

PROPOSED ADVERTISEMENT

Case 12699: Application of Ocean Energy Resources, Inc. for compulsory pooling, Eddy County, New Mexico. Applicant seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the E½ of Section 10, Township 16 South, Range 27 East, NMPM to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within that vertical extent, including but not limited to the Undesignated North Duffield-Strawn Gas Pool, Diamond Mound-Atoka Gas Pool, and Diamond Mound-Morrow Gas Pool. The unit is to be dedicated to applicant's Cook Fed. Com. 10 Well No. 2, to be drilled at an orthodox location in the SE¼SE¼ of Section 10. The unit will be simultaneously dedicated, in the Morrow formation, to the proposed well and the existing Cook Fed. Com. 10 Well No. 1, located in the S¼NE¼ of the section. Also to be considered will be the cost of drilling and completing the 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 completing the well. The unit is located approximately 10½ miles northeast of Artesia, New Mexico.

01 JUL -5 PM 1:21

OL CO. 304 EW