

OIL CONSERVATION DIV.

98 SEP 28 AM 10:45

CASE 2066 Application of Falcon Creek Resources, Inc. for compulsory pooling, Lea County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Abo formation underlying the SE/4NE/4 of Section 24, T20S, R38E, NMPM, Lea County, New Mexico, forming a standard 40-acre oil spacing and proration unit for any and all formations and/or pools spaced on 40-acre spacing, including but not limited to the Undesignated House-San Andres Pool, Blinebry Oil and Gas Pool, East Warren Tubb Oil and Gas Pool and Undesignated D-K-Abo Pool. Said unit is to be dedicated to its Terry Well No. 2 to be drilled and completed at a standard well location in Unit H of said Section 24. Also to be considered will be the costs of drilling and completing said well and the allocation of the costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in said well. Said unit is located approximately 13 miles southeast from Hobbs, New Mexico.