PROPOSED ADVERTISEMENT

Case 12500:

Application of Southwestern Energy Production Company for compulsory pooling, Eddy County, New Applicant seeks an order pooling all Mexico. mineral interests from the surface to the base of the Morrow formation underlying the E½ of Section 33, Township 17 South, Range 30 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 Loco Hills-Atoka Gas Pool and Undesignated Cedar Hills-Morrow Gas Pool. The unit is to be dedicated to applicant's Big Tank "33" Fed. Com. Well No. 1, to be drilled at an orthodox gas well location in the SE% of Section 33. 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 2 miles southwest of Loco Hills, New Mexico.