<u>CASE 12737</u>: In the matter of the hearing called by the Oil Conservation Division for an order creating and extending certain pools in Chaves and Eddy Counties, New Mexico.

(a) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Strawn production and designated as the Cedar Lake Reef-Strawn Gas Pool. The discovery well is the EOG Resources, Inc. Oak Lake "25" Federal Well No. 1 located in Unit D of Section 25, Township 17 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM Section 25: NW/4

(b) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Strawn production and designated as the Crow Flats-Strawn Gas Pool. The discovery well is the Devon "SFS", Inc. Crow Flat "20" Federal Com. Well No. 1 located in Unit K of Section 20, Township 16 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM Section 20: W/2

(c) CREATE a new pool in Eddy County, New Mexico classified as an oil pool for Wolfcamp production and designated as the Crow Flats-Wolfcamp Pool. The discovery well is the Mack Energy Corporation Elk "22" Federal Well No. 1 located in Unit D of Section 22, Township 16 South, Range 28 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM Section 22: NW/4

(d) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Pre-Permian production and designated as the Northwest Foor Ranch-Pre-Permian Gas Pool. The discovery well is the Yates Petroleum Corporation Filaree "AEL" Federal Well No. 4 located in Unit M of Section 33, Township 8 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM Section 33: S/2

(e) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Pre-Permian production and designated as the Southwest Foor Ranch-Pre-Permian Gas Pool. The discovery well is the Keno "AWK" State Well No. 2 located in Unit J of Section 4, Township 10 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM

Section 4: E/2

(f) CREATE a new pool in Chaves County, New Mexico classified as a pool for Wolfcamp production and designated as the Foor Ranch-Wolfcamp Pool. The discovery well is the Yates Petroleum Corporation Zane "ABS" Federal Well No. 3 located in Unit G of Section 15, Township 9 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM Section 15: NE/4

(g) CREATE a new pool in Eddy County, New Mexico classified as a gas pool for Morrow production and designated as the North Hackberry-Morrow Gas Pool. The discovery well is the OXY USA WTP Limited Partnership Hackberry "6" Federal Com. Well No. 2 located in Lot 6 of Section 6, Township 19 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM Section 6: W/2

(h) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Wolfcamp production and designated as the South Leslie Spring-Wolfcamp Gas Pool. The discovery well is the Pecos River Operating, Inc. Nichols Dales Federal Well No. 9 located in Unit G of Section 33, Township 7 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM Section 33: N/2

(i) CREATE a new pool in Eddy County, New Mexico classified as an oil pool for Wolfcamp production and designated as the Southwest McMillan-Wolfcamp Pool. The discovery well is the Pogo Producing Company McMillan "24" State Well No. 1 located in Unit P of Section 24, Township 20 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 26 EAST, NMPM Section 24: SE/4

(j) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Pennsylvanian production and designated as the Milner Lake-Pennsylvanian Gas Pool. The discovery well is the Yates Petroleum Corporation Morton "SZ" Federal Well No. 5 located in Unit J of Section 10, Township 8 South, Range 25 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 25 EAST, NMPM

Section 10: E/2

(k) CREATE a new pool in Eddy County, New Mexico classified as an oil pool for Glorieta-Yeso production and designated as the Northwest Red Lake-Glorieta-Yeso Pool. The discovery well is the SDX Resources, Inc. Boggy State Well No. 1 located in Unit P of Section 36, Township 17 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 26 EAST, NMPM

Section 36: SE/4

(l) CREATE a new pool in Chaves County, New Mexico classified as a gas pool for Wolfcamp production and designated as the Rock Schoolhouse-Wolfcamp Gas Pool. The discovery well is the Yates Petroleum Corporation Kershaw "UE" Well No. 2 located in Unit O of Section 19, Township 8 South, Range 26 East, NMPM. Said pool would comprise:

TOWNSHIP 8 SOUTH, RANGE 26 EAST, NMPM

Section 19: S/2

(m) EXTEND the Angell Ranch-Atoka-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 5: E/2

(n) EXTEND the North Antelope Sink-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 24 EAST, NMPM

Section 22: S/2

(o) EXTEND the Artesia-Glorieta-Yeso Pool in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 28: SW/4 Section 32: N/2 Section 34: E/2

(p) EXTEND the Avalon-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 27 EAST, NMPM

Section 21: All

(q) EXTEND the Baldridge Canyon-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM

Section 36: N/2

(r) EXTEND the Brushy Draw-Delaware Pool in Eddy County, New Mexico to include:

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM

Section 8: NE/4

(s) EXTEND the Burton Flat-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Section 36: E/2

(t) EXTEND the East Carlsbad-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM

Section 24: E/2 Section 25: E/2

(u) EXTEND the South Carlsbad-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM

Section 16: E/2

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

Section 17: W/2

TOWNSHIP 24 SOUTH, RANGE 26 EAST, NMPM

Section 5: S/2

(v) EXTEND the East Catclaw Draw-Delaware Pool in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 26 EAST, NMPM

Section 10: SW/4

(w) EXTEND the East Cedar Lake-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM

Section 4: W/2

(x) EXTEND the Corral Canyon-Delaware Pool in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 30 EAST, NMPM

Section 20: S/2 NW/4 and NE/4 NW/4

(y) EXTEND the Crow Flats-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM

Section 17: N/2 and SW/4

Section 20: W/2

(z) EXTEND the South Dagger Draw-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 24 EAST, NMPM

Section 27: W/2

Section 28: All

(aa) EXTEND the Diamond Mound-Morrow Gas Pool in Chaves County, New Mexico to include:

TOWNSHIP 15 SOUTH, RANGE 28 EAST, NMPM

Section 30: N/2

(bb) EXTEND the Dog Town Draw-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM

Section 5: W/2

Section 6: N/2

Section 8: NW/4

(cc) EXTEND the Empire-Yeso Pool in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM

Section 19: NW/4

(dd) EXTEND the Foor Ranch-Pre-Permian Gas Pool in Chaves County, New Mexico to include:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM

Section 31: N/2

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Section 22: W/2 Section 32: N/2 Section 33: NW/4

TOWNSHIP 9 SOUTH, RANGE 27 EAST, NMPM

Section 31: S/2

Section 32: E/2 and SW/4

(ee) EXTEND the North Foor Ranch-Wolfcamp Gas Pool in Chaves County, New Mexico to include:

TOWNSHIP 9 SOUTH, RANGE 26 EAST, NMPM

Section 20: SE/4 Section 21: All

(ff) EXTEND the Fren-Paddock Pool in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 31 EAST, NMPM

Section 21: W/2

(gg) EXTEND the Happy Valley-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM

Section 24: E/2

TOWNSHIP 22 SOUTH, RANGE 26 EAST, NMPM

Section 5: S/2 Section 19: N/2

(hh) EXTEND the Hart Draw-Atoka Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 27 EAST, NMPM

Section 20: All

(ii) EXTEND the North Illinois Camp-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 28 EAST, NMPM

Section 18: E/2

(jj) EXTEND the East Indian Basin-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 23 EAST, NMPM

Section 1: W/2

(kk) EXTEND the Indian Basin-Upper Pennsylvanian Associated Pool in Eddy County, New Mexico to include:

TOWNSHIP 21 SOUTH, RANGE 24 EAST, NMPM

Section 16: W/2

-- (II) EXTEND the Leslie Spring-Pennsylvanian Gas Pool in Chaves County, New Mexico to include:

TOWNSHIP 7 SOUTH, RANGE 26 EAST, NMPM

Section 21: S/2

(mm) EXTEND the Loco Hills-Paddock Pool in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 30 EAST, NMPM

Section 16: NW/4 Section 17: NW/4

(nn) EXTEND the West Lusk-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 31 EAST, NMPM

Section 17: E/2

(00) EXTEND the East Millman-Yates-Seven Rivers-Queen-Grayburg-San Andres Pool in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 28 EAST, NMPM

Section 29: SE/4

(pp) EXTEND the Mosley Canyon-Strawn Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM

Section 6: E/2

(qq) EXTEND the Nash Draw-Delaware Pool in Eddy County, New Mexico to include:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM

Section 31: NW/4

TOWNSHIP 24 SOUTH, RANGE 30 EAST, NMPM

Section 5: NW/4
Section 6: E/2

(rr) EXTEND the East Palmillo-Bone Spring Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 29 EAST, NMPM

Section 32: S/2

(ss)EXTEND the Pecos Slope-Abo Gas Pool in Chaves County, New Mexico to include:

TOWNSHIP 4 SOUTH, RANGE 25 EAST, NMPM

Section 15: W/2 Section 16: SW/4

Section 28: SE/4

TOWNSHIP 6 SOUTH, RANGE 27 EAST, NMPM

Section 31: SE/4

(tt) EXTEND the Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 27 EAST, NMPM

Section 3: SW/4

(uu) EXTEND the Northeast Red Lake-Glorieta-Yeso Pool in Eddy County, New Mexico to include:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM

Section 30: S/2

(vv) EXTEND the Revelation-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 22 SOUTH, RANGE 25 EAST, NMPM

Section 12: NE/4

(ww) EXTEND the Saladar-Strawn Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 28: S/2

(xx) EXTEND the Scanlon-Delaware Pool in Eddy County, New Mexico to include:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM

Section 25: NW/4

(yy)EXTEND the Shugart-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM

Section 25: S/2

(zz) EXTEND the North Shugart-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM

Section 8: E/2 Section 9: N/2

(aaa) EXTEND the Tamano-Bone Spring Pool in Eddy County, New Mexico to include:

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM

Section 1: S/2

(bbb) EXTEND the Turkey Track-Morrow Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM

Section 1: S/2

TOWNSHIP 19 SOUTH, RANGE 30 EAST, NMPM

Section 6: W/2

(ccc) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico to include:

TOWNSHIP 25 SOUTH, RANGE 26 EAST, NMPM

Section 9: All

(ddd) EXTEND the Willow Lake-Delaware Pool in Eddy County, New Mexico to include:

TOWNSHIP 24 SOUTH, RANGE 28 EAST, NMPM

Section 25: SE/4

IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.