

CASE 12222:

Application of David Petroleum Corporation and Yates Petroleum Corporation for compulsory pooling, Lea County, New Mexico. Applicants in the above-styled cause seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation in the E/2 of Section 19, Township 15 South, Range 35 East to form a standard gas spacing and proration unit for all formations and/or pools developed on 320-acre spacing within that vertical extent which includes but is not necessarily limited to the Undesignated East Morton-Morrow Gas Pool.

Said unit is to be dedicated to the Friend "AZM" Com Well No. 1 to be drilled at a standard location 660 feet from the North line and 1980 feet from the East line of said Section 19 to a depth sufficient to test all formations from the surface to the base of the Mississippian formation. Also to be considered will be the cost of drilling and completing said well and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of Yates Petroleum Corporation as operator of the well and a charge for risk involved in drilling said well. Said area is located approximately 7 miles northwest of Lovington, New Mexico.