<u>CASE 12990</u>: In the matter of the hearing called by the Oil Conservation Division for an order creating and assigning discovery allowables for certain pools in Lea County, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Strawn production and designated as the West Anderson Ranch-Strawn Pool (Pool Code 97233). The discovery well is the EOG Resources Inc. Ponderosa State Well No. 1 (API No. 30-025-35916) located in Unit L of Section 9, Township 16 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 32 EAST, NMPM Section 9: SW/4

(b) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Mississippian production and designated as the Northwest Big Dog-Mississippian Gas Pool (Pool Code 97215). The discovery well is the Yates Petroleum Corporation Big Baer ATN Well No. 2 (API No. 30-025-35261) located in Unit L of Section 29, Township 15 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM Section 29: S/2

(c) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Morrow production and designated as the Big Dog-Morrow Gas Pool (Pool Code 97214). The discovery well is the Yates Petroleum Corporation Big Baer ATN Well No. 2 (API No. 30-025-35261) located in Unit L of Section 29, Township 15 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM Section 29: S/2

(d) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Austin production and designated as the South Four Lakes-Austin Gas Pool (Pool Code 97164). The discovery well is the Yates Petroleum Corporation Koala AXZ State Well No. 1 (API No. 30-025-35410) located in Unit A of Section 19, Township 12 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 12 SOUTH, RANGE 35 EAST, NMPM Section 19: N/2

(e) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Austin production and designated as the Grassland-Austin Gas Pool (Pool Code 97235). The discovery well is the Yates Petroleum Corporation New Grass State Unit Well No. 1 (API No. 30-025-35842) located in Unit A of Section 22, Township 15 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 34 EAST, NMPM

Section 22: N/2

(f) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Delaware production and designated as the Southeast Hat Mesa-Delaware Pool (Pool Code 97210). The discovery well is the Samson Resources Company Minis 2 Federal Well No. 1 (API No. 30-025-34449) located in Lot 16, Unit H of Section 2, Township 21 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM

Section 2: Lots, 9, 10, 15 and 16

Further, the discovery well for said Southeast Hat Mesa-Delaware Pool should be assigned a bonus discovery allowable of 39,465 barrels to be produced over a two-year period.

(g) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Abo production and designated as the Northwest Hobbs-Abo Pool (Pool Code 97212). The discovery well is the Chevron USA Inc. New Mexico EA State Well No. 1 (API No. 30-025-34788) located in Unit A of Section 24, Township 18 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM

Section 24: NE/4

(h) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Drinkard production and designated as the Northwest Hobbs-Drinkard Pool (**Pool Code 97184**). The discovery well is the Chevron USA Inc. New Mexico EA State Well No. 1 (**API No. 30-025-34788**) located in Unit A of Section 24, Township 18 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM

Section 24: NE/4

(i) CREATE a new pool in Lea County, New Mexico classified as a gas pool for Tubb production and designated as the Hobbs-Tubb Gas Pool (**Pool Code 96946**). The discovery well is the Saga Petroleum, LLC State Land Sec 32 Well No. 9 (**API No. 30-025-23309**) located in Unit J of Section 32, Township 18 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 38 EAST, NMPM

Section 32: SE/4

(j) CREATE a new pool in Lea County, New Mexico classified as an oil pool for Tubb production and designated as the Northwest Hobbs-Tubb Pool (Pool Code 97211). The discovery well is the Chevron USA Inc. New Mexico EA State Well No. 1 (API No.

30-025-34788) located in Unit A of Section 24, Township 18 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 37 EAST, NMPM Section 24: NE/4

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