Case 10277

DISTRICT I

NOMENCLATURE ADVERTISEMENT FOR MARCH, 1991

In the matter of the application of the Oil Conservation Division of the Energy, Minerals and Natural Resources Department upon its own motion for an order for the creation, discovery allowable assignment and extension of certain existing pools in Lea County, New Mexico, and giving notice to all persons and parties interested in the subject matter thereof, to show cause why such creations, discovery allowable assignment and extensions should not be made.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Queen production and designated as the Buffalo-Queen Fool. Further, assign a discovery allowable of approximately 22,100 barrels of oil to the discovery well, the Harvey E. Yates Company Atlantic 32 State Well No. 1 located in Unit C of Section 32, Township 18 South, Range 33 East, NMPM. Said Pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 32: NW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the South Fowler-Tubb Pool. The discovery well is the Chevron USA Inc. Plains Knight Well No. 2 located in Unit N of Section 23, Township 24 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 37 EAST, NMPM Section 23: SW/4

(c) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the Pitchfork Ranch-Morrow Gas Pool. The discovery well is the Enron Oil & Gas Company Half 6 Federal Com Well No. 1 located in Unit 0 of Section 6, Township 25 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 34 EAST, NMPM Section 6: S/2

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the South Shoe Bar-Wolfcamp Pool. The discovery well is the Mobil Exploration and Producing US Inc. Lovington Deep State Well No. 3 located in Unit G of Section 1, Township 17 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 35 EAST, NMPM Section 1: NE/4

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Grayburg production and designated as the Young-Grayburg Pool. The discovery well is the Siete Oil & Gas Corporation Inca Federal Well No. 8 located in Unit F of Section 17, Township 18 South, Range 32 East, NMPM. Said pool would comprise:

> TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 17: NW/4

Page -2-Nomenclature Advertisement for March, 1991

(f) EXTEND the Bilbrey-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM Section 27: 5/2

(g) EXTEND the South Corbin-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 19: SE/4

(h) EXTEND the West Corbin-Delaware Pool in Lea County. New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM Section 12: SE/4

(i) EXTEND the South Corbin-Queen Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 26: SW/4 Section 27: SE/4

(j) EXTEND the South Corbin-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 8: NW/4

(k) EXTEND the Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 31: SW/4

(1) EXTEND the East Gem-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 14: E/2

(m) EXTEND the East Grama Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM Section 27: E/2

(n) EXTEND the Lane-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 36: NW/4 Page -3-Nomenclature Advertisement for March, 1991

(o) EXTEND the Osudo-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 35 EAST, NMPM Section 17: S/2

(p) EXTEND the Quail Ridge-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM Section 3: SW/4

(q) EXTEND the Shipp-Strawn Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM Section 4: SW/4 Section 5: SE/4

(r) EXTEND the South Vacuum-Wolfcamp Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM Section 16: NE/4