CASE 12058: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

(a)     CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Atoka production and designated as the Antelope Sink-Atoka Gas Pool. The discovery well is the Penwell Energy, Inc. Southern Cross "16" State Well No. 1 located in Unit L of Section 16, Township 18 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM
Section 16: W/2

(b)     CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Yeso production and designated as the Cedar Lake-Yeso Pool. The discovery well is the Marbob Energy Corporation Cedar Lake Federal Well No. 1 located in Unit K of Section 18, Township 17 South, Range 31 East, NMPM. Said pool would comprise;

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM
Section 18: SW/4

(c)     CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Henshaw-Morrow Gas Pool. The discovery well is the Beach Exploration, Inc. Henshaw Deep Unit Well No. 9 located in Unit C of Section 23, Township 16 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 30 EAST, NMPM
Section 23: W/2

(d)     CREATE a new pool in Chaves County, New Mexico, classified as an oil pool for Devonian production and designated as the Southeast Race Track-Devonian Pool. The discovery well is the Marbob Energy Corporation Rio Bravo Fee Well No. 1 located in Unit B of Section 30, Township 10 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 28 EAST, NMPM
Section 30: NE/4

(e)     CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Sand Tank-Bone Spring Pool. The discovery well is the Enron Oil & Gas Company Duggan "12" Federal Com Well No. 1 located in Unit H of Section 12, Township 18 South, Range 29 East, NMPM. Said pool would comprise;

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM
Section 12: NE/4

(f)     CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Upper Pennsylvanian production and designated as the West Winchester-Upper Pennsylvanian

Pool. The discovery well is the Marathon Oil Company Lightfoot "20" State Well No. 1 located in Unit M of Section 20, Township 19 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 20:  SW/4

(g)     EXTEND the Avalon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 22:  W/2

(h)     EXTEND the Avalon-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM
Section 15:  N/2
Section 21:  E/2

(i)     EXTEND the Cemetery-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM
Section 18:  E/2

(j)     EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM
Section 31:  SE/4
Section 32:  S/2

(k)     EXTEND the East Empire-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM
Section 29:  S/2

(l)     EXTEND the Happy Valley-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM
Section 3:  N/2
Section 4:  NE/4

(m)     EXTEND the Happy Valley-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM
Section 13: S/2

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM
Section 18: S/2

(n)    EXTEND the East Hess-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 23 EAST, NMPM
Section 11: NE/4
Section 12: N/2

(o)    EXTEND the South Livingston Ridge-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 2: NE/4

(p)    EXTEND the Loco Hills-Paddock Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM
Section 20: SW/4

(q)    EXTEND the West Lost Tank-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 31 EAST, NMPM
Section 34: SW/4

(r)    EXTEND the West Parkway-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM
Section 28: S/2

(s)    EXTEND the Pierce Crossing-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 18: W/2
Section 19: NW/4

(t)    EXTEND the East Pierce Crossing-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM
Section 25: W/2

(u)     EXTEND the Poker Lake-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM
Section 16: S/2
Section 17: NE/4

(v)     EXTEND the Quahada Ridge-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 29 EAST, NMPM
Section 16: E/2
Section 21: NE/4

(w)     EXTEND the Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM
Section 4: W/2
Section 5: S/2

(x)     EXTEND the Shugart-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 28: E/2

(y)     EXTEND the Shugart-Yates-Seven Rivers-Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 9: NW/4

(z)     EXTEND the Travis-Upper Pennsylvanian Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM
Section 15: E/2
Section 22: NE/4

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM
Section 4: W/2

(aa)    EXTEND the North Turkey Track-Morrow Gas Pool in Eddy County, New Mexico, to

include therein:

<u>TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM</u>
Section 26:   E/2

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