

OIL CONSERVATION DIV.
PROPOSED ADVERTISEMENT

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Case 12029: Application of Costilla Energy, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Chester series or formation underlying the following described acreage in Section 33, Township 16 South, Range 26 East, NMPM, and in the following manner: The S $\frac{1}{2}$ of Section 33 to form a standard 320-acre gas spacing and proration unit for any formations and/or pools developed on 320-acre spacing within said vertical extent, including the POW-Morrow Gas Pool, Undesignated Diamond Mound-Atoka Gas Pool, and Undesignated P.O.W.-Strawn Gas Pool; the SW $\frac{1}{4}$ of Section 33 to form a standard 160-acre gas spacing and proration unit for any formations and/or pools developed on 160-acre spacing within said vertical extent; and the NW $\frac{1}{4}$ SW $\frac{1}{4}$ of Section 33 to form a standard 40-acre oil spacing and proration unit for any formations and/or pools developed on 40-acre spacing within said vertical extent. Said units are to be dedicated to applicant's Funk "49" Well No. 1, located at a previously approved unorthodox location 1650 feet from the South line and 1080 feet from the West line of said Section 33. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof, as well as actual operating costs and charges for supervision, designation of applicant as operator of the well, and a charge for the risk involved in drilling and the well. Said units are located approximately 2.5 miles North-Northeast of Artesia, New Mexico.