

Regulatory Commission's Order No. 616, which reinstates wellhead determination procedures for Section 107 gas that qualifies for a federal tax credit under Section 29 of the Internal Revenue Code.

CASE 12563: Application of the New Mexico Oil Conservation Division for termination of gas prorationing in the Jalmat and Eumont Gas Pools and to amend the special rules governing both pools, Lea County, New Mexico. Applicant seeks to terminate gas prorationing in the Jalmat and Eumont Gas Pools and to exclude both pools from the provisions of Division Rules 601 through 605 (Gas Proration Rules). Once gas prorationing is terminated, it will be necessary to amend the special rules and regulations currently governing both pools (set forth in Division Order No. R-8170, as amended) by whatever means may be necessary to prevent waste, maintain orderly development, and to protect correlative rights of interest owners. The combined area of both pools currently encompasses a relatively large geographical area in Townships 18, 19, 20, 21, 22, 23, 24, 25, and 26 South, Ranges 35, 36, 37, and 38 East, which can roughly be described as an area that extends three to ten miles east and west of a line between Arkansas Junction and Jal.

CASE 12564: In the matter of the hearing called by the Oil Conservation Division for an order creating, contracting vertical and horizontal limits, redesignating, and extending certain pools in Lea and Roosevelt Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico classified as an oil pool for San Andres production and designated as the Aqueduct-San Andres Pool. The discovery well is the Beach Exploration Inc. Laughlin Well No. 1 located in Unit L of Section 19, Township 19 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 38 EAST, NMPM

Section 19: SW4

- (b) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Delaware production and designated as the South Bell Lake-Delaware Pool. The discovery well is the Kaiser Francis Oil Company Bell Lake Well No. 20 located in Unit G of Section 6, Township 24 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM

Section 6: NE/4

- (c) CREATE a new pool in Lea County, New Mexico classified as an oil pool for San Andres production and designated as the Hightower-San Andres Pool. The discovery well is the C. W. Trainer Tower Well No. 2 located in Unit M of Section 23, Township 12 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 33 EAST, NMPM

Section 23: SW/4

- (d) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Wolfcamp production and designated as the North Leamex-Wolfcamp Pool. The discovery well is the Marathon Oil Company Stingray 10 State Well No. 1 located in Unit J of Section 10, Township 17 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM

Section 10: SE/4

- (e) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Strawn production and designated as the West Pawnee-Strawn Gas Pool. The discovery well is the Prize Operating Company South Lea Federal Well No. 1 located in Unit K of Section 17, Township 26 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 36 EAST, NMPM

Section 17: W/2

- (f) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Wolfcamp production and designated as the South Pitchfork Ranch-Wolfcamp Pool. The discovery well is the EOG Resources Inc. Javelina 17 Federal Well No. 3 located in Unit L of Section 17, Township 25 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM

Section 17: SW/4

- (g) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Drinkard production and designated as the Northeast Vacuum-Drinkard Pool. The discovery well is the Southwestern Energy Production Company Bimini 13 State Well No. 2 located in Unit L of Section 13, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM

Section 13: SW/4

- (h) EXTEND the Austin-Permo Upper Pennsylvanian Pool in Lea County, New Mexico to include:

TOWNSHIP 14 SOUTH, RANGE 36 EAST, NMPM

Section 17: NE/4

- (i) EXTEND the South Bell Lake-Atoka Gas Pool in Lea County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 34 EAST, NMPM

Section 5: W/2

- (j) EXTEND the Bilbrey-Atoka Gas Pool in Lea County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM

Section 33: N/2 and SW/4

- (k) EXTEND the Blinebry Oil and Gas Pool in Lea County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM

Section 13: SE/4

- (l) EXTEND the Bluit-San Andres Associated Pool in Roosevelt County, New Mexico to include:

TOWNSHIP 8 SOUTH, RANGE 37 EAST, NMPM

Section 16: NW/4