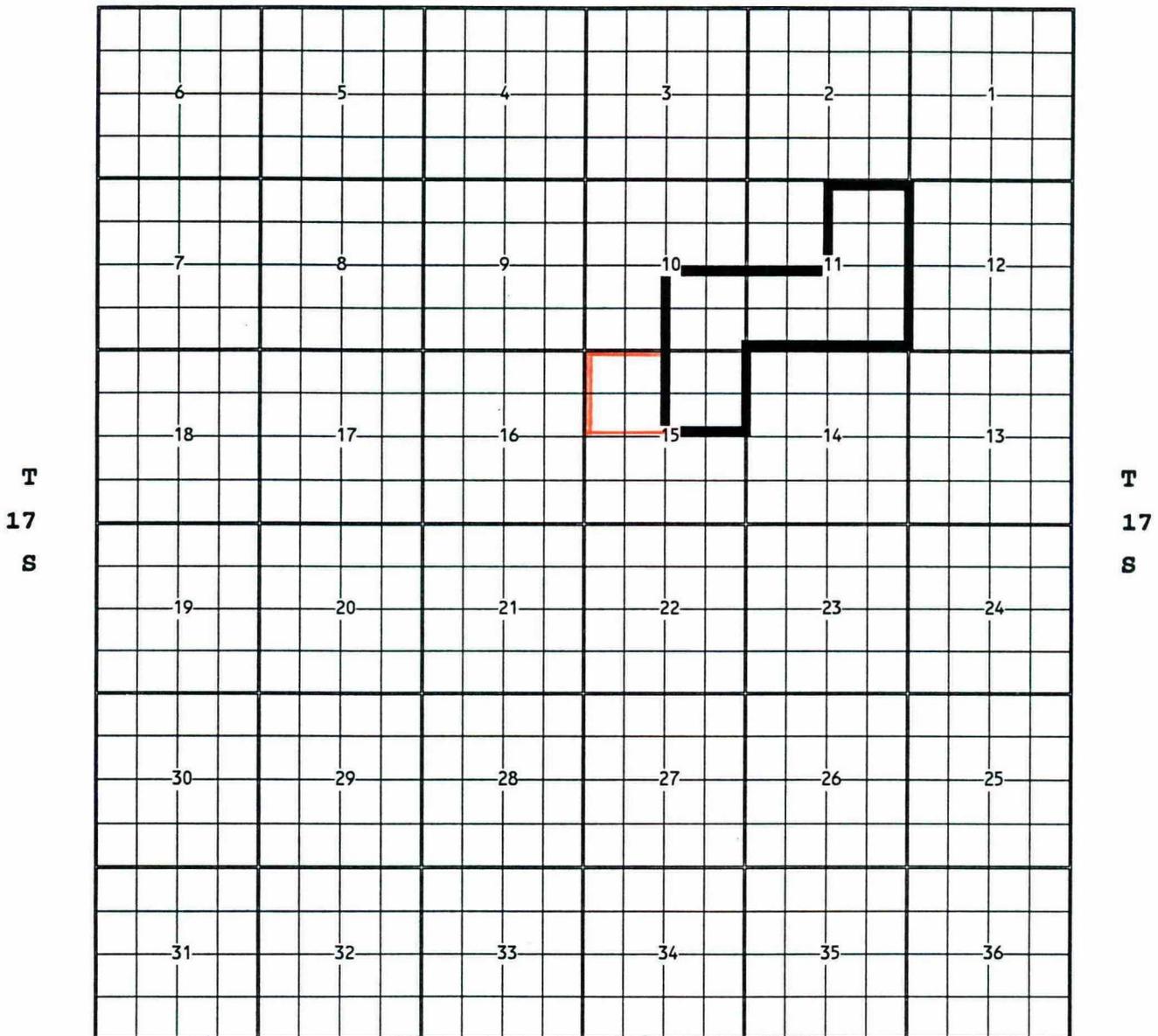
PURPOSE: One completed oil well capable of producing.
Conoco Inc. Hardy 36 State Well No. 18 located in Unit A of Section
36, Township 20 South, Range 37 East, NMPM. It was completed
September 20, 1995, in the Tubb/Drinkard formation. The top of the
perforations is at 6,440 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 36: N/2 NE/4 and
SE/4 NE/4

POOL: HUMBLE CITY;STRAWN

COUNTY _____ LEA _____

R 37 E



R 37 E

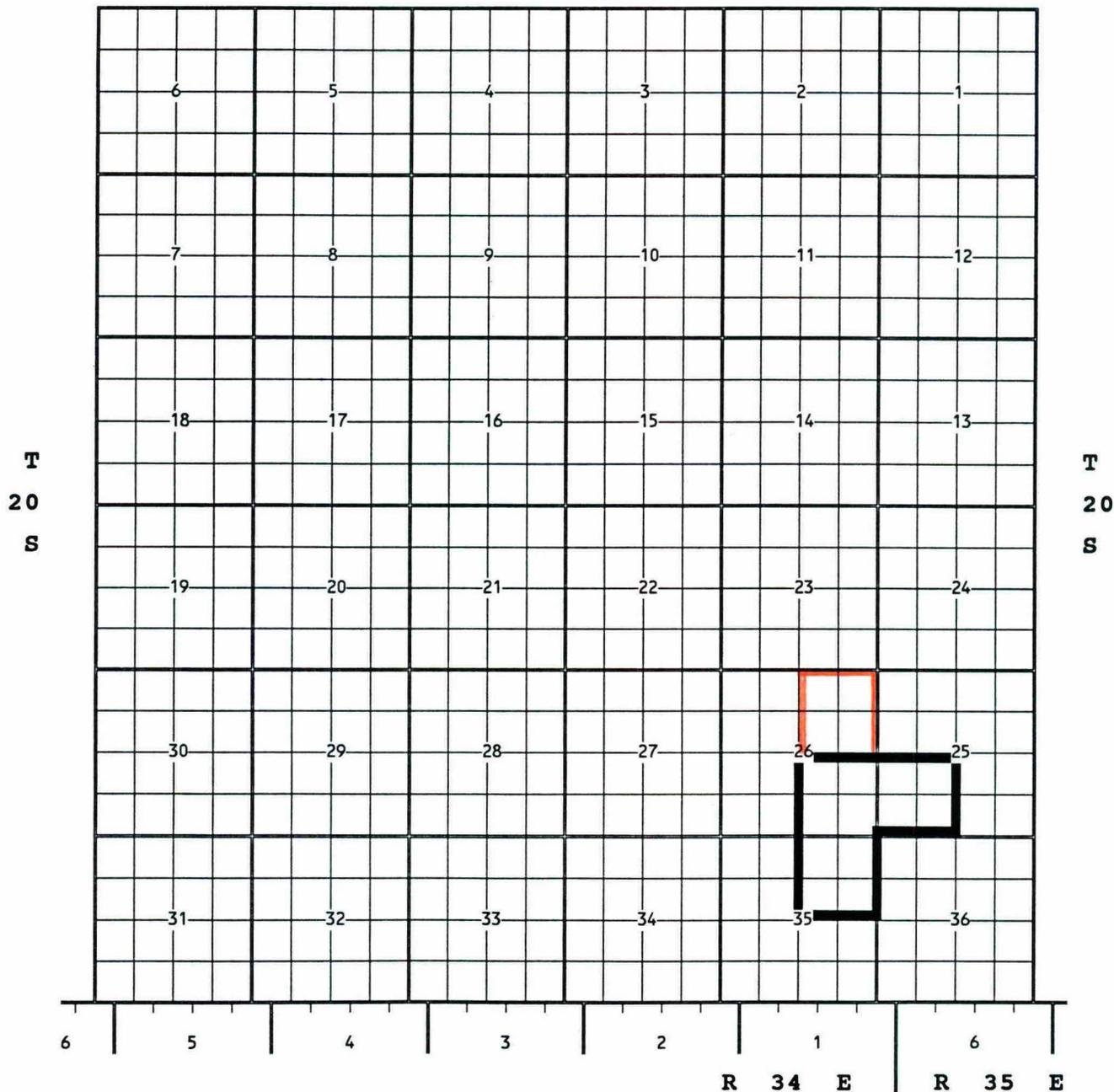
PURPOSE: One completed oil well capable of producing.
BTA Oil Producers Shipp B 9206 JV-P Well No. 1 located in Unit D of
Section 15, Township 17 South, Range 37 East, NMFM. It was
completed October 7, 1995, in the Strawn formation. The top of the
perforations is at 11,313 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 15: NW/4

POOL: LEA;WOLFCAMP, SOUTHEAST (GAS)

COUNTY LEA

R 35 E

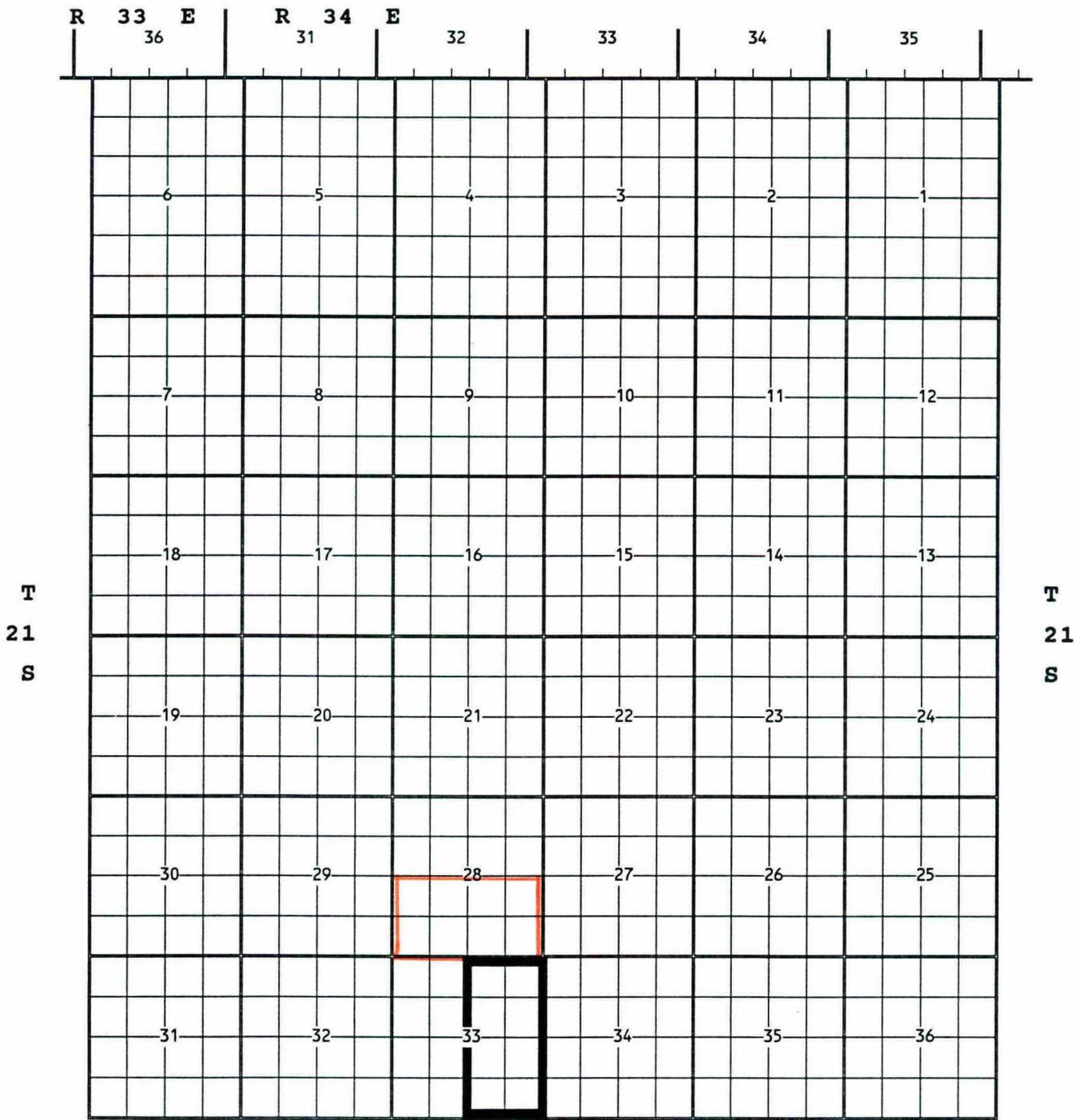


PURPOSE: One completed gas well capable of producing, _____
 Blake Production Company Inc. Southwest Lea Unit Well No. 3 located
 in Unit G of Section 26, Township 20 South, Range 35 East, NMPM.
 It was completed February 1, 1995, in the Wolfcamp formation. The
 top of the perforations is at 11,390 feet.

Pool boundary in bold outline.

Proposed pool extension outlined in red. Section 26: NE/4

POOL: LEGG; ATOKA-MORROW (GAS) COUNTY LEA



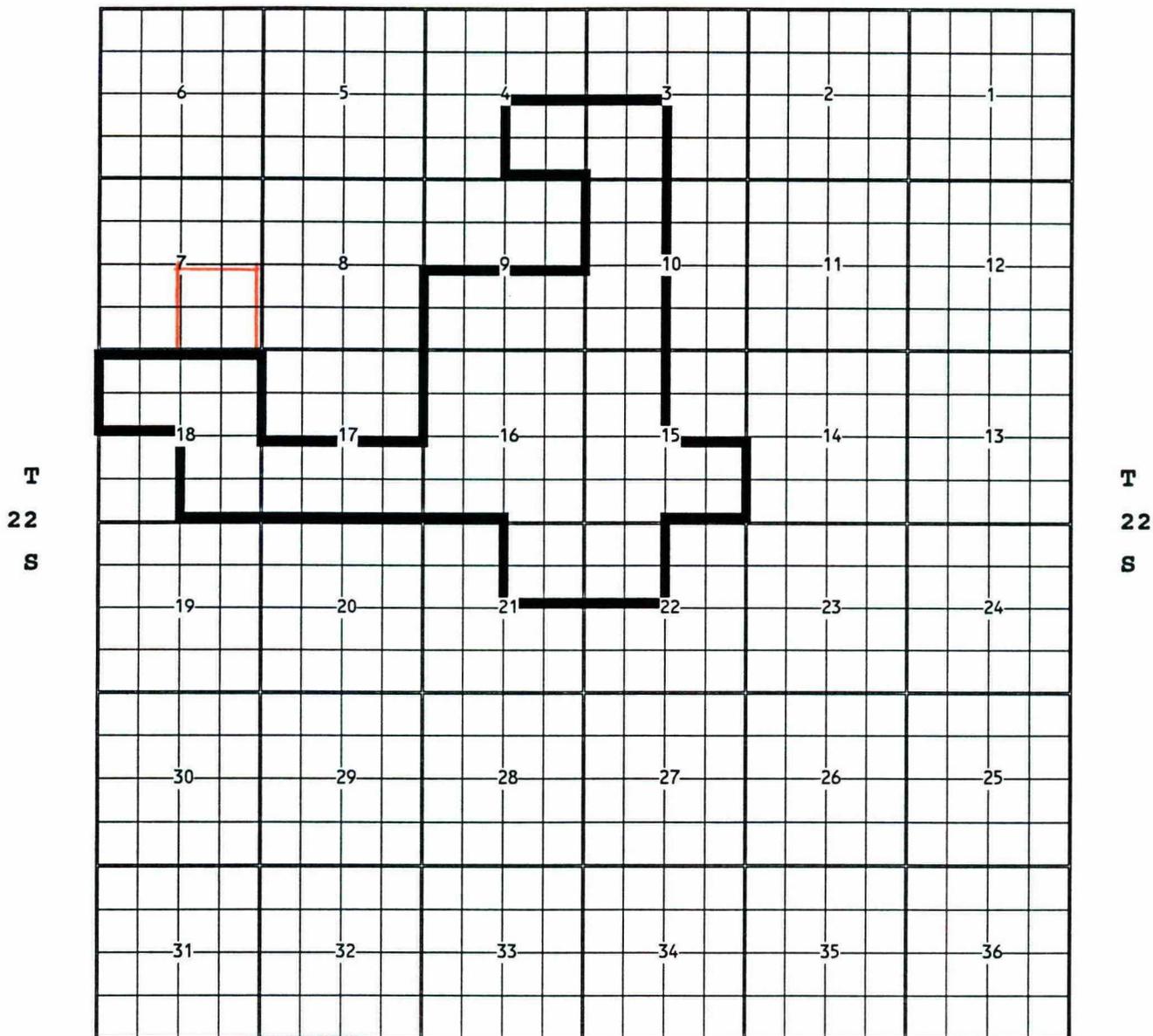
R 33 E

PURPOSE: One completed gas well capable of producing. Santa Fe Energy Resources Inc. Abe Unit Well No. 1 located in Unit O of Section 28, Township 21 South, Range 33 East, NMPM. It was completed November 29, 1995, in the Morrow formation. The top of the perforations is at 14,163 feet.

Pool boundary in bold outline. Proposed pool extension outlined in red. Section 28: S/2

POOL: LIVINGSTON RIDGE; DELAWARE, EAST COUNTY LEA

R 32 E



R 32 E

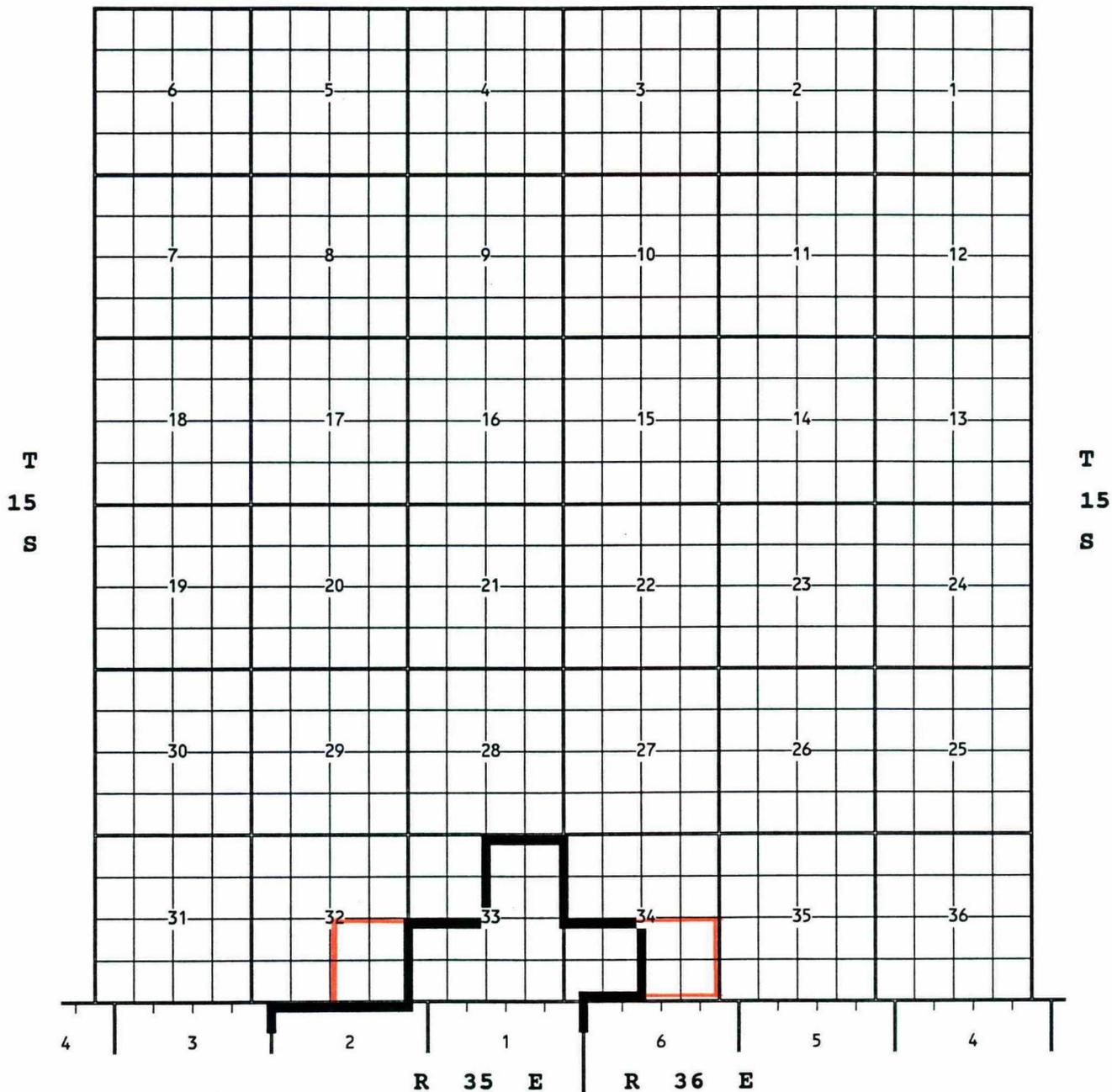
PURPOSE: One completed oil well capable of producing.
Pogo Producing Company East Livingston Ridge Unit Well No. 6
located in Unit P of Section 7, Township 22 South, Range 32 East,
NMPM. It was completed December 29, 1995, in the Delaware
formation. The top of the perforations is at 6,724 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 7: SE/4

POOL: LOVINGTON;STRAWN, WEST

COUNTY LEA

R 35 E



PURPOSE: Two completed oil wells capable of producing.
Charles B. Gillespie Jr. Baer Well No. 2 located in Unit O of
Section 32, Township 15 South, Range 35 East, NMPM. It was
completed September 9, 1995, in the Strawn formation. The top of
the perforations is at 11,554 feet. Gillespie Crow, Inc. State S
Well No. 1 located in Unit J of Section 34, Township 15 South,
Range 35 East, NMPM. It was completed October 20, 1995, in the
Strawn formation. The top of the perforations is at 11,526 feet.

Pool boundary in bold outline.

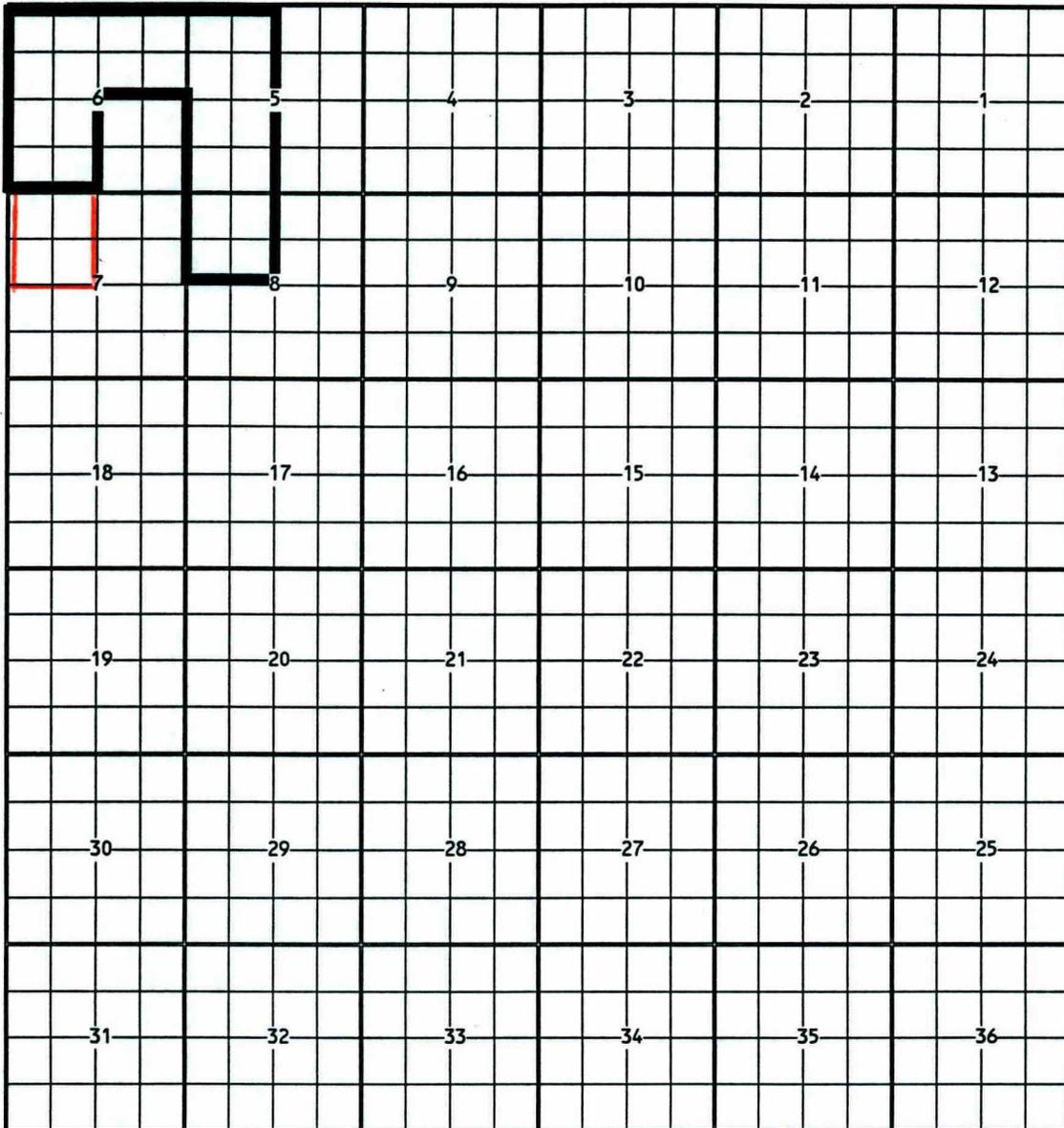
Proposed pool extension outlined in red. Section 32: SE/4

Section 34: SE/4

POOL: MESA VERDE;BONE SPRING

COUNTY LEA

R 32 E



R 32 E

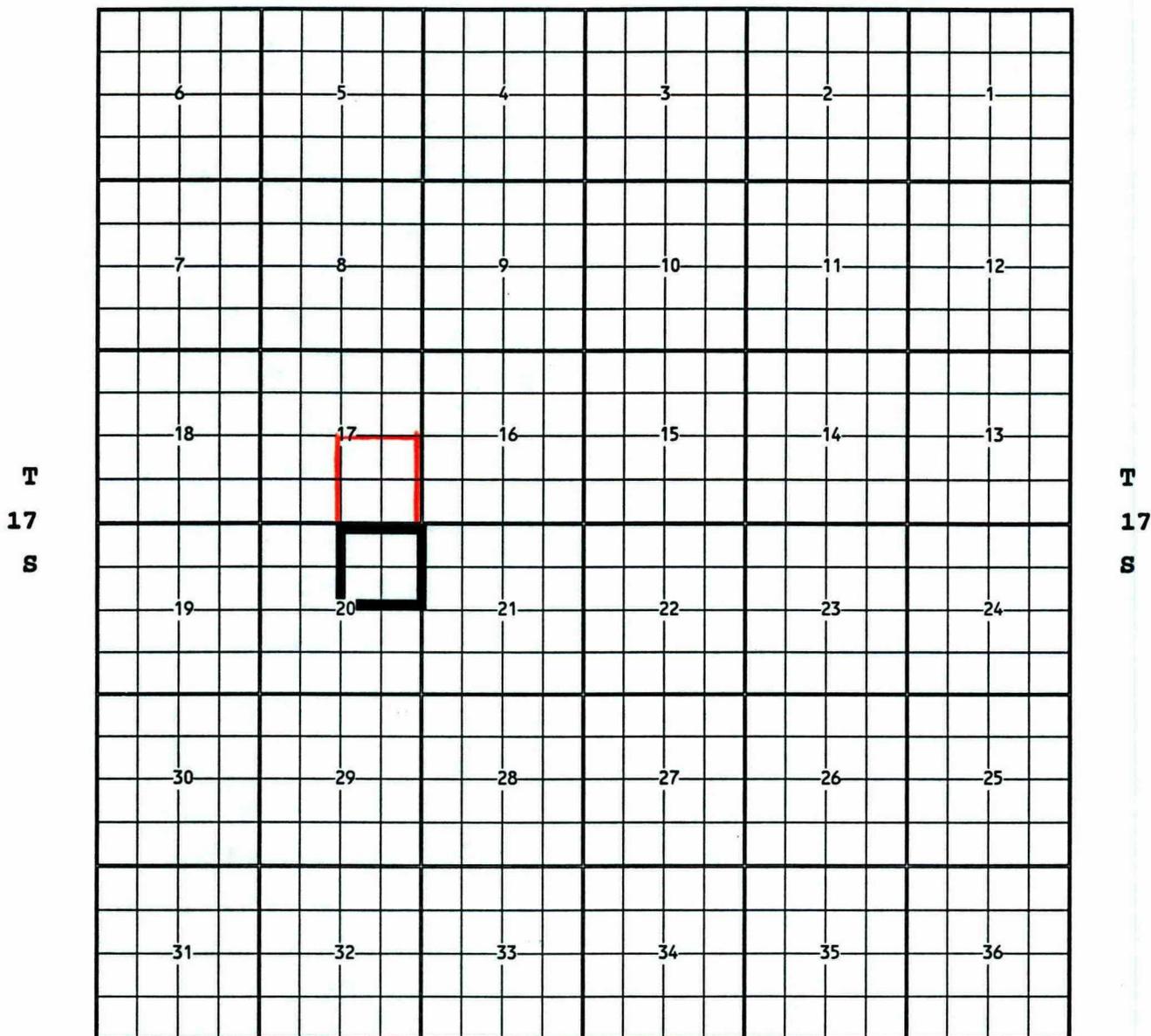
PURPOSE: One completed oil well capable of producing.
Santa Fe Energy Resources Inc. Mesa Verde 7 Federal Well No. 7
located in Unit D of Section 7, Township 24 South, Range 32 East.
NMPM. It was completed October 18, 1995, in the Bone Spring
formation. The top of the perforations is at 8,522 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 7: NW/4

POOL: MIDWAY; STRAWN, SOUTH

COUNTY LEA

R 37 E



R 37 E

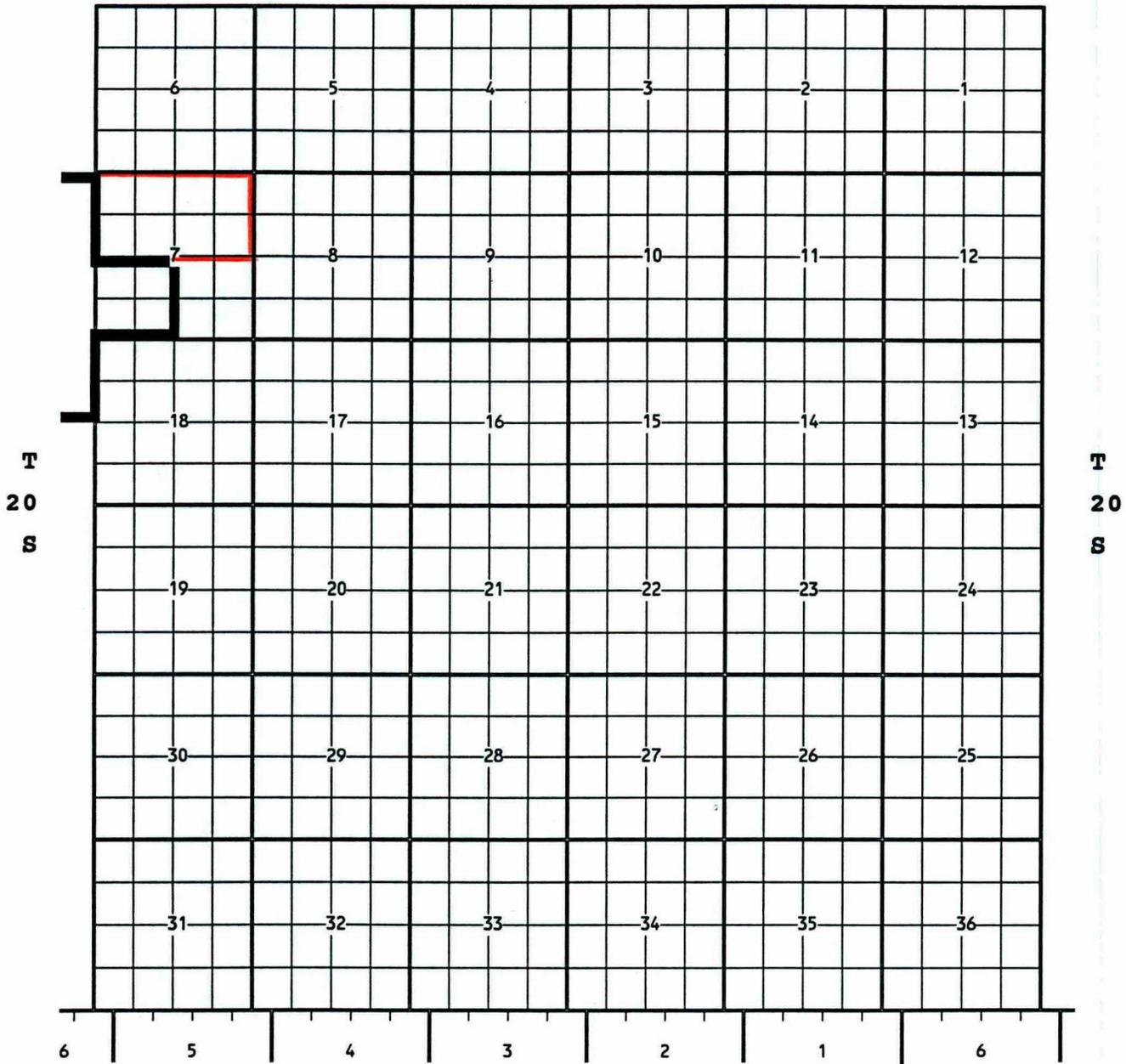
PURPOSE: One completed oil well capable of producing.
Dalen Resources Oil & Gas Company Shipp State 17 Well No. 1 located
in Unit P of Section 17, Township 17 South, Range 37 East, NMPM.
It was completed November 18, 1995, in the Strawn formation. The
top of the perforations is at 10,972 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 17: SE/4

POOL: MONUMENT;TUBB

COUNTY LEA

R 38 E



R 37 E R 38 E

PURPOSE: One completed oil well capable of producing. Oxy USA Inc. Byers B Well No. 2 located in Unit G of Section 7, Township 20 South, Range 38 East, NMPM. It was completed March 18, 1995, in the Tubb formation. The top of the perforations is at 6,401 feet.

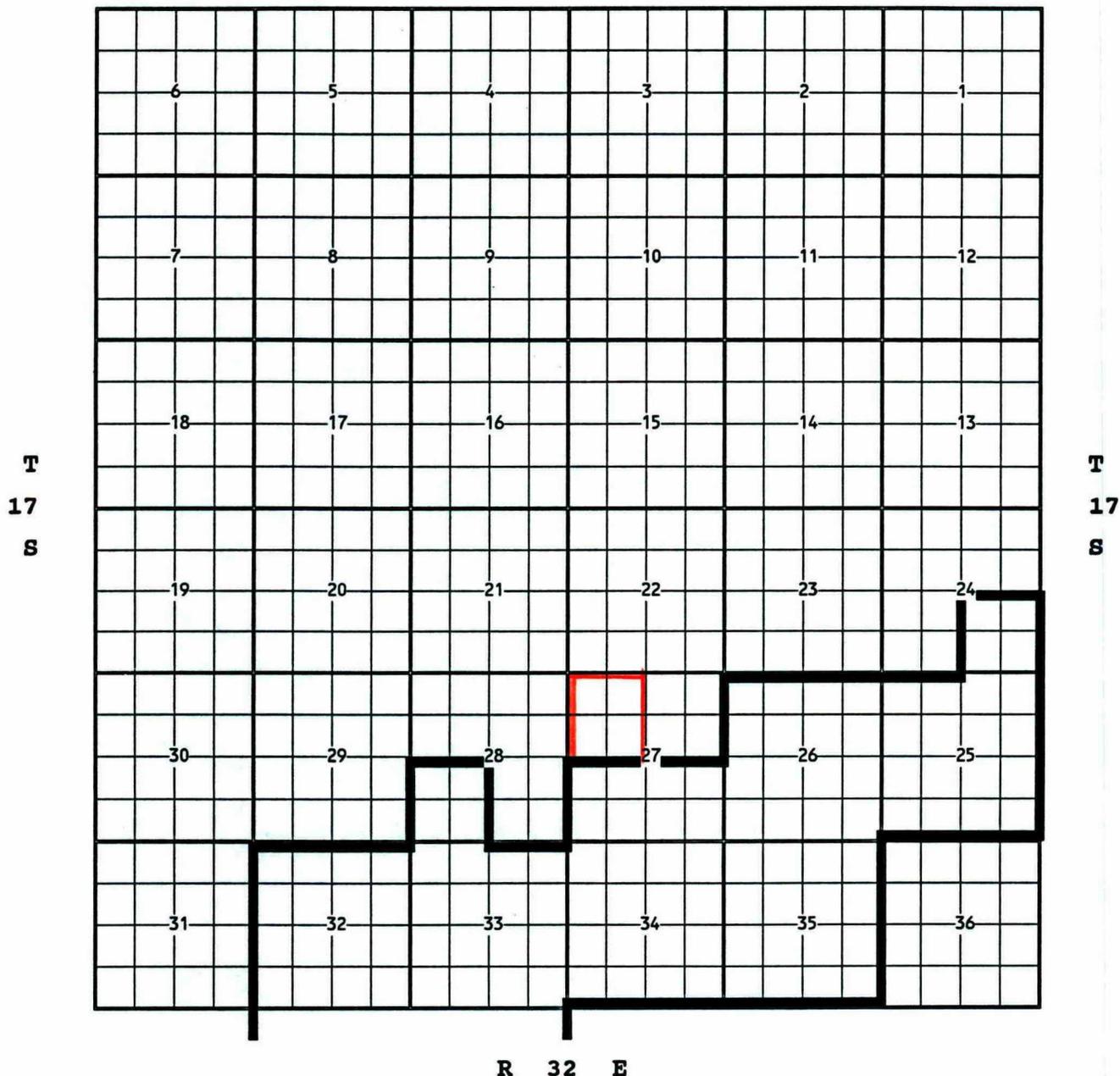
Pool boundary in bold outline.

Proposed pool extension outlined in red. Section 7: N/2

POOL: PEARSALL;QUEEN

COUNTY LEA

R 32 E



R 32 E

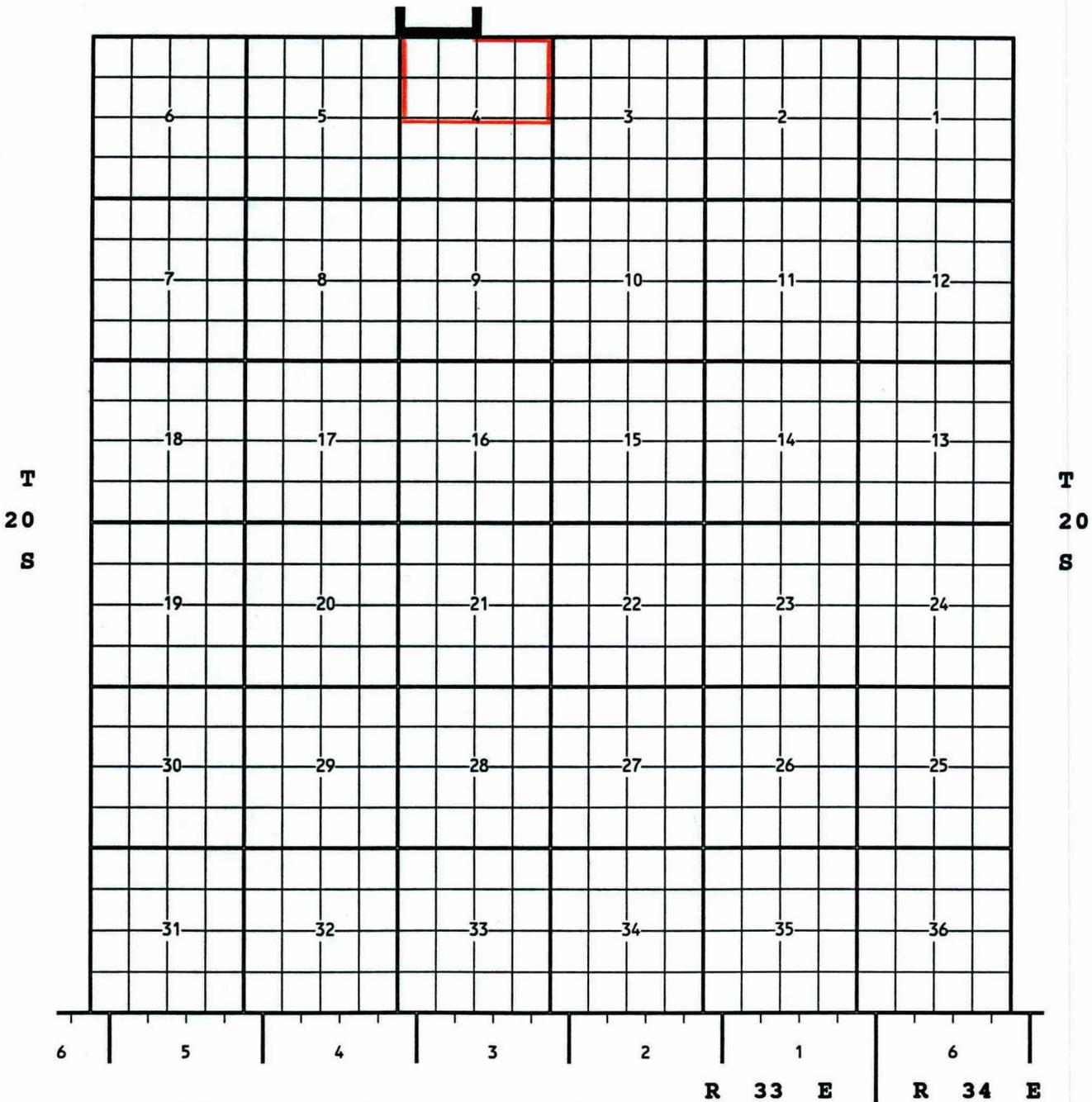
PURPOSE: One completed oil well capable of producing.
Conoco Inc. Queen B Well No. 6 located in Unit F of Section 27,
Township 17 South, Range 32 East, NMPM. It was completed May 21,
1995, in the Queen formation. The top of the perforations is at
3,178 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 27: NW/4

POOL: QUAIL RIDGE; BONE SPRING, SOUTH

COUNTY LEA

R 34 E

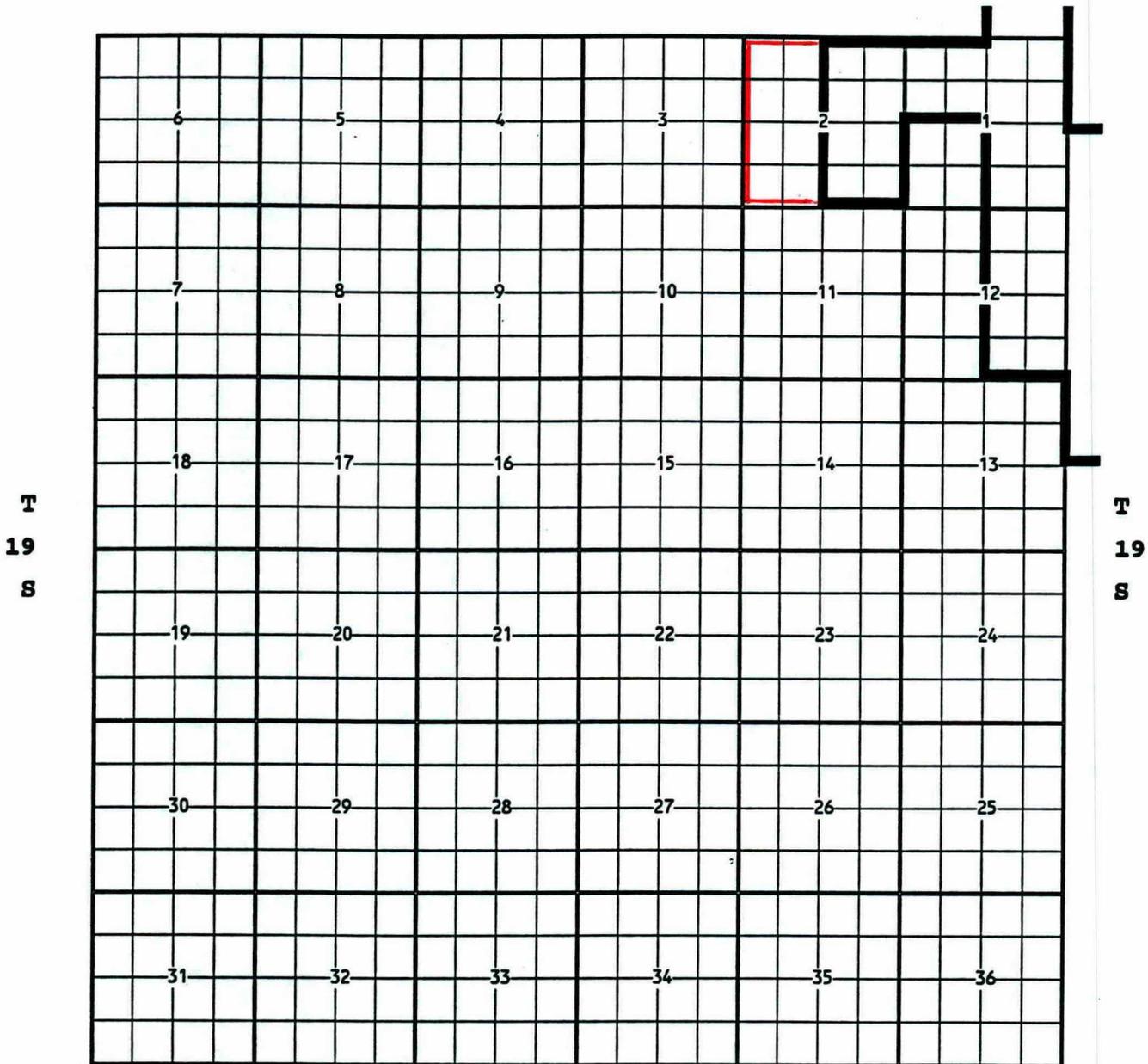


PURPOSE: One completed oil well capable of producing, Read & Stevens Inc. Hudson Federal Well No. 1 located in Unit H of Section 4, Township 20 South, Range 34 East, NMPM. It was completed November 2, 1995, in the Bone Spring formation. The top of the perforations is at 10,104 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 4: N/2

POOL: QUAIL RIDGE; MORROW, NORTH (GAS) COUNTY LEA

R 33 E



R 33 E

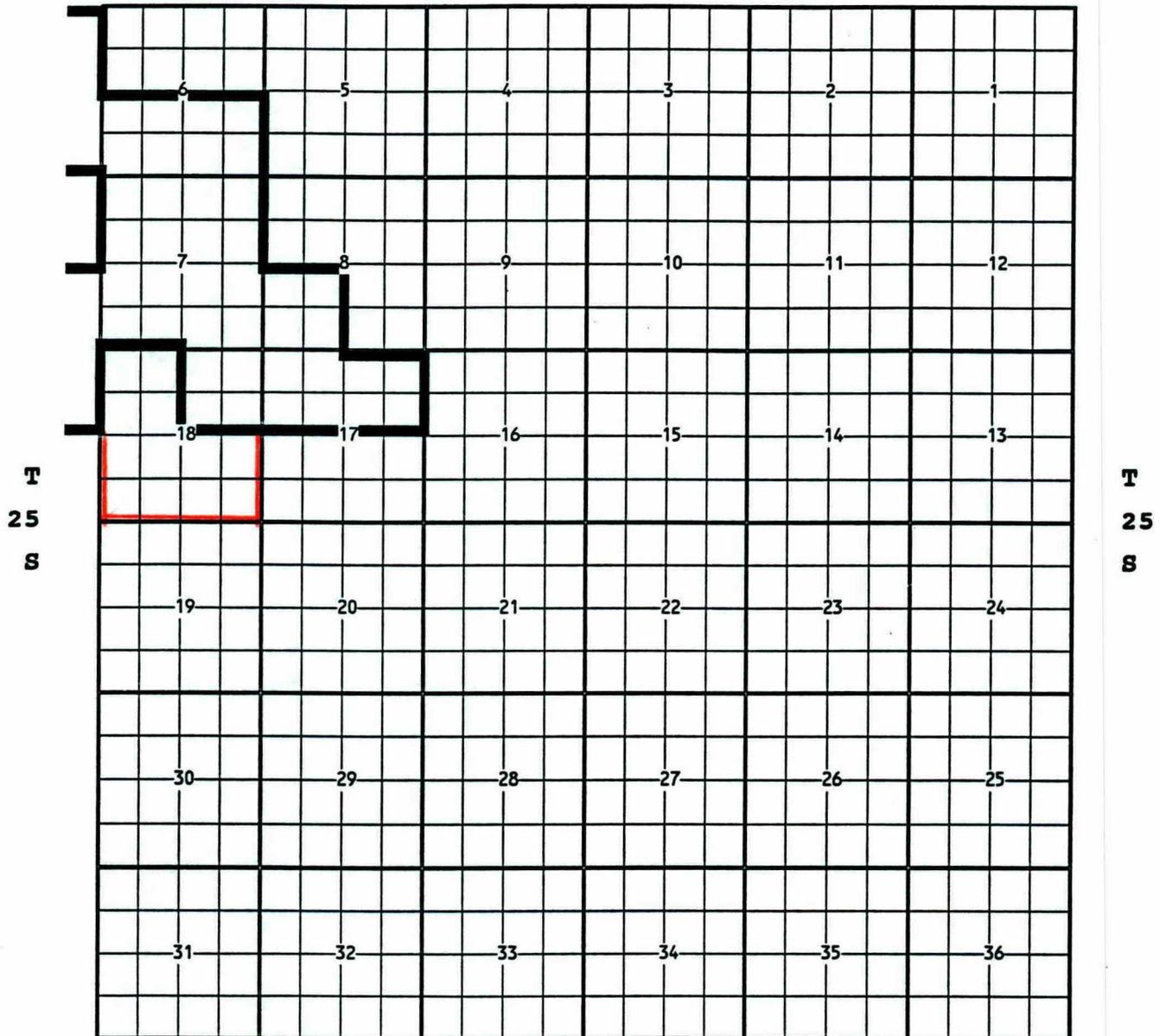
PURPOSE: One completed gas well capable of producing. Nearburg Producing Company Buffalo 2K State Com Well No. 1 located in Unit K of Section 2, Township 19 South, Range 33 East, NMPM. It was completed October 11, 1995, in the Morrow formation. The top of the perforations is at 12,997 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 2: W/2

POOL: RED HILLS; BONE SPRING

COUNTY LEA

R 34 E



R 34 E

PURPOSE: Two completed oil wells capable of producing. Enron Oil & Gas Company Diamond 18 Federal Well No. 5 located in Unit I of Section 18, Township 25 South, Range 34 East, NMPM. It was completed October 19, 1995, in the Bone Spring formation. The top of the perforations is at 12,220 feet. Enron Oil & Gas Company Diamond 18 Federal Well No. 6 located in unit K of Section 18, Township 25 South, Range 34 East, NMPM. It was completed November 21, 1995, in the Bone Spring formation. The top of the perforations is at 12,204 feet.

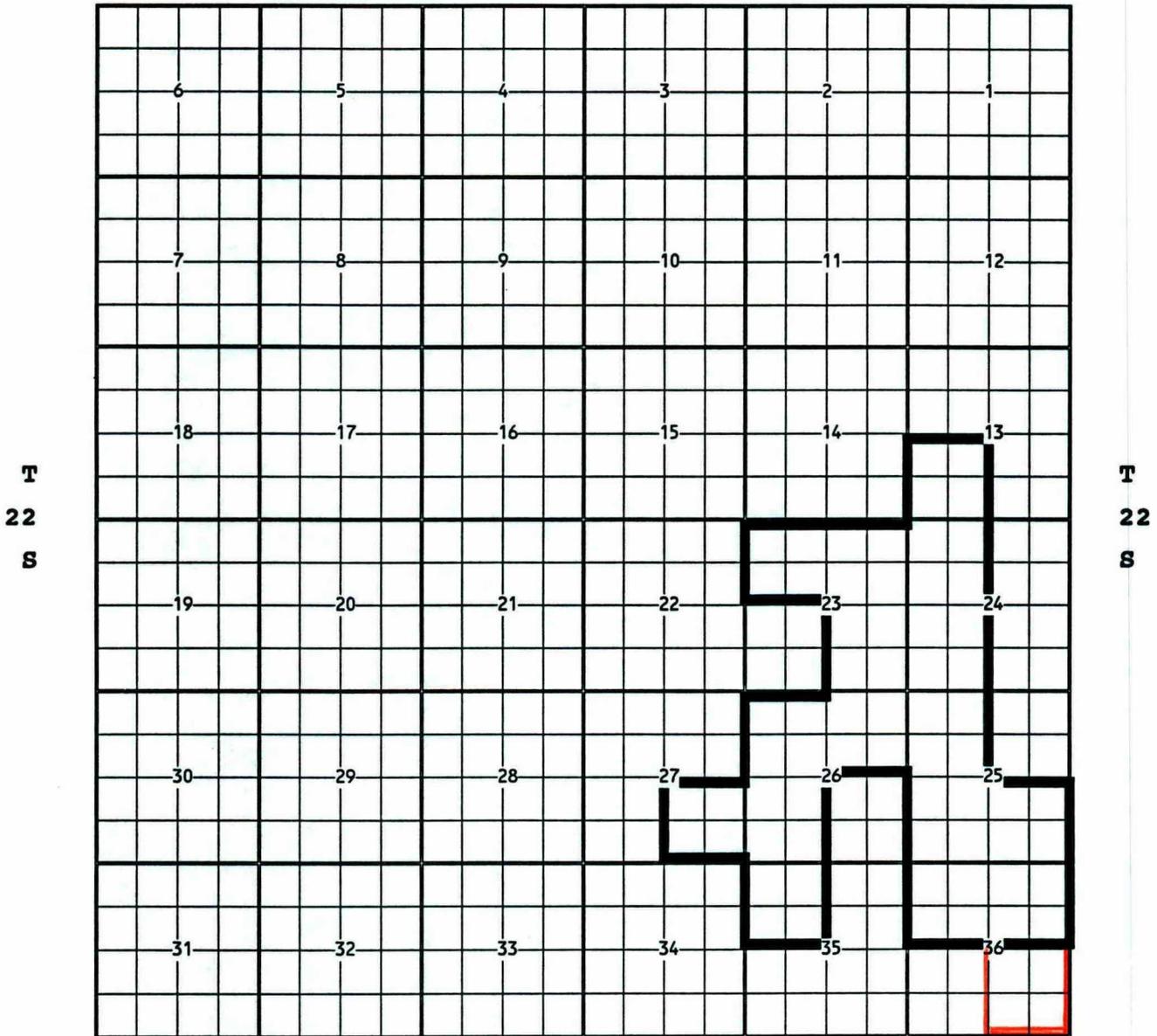
Pool boundary in bold outline.

Proposed pool extension outlined in red. Section 18: W/2 and SE/4

POOL: RED TANK; BONE SPRING

COUNTY LEA

R 32 E



R 32 E

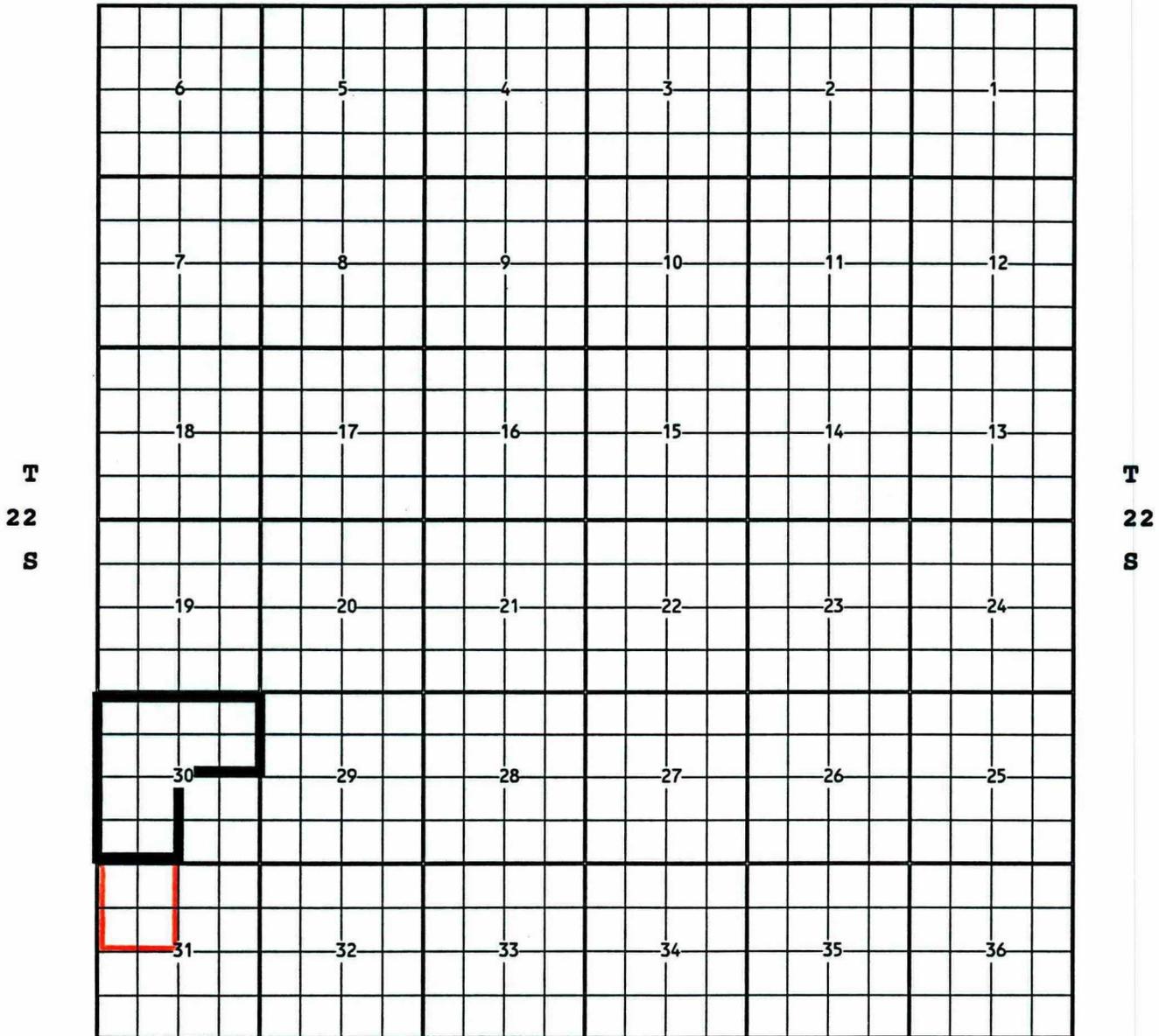
PURPOSE: One completed oil well capable of producing.
Meridian Oil Inc. Mule Deer 36 State Well No. 3 located in Unit J
of Section 36, Township 22 South, Range 32 East, NMPM. It was
completed October 21, 1995, in the Bone Spring formation. The top
of the perforations is at 8,889 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 36: SE/4

POOL: RED TANK;BONE SPRING, EAST

COUNTY LEA

R 33 E



R 33 E

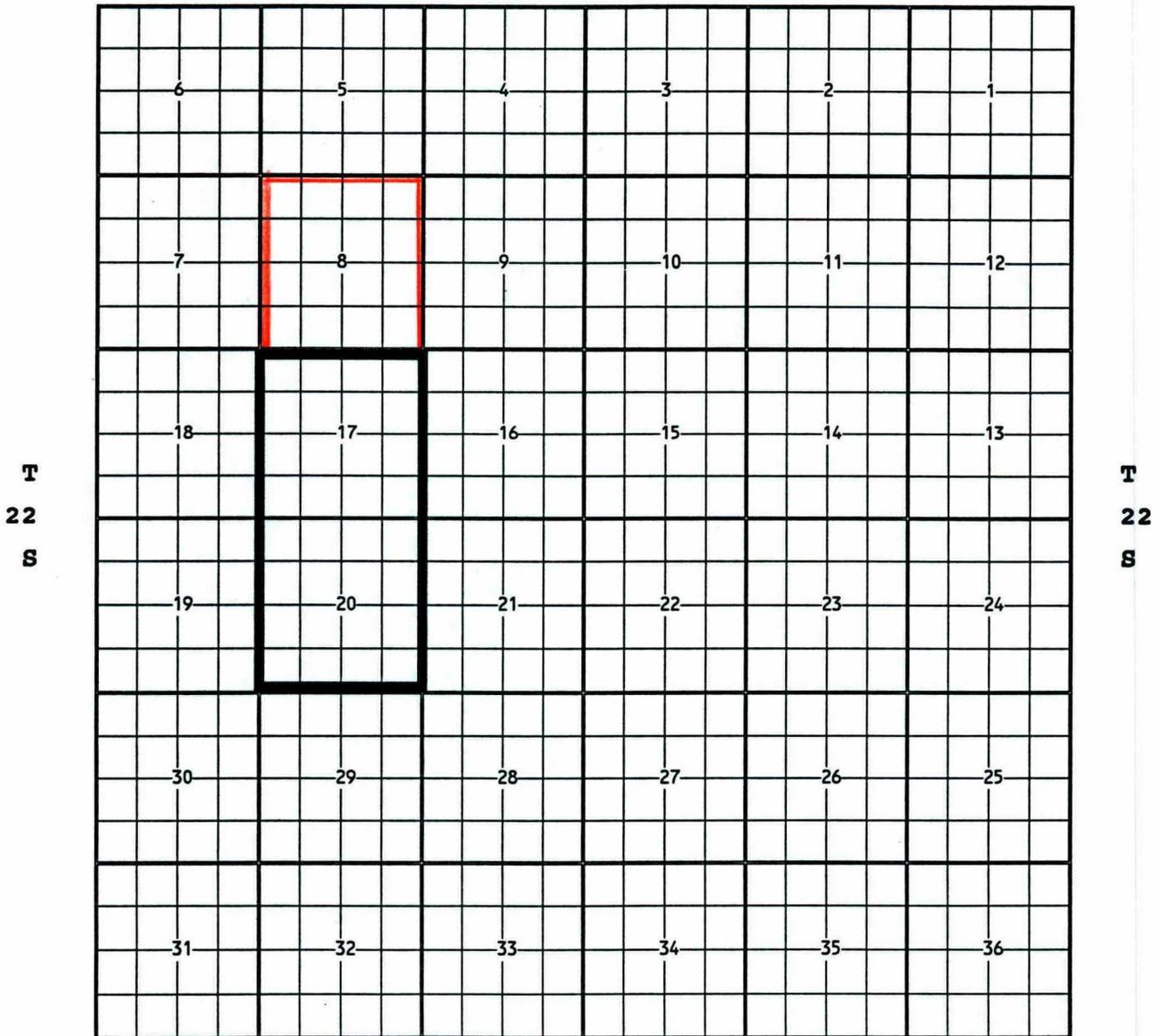
PURPOSE: One completed oil well capable of producing.
Pogo Producing Company Red Tank 31 State Well No. 1 located in Unit
D of Section 31, Township 22 South, Range 33 East, NMPM. It was
completed October 20, 1995, in the Bone Spring formation. The top
of the perforations is at 8,870 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 31: NW/4

POOL: RED TANK;MORROW (GAS)

COUNTY _____ LEA _____

R 32 E



R 32 E

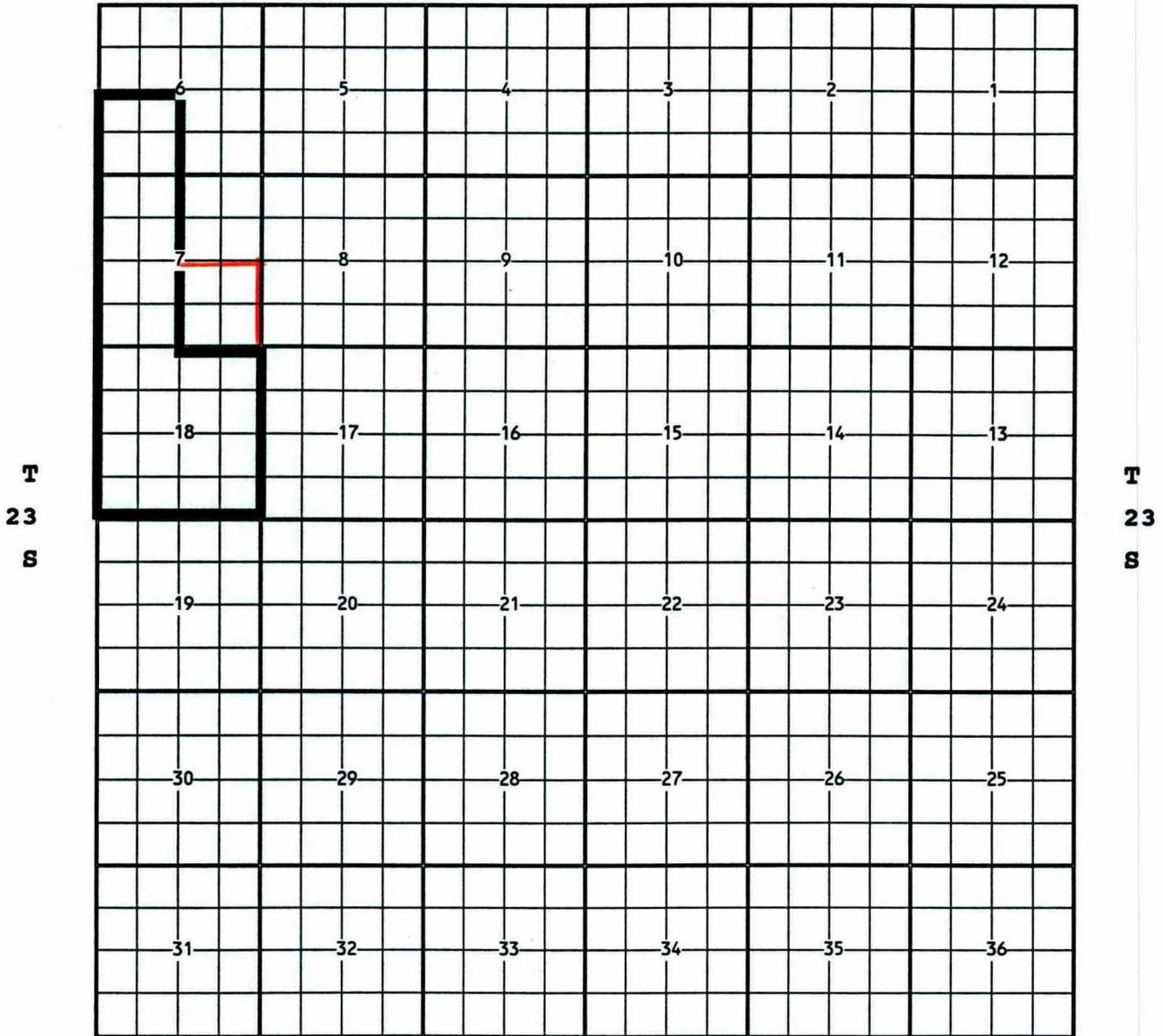
PURPOSE: One completed gas well capable of producing.
Pogo Producing Company Federal 8 Well No. 1 located in Unit G of
Section 8, Township 22 South, Range 32 East, NMPM. It was
completed August 28, 1995, in the Morrow formation. The top of the
perforations is at 14,511 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 8: All

POOL: SAND DUNES;BONE SPRING

COUNTY LEA

R 32 E



R 32 E

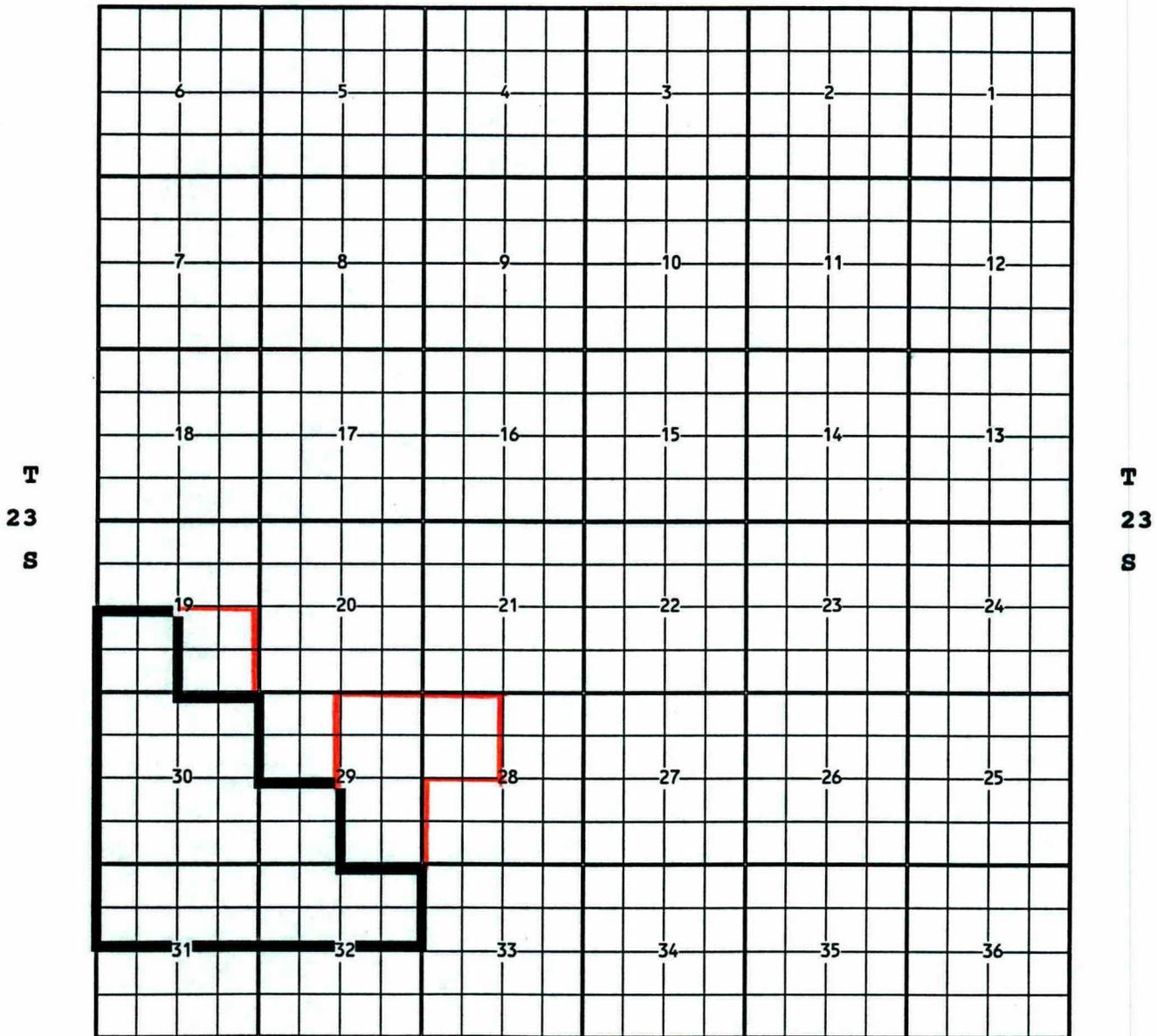
PURPOSE: One completed oil well capable of producing.
Myco Industries Sharbro Federal Well No. 1 located in unit P of
Section 7, Township 23 South, Range 32 East, NMPM. It was
completed November 2, 1995, in the Bone Spring formation. The top
of the perforations is at 8,674 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 7: SE/4

POOL: SAND DUNES; BONE SPRING, SOUTH

COUNTY _____ LEA _____

R 32 E



R 32 E

PURPOSE: Two completed oil wells capable of producing.

Yates Petroleum Corporation Continental API Federal Well No. 1 located in Unit C of Section 28, Township 23 South, Range 32 East, NMPM. It was completed September 24, 1995, in the Bone Spring formation. The top of the perforations is at 8,874 feet. Harvard Petroleum Corporation James Federal Well No. 1 located in Unit O of Section 19, Township 23 South, Range 32 East, NMPM. It was completed November 10, 1995, in the Bone Spring formation. The top of the perforations is at 8,632 feet.

Pool boundary in bold outline.

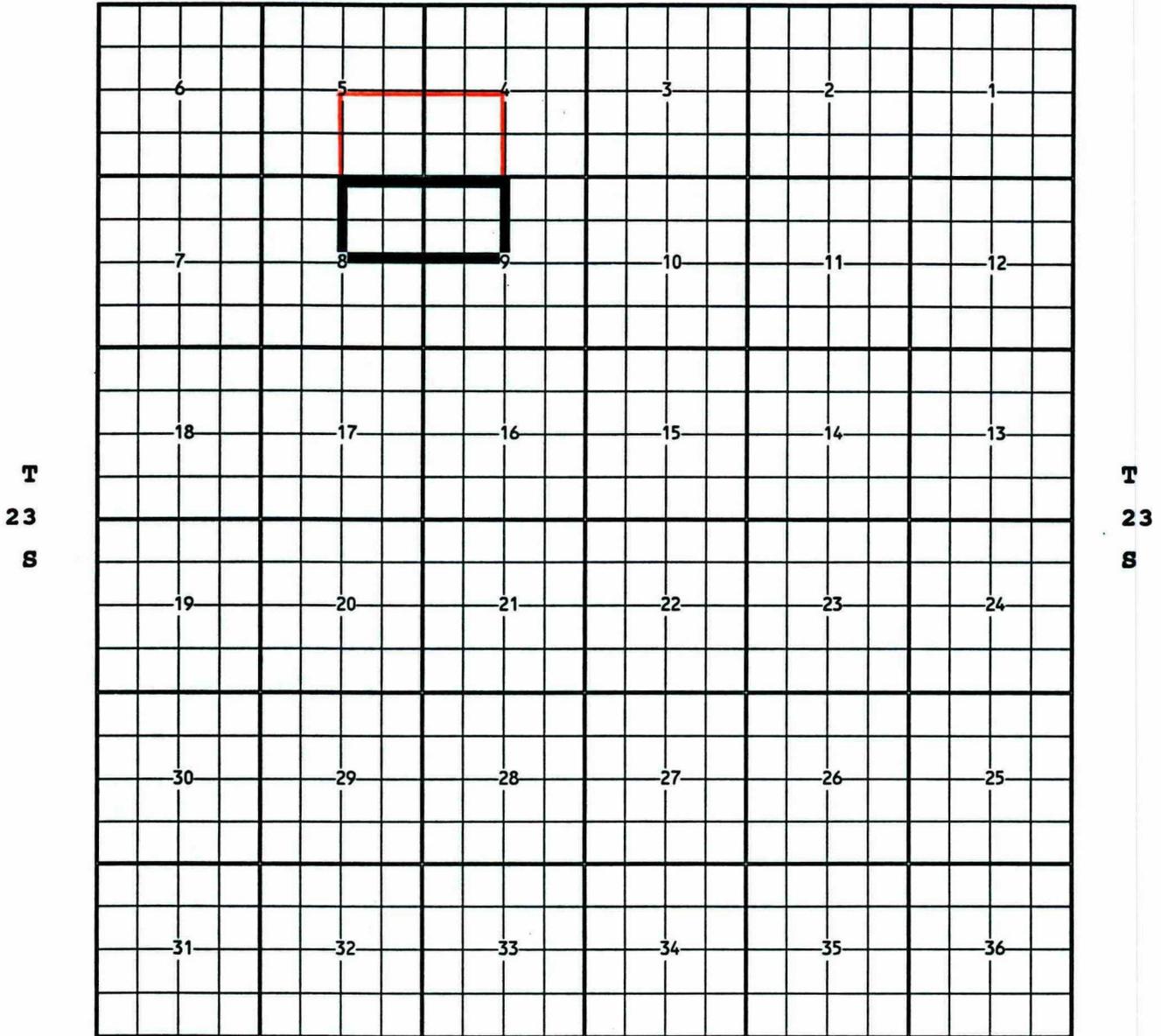
Proposed pool extension outlined in red. Section 19: SE/4

Section 28: NW/4 Section 29: E/2

POOL: TEAGUE;GLORIETA-UPPER PADDOCK, SW

COUNTY LEA

R 37 E



R 37 E

PURPOSE: Two completed oil wells capable of producing. Texaco E & P Inc. B. F. Harrison B Well No. 26 located in Unit P of Section 5, Township 23 South, Range 37 East, NMPM. It was completed August 18, 1995, in the Glorieta/Paddock formations. The top of the perforations is at 5,105 feet. Texaco E & P Inc. R. R. Sims A Well No. 6 located in Unit M of Section 4, Township 23 South, Range 37 East, NMPM. It was completed August 7, 1995, in the Glorieta/Paddock formations. The top of the perforations is at 5,104 feet.

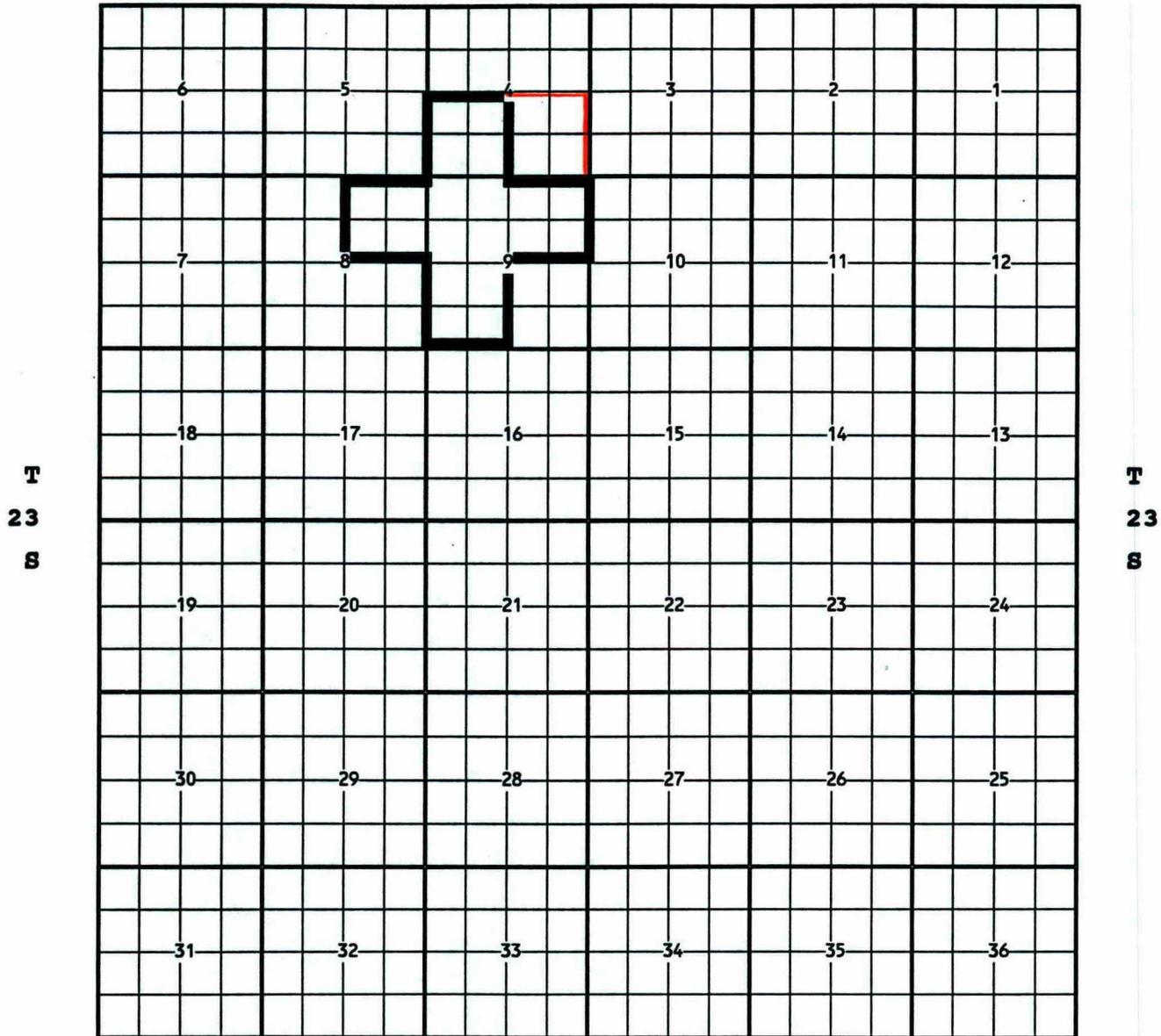
Pool boundary in bold outline.

Proposed pool extension outlined in red. Section 4: SW/4

Section 5: SE/4

POOL: **TEAGUE; LOWER PAD-BLI, NORTH (ASSOC)** COUNTY LEA

R 37 E



R 37 E

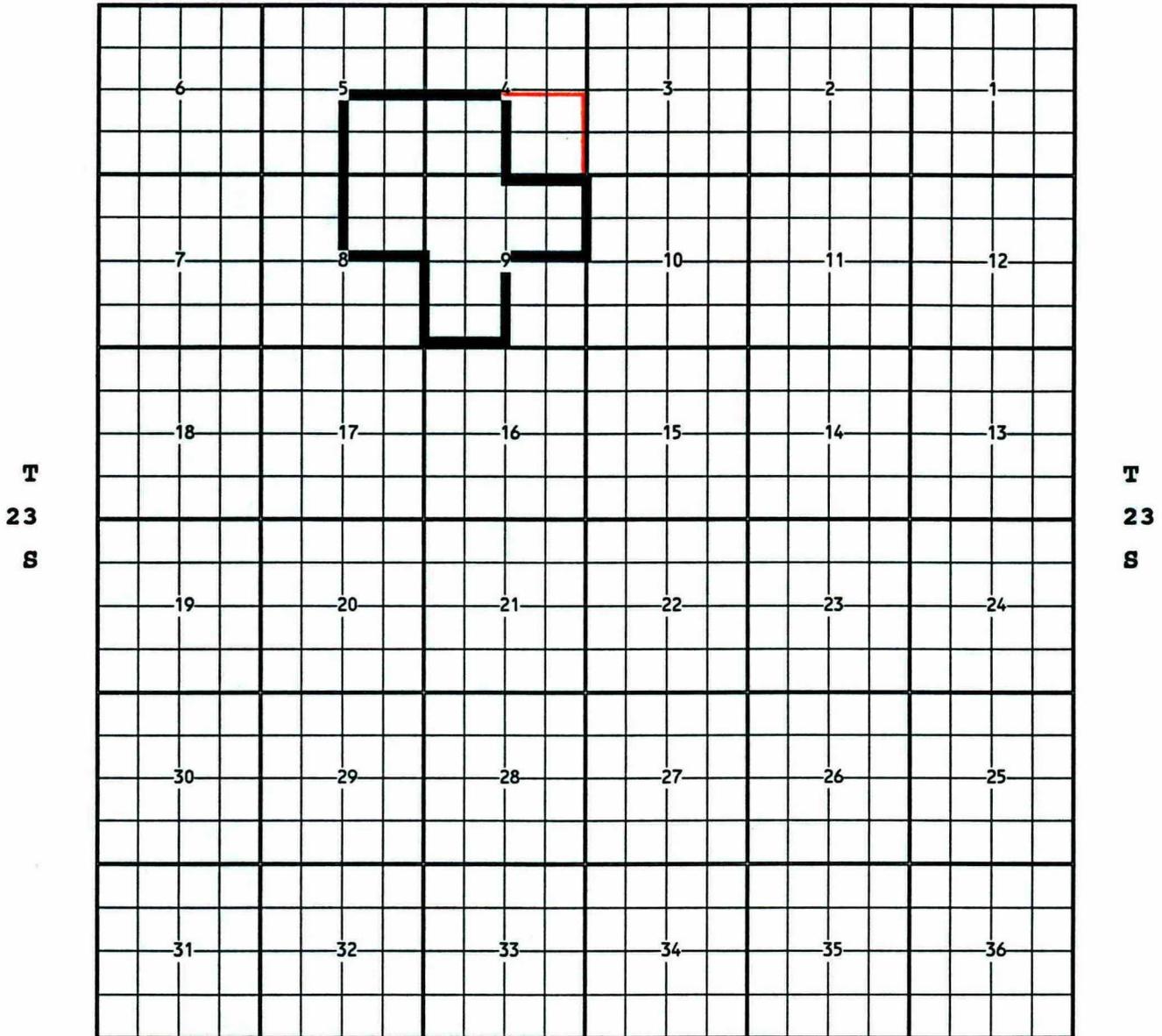
PURPOSE: One completed oil well capable of producing.
Texaco Exploration & Production Inc. R. R. Sims B Well No. 1
located in Unit O of Section 4, Township 23 South, Range 37 East,
NMPM. It was completed June 26, 1995, in the Lower
Paddock/Blinbry formations. The top of the perforations is at
5,679 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 4: SE/4

POOL: **TEAGUE;TUBB, NORTH (ASSOC)**

COUNTY _____ LEA _____

R 37 E



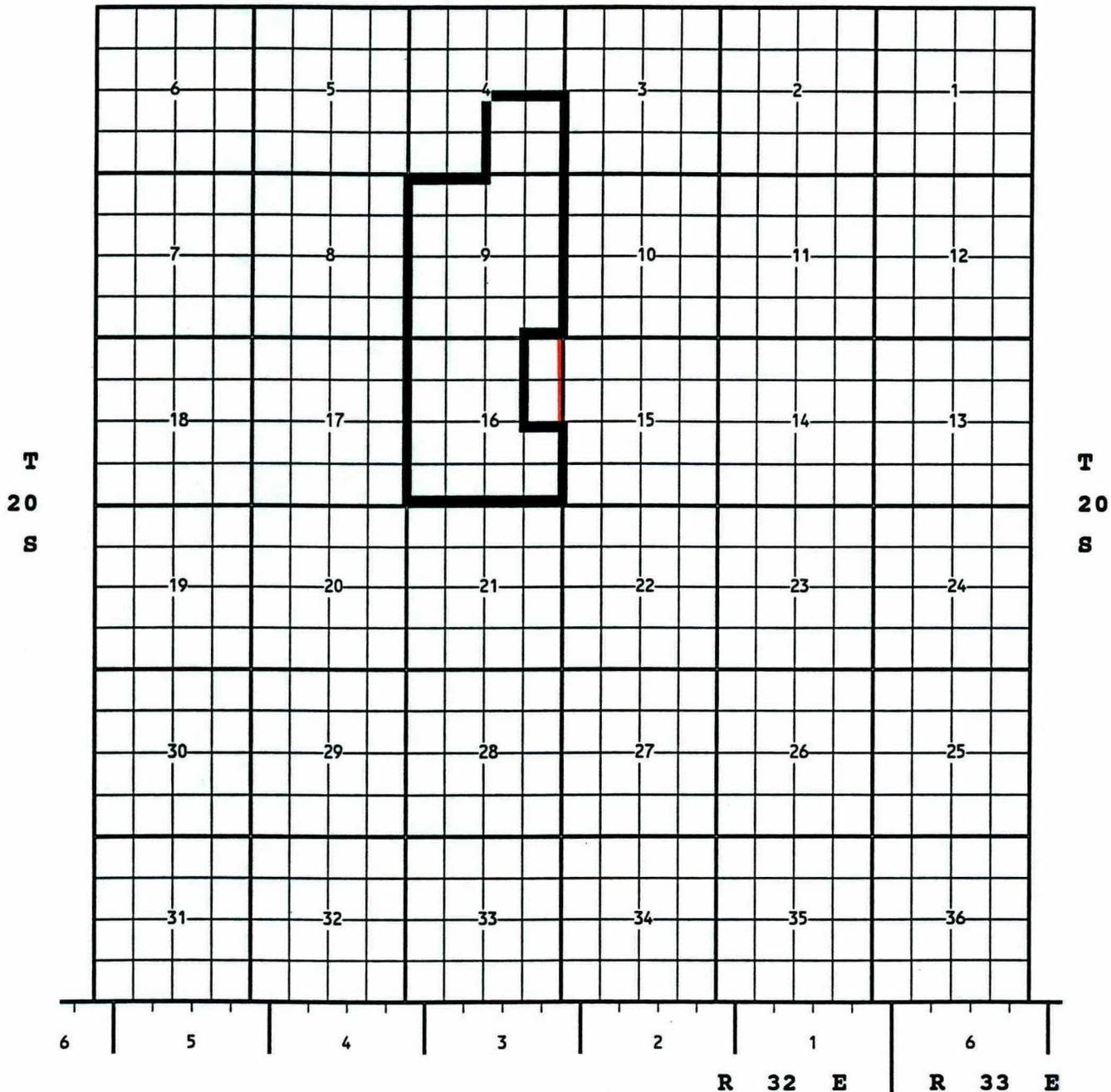
R 37 E

PURPOSE: One completed oil well capable of producing.
Texaco Exploration & Production Inc. R. R. Sims B Well No. 1
located in Unit O of Section 4, Township 23 South, Range 37 East,
NMPM. It was completed June 26, 1995, in the Tubb formation. The
top of the perforations is at 6,116 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 4: SE/4

POOL: **TEAS;YATES-SEVEN RIVERS, WEST** COUNTY LEA

R 33 E



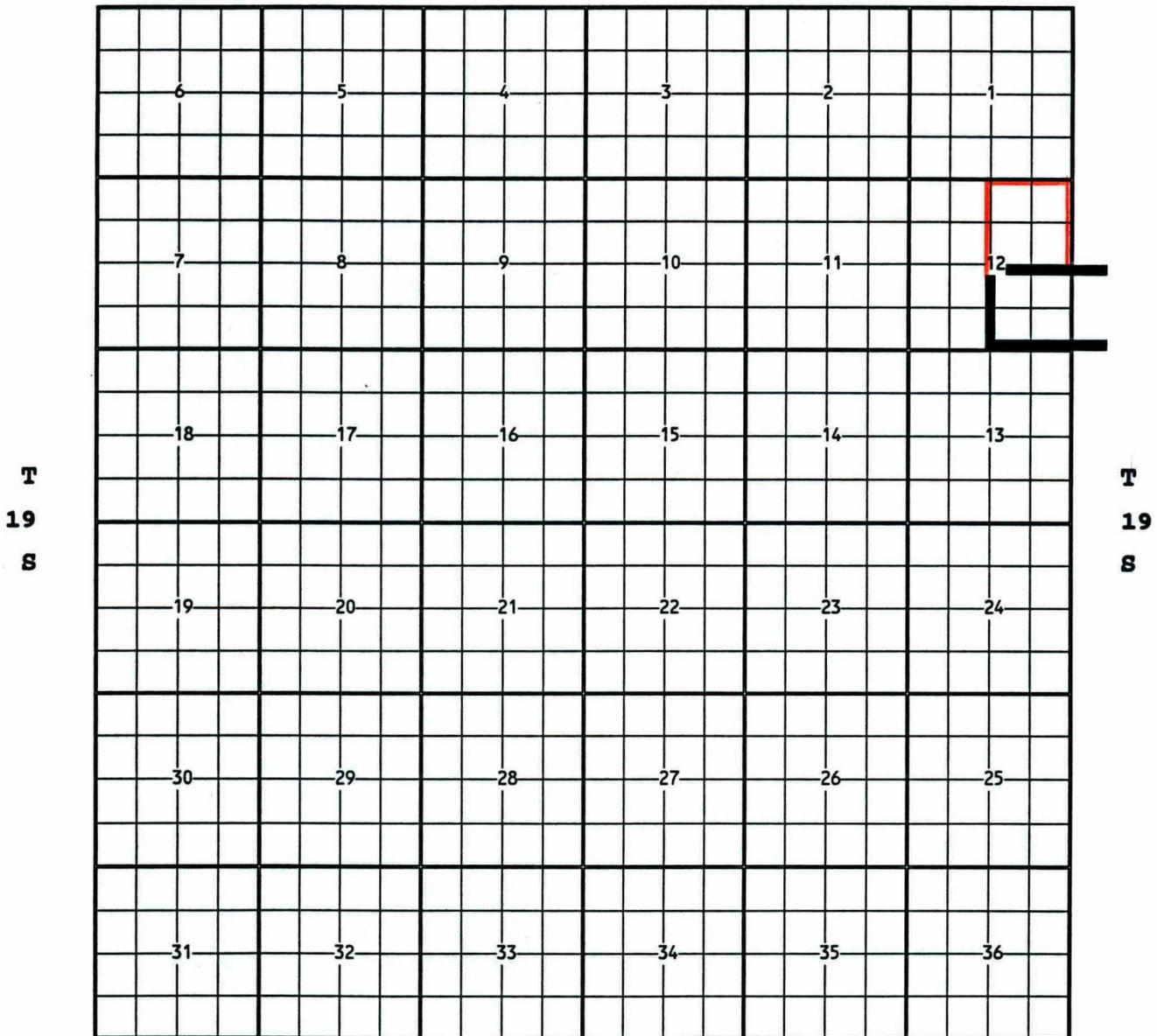
PURPOSE: One completed oil well capable of producing. Stevens & Tull Inc. State BF Well No. 4 located in Unit A of Section 16, Township 20 South, Range 33 East, NMPM. It was completed December 17, 1995, in the Yates formation. The top of the perforations is at 3,160 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 16: E/2 NE/4

POOL: TONTO; DELAWARE, WEST

COUNTY _____ LEA _____

R 32 E



R 32 E

PURPOSE: One completed oil well capable of producing.
Ray Westall Federal 12 Well No. 2 located in Unit H of Section 12,
Township 19 South, Range 32 East, NMPM. It was completed August
15, 1995, in the Delaware formation. The top of the perforations
is at 7,403 feet.

Pool boundary in bold outline.
Proposed pool extension outlined in red. Section 12: NE/4