

CASE NO. 10142

EXHIBIT 1

CASE 10142: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, contracting vertical limits, and extending certain pools in Lea and Roosevelt Counties, New Mexico.

- (a) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Mississippian production and designated as the Big Dog-Mississippian Gas Pool. The discovery well is the Bridge Oil Company L.P. Julia Culp Com Well No. 2 located in Unit H of Section 34, Township 15 South, Range 35 East, NMPM. Said pool would comprise:

TOWNSHIP 15 SOUTH, RANGE 35 EAST, NMPM
Section 34: E/2

- (b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the North Bilbrey-Atoka Gas Pool. The discovery well is the Texaco Producing Inc. North Bilbrey 7 Federal Well No. 1 located in Unit J of Section 7, Township 21 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM
Section 7: E/2

- (c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the E-K Delaware Pool. The discovery well is the Santa Fe Energy Operating Partners L.P. New Mexico Federal Well No. 1 located in Unit H of Section 24, Township 18 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 24: NE/4

- (d) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Southwest Jabalina-Atoka Gas Pool. The discovery well is the Tom Brown Inc. Madera 25 Federal Well No. 1 located in Unit J of Section 25, Township 26 South, Range 34 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 34 EAST, NMPM
Section 25: S/2

- (e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Lower San Andres production and designated as the West Lovington-Lower San Andres Pool. The discovery well is the Mallon Oil Company Mobil "5" State Well No. 1 located in Unit O of Section 5, Township 17 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 5: SE/4

- (f) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for San Andres production and designated as the Southwest Lovington-San Andres Pool. The discovery well is the Me-Tex Supply Company New Mexico BM State Well No. 1 located in Unit O of Section 16, Township 17 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 17 SOUTH, RANGE 36 EAST, NMPM
Section 16: SE/4

- (g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Salt Lake-Wolfcamp Pool. The discovery well is the Yates Petroleum Corporation Belco AIA Federal Well No. 1 located in Unit J of Section 14, Township 20 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 32 EAST, NMPM
Section 14: SE/4

- (h) ABOLISH the East Pitchfork Ranch-Atoka Gas Pool in Lea County, New Mexico.

- (i) CONTRACT the vertical limits of the West Lovington-San Andres Pool in Lea County, New Mexico, by virtue of Type Log Cities Service State AU Well No. 1 located in Unit D of Section 10, Township 17 South, Range 36 East, and redesignate said pool as the West Lovington-Upper San Andres Pool.

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

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

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

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 24: SE/4

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

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 26: NW/4

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 9: SW/4

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

TOWNSHIP 22 SOUTH, RANGE 34 EAST, NMPM
Section 2: SW/4

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

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM
Section 36: E/2

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

TOWNSHIP 19 SOUTH, RANGE 34 EAST, NMPM
Section 24: SW/4

- (q) EXTEND the West Lusk-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 32 EAST, NMPM
Section 30: SW/4

- (r) EXTEND the Maljamar Grayburg-San Andres Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 33 EAST, NMPM
Section 11: NE/4

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 20: NW/4

- (t) EXTEND the Milnesand-Abo Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 35 EAST, NMPM
Section 33: SE/4
Section 34: SW/4

- (u) EXTEND the Quail Ridge-Morrow Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 34 EAST, NMPM
Section 6: SW/4
Section 7: All

- (v) EXTEND the Querecho Plains-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 26: NE/4

- (w) EXTEND the Sand Springs-Atoka Gas Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 11 SOUTH, RANGE 34 EAST, NMPM
Section 1: Lots 1, 2, 3, 4 and S/2

- (x) EXTEND the Mid Vacuum-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 35 EAST, NMPM
Section 17: SE/4

- (y) EXTEND the West Wilson-Yates Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 34 EAST, NMPM
Section 11: NW/4

- (z) EXTEND the North Young-Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 3: NW/4

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM
Section 7: NW/4

COUNTY LEA POOL BIG DOG-MISSISSIPPIAN GAS

TOWNSHIP 15 South RANGE 35 East NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed gas well capable of producing.

Bridge Oil Company L.P. Julia Culp Com Well No. 2 located in Unit H of Section 34, Township 15 South, Range 35 East, NMPM. It was completed July 11, 1990, in the Mississippian formation. The top of the perforations is at 12,992 feet.

Proposed pool boundary outlined in red. Section 34: E/2

COUNTY LEA

POOL NORTH BILBREY-ATOKA GAS

TOWNSHIP 21 South

RANGE 32 East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed gas well capable of producing.

Texaco Producing Inc. North Bilbrey 7 Federal Well No. 1 located in Unit J of Section 7, Township 21 South, Range 32 East, NMPM. It was completed July 30, 1990, in the Atoka formation. The top of the perforations is at 13,153 feet.

Proposed pool boundary outlined in red. Section 7: E/2

COUNTY LEA

POOL E-K DELAWARE

TOWNSHIP 18 South

RANGE 33 East

NMPM

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
19	20	21	22	23	24
30	29	28	27	26	25
31	32	33	34	35	36

PURPOSE: One completed oil well capable of producing.

Santa Fe Energy Operating Partners L.P. New Mexico Federal Well No. 1 located in Unit H of Section 24, Township 18 South, Range 33 East, NMPM. It was completed August 6, 1990, in the Delaware formation. The top of the perforations is at 5,429 feet.

Proposed pool extension outlined in red. Section 24: NE/4

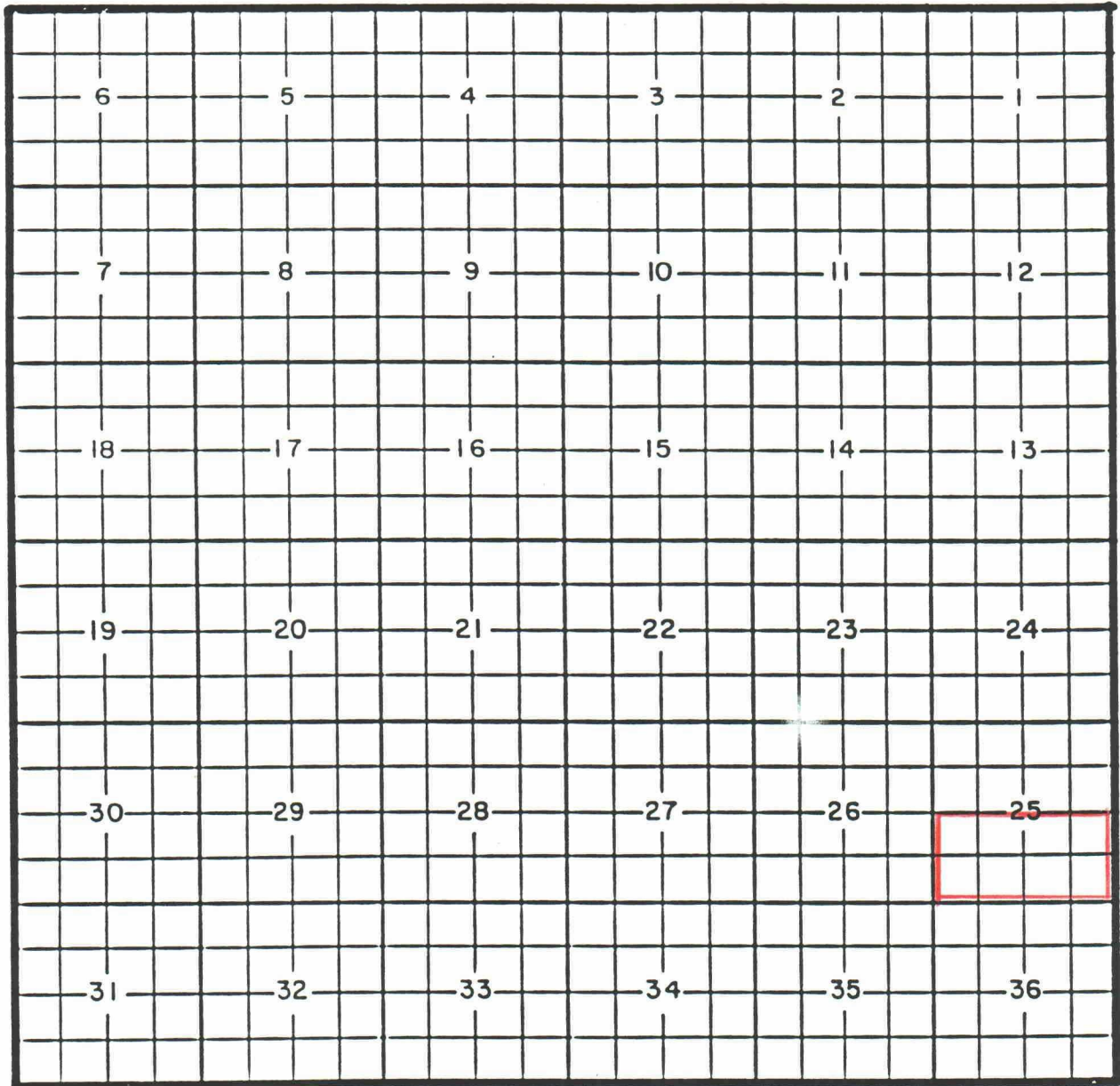
COUNTY LEA

POOL SOUTHWEST JABALINA-ATOKA GAS

TOWNSHIP 26 South

RANGE 34 East

NMPM



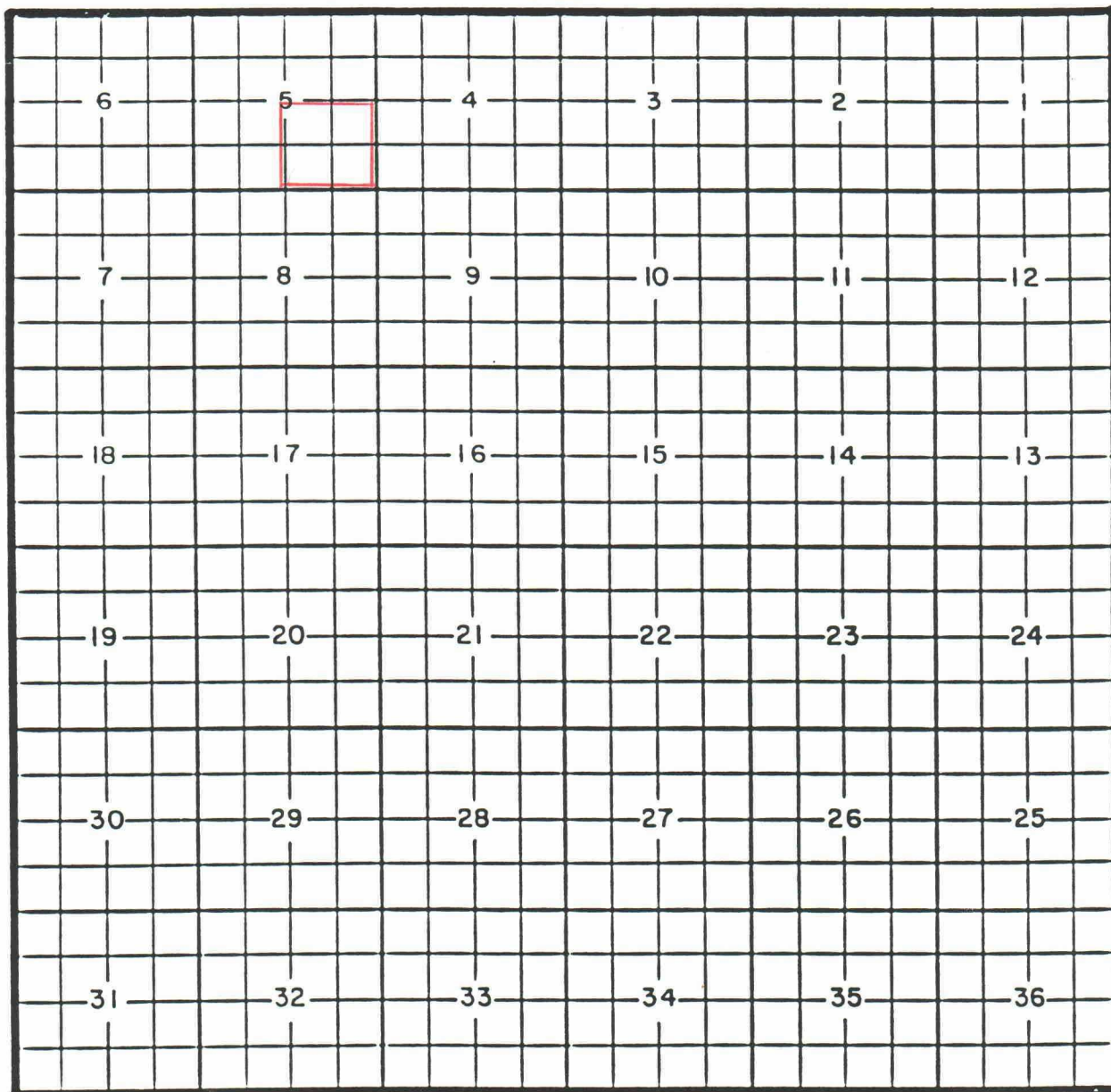
PURPOSE: One completed gas well capable of producing.

Tom Brown Inc. Madera 25 Federal Well No. 1 located in Unit J of Section 25, Township 26 South, Range 34 East, NMPM. It was completed June 11, 1987, in the Atoka formation. The top of the perforations is at 15,356 feet.

Proposed pool boundary outlined in red. Section 25: S/2

COUNTY LEA POOL WEST LOVINGTON-LOWER SAN ANDRES

TOWNSHIP 17 South RANGE 36 East NMPM



PURPOSE: One completed oil well capable of producing.

Mallon Oil Company Mobil "5" State Well No. 1 located in Unit O of Section 5, Township 17 South, Range 36 East, NMPM. It was completed August 17, 1990, in the Lower San Andres formation by virtue of Type Log Cities Service State AU Well No. 1 located in Unit D of Section 10, Township 17 South, Range 36 East, NMPM. The top of the perforations is at 5,272 feet. The top of Lower SA 5,160 ft.

Proposed pool boundary outlined in red. Section 5: SE/4

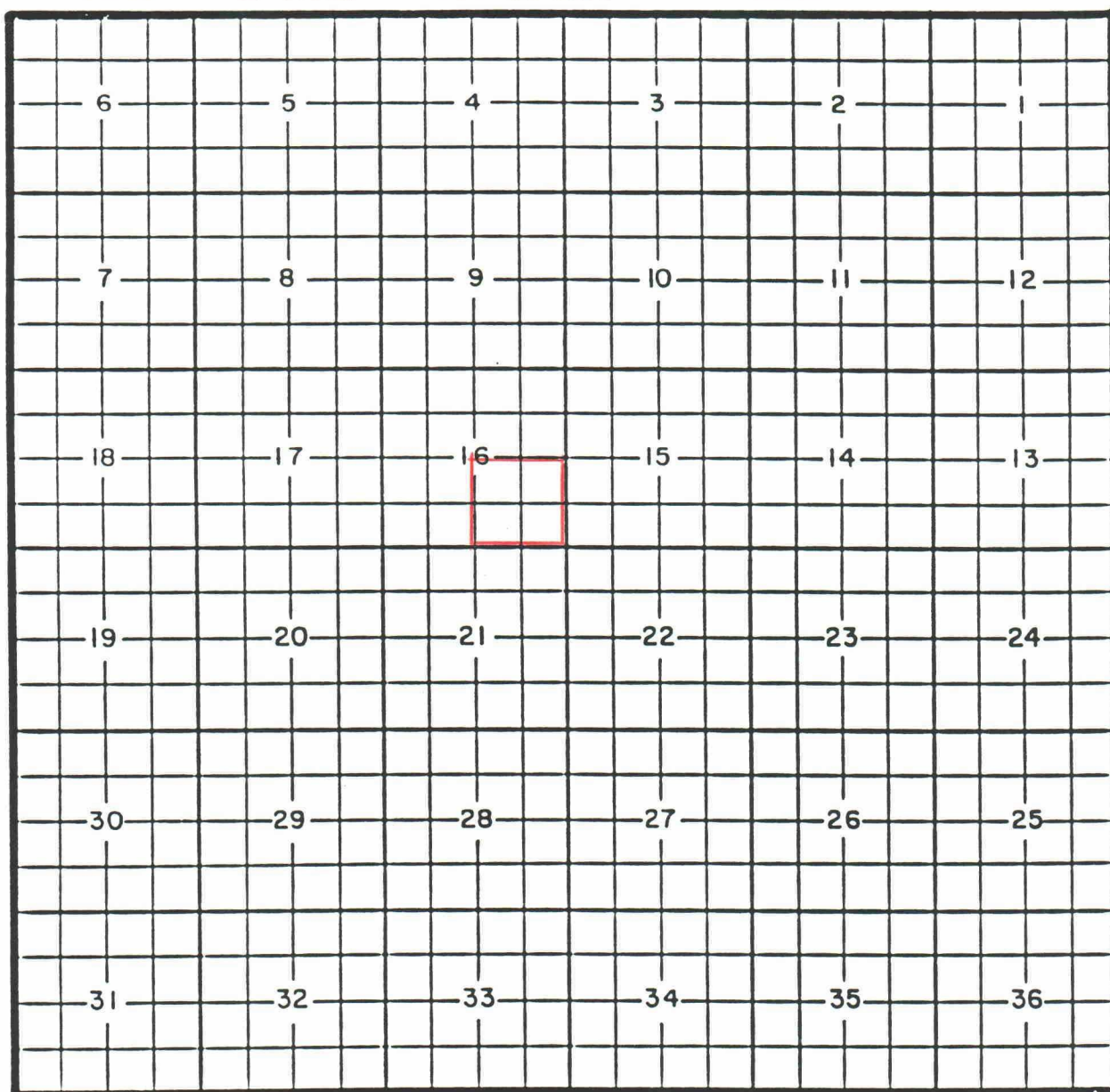
COUNTY LEA

POOL SOUTHWEST LOVINGTON-SAN ANDRES

TOWNSHIP 17 South

RANGE 36 East

NMPM



PURPOSE: One completed oil well capable of producing.

Me-Tex Supply Company New Mexico BM State Well No. 1 located in Unit 0 of Section 16, Township 17 South, Range 36 East, NMPM. It was completed March 13, 1988, in the San Andres formation. The top of the perforations is at 5,178 feet.

Proposed pool boundary outlined in red. Section 16: SE/4

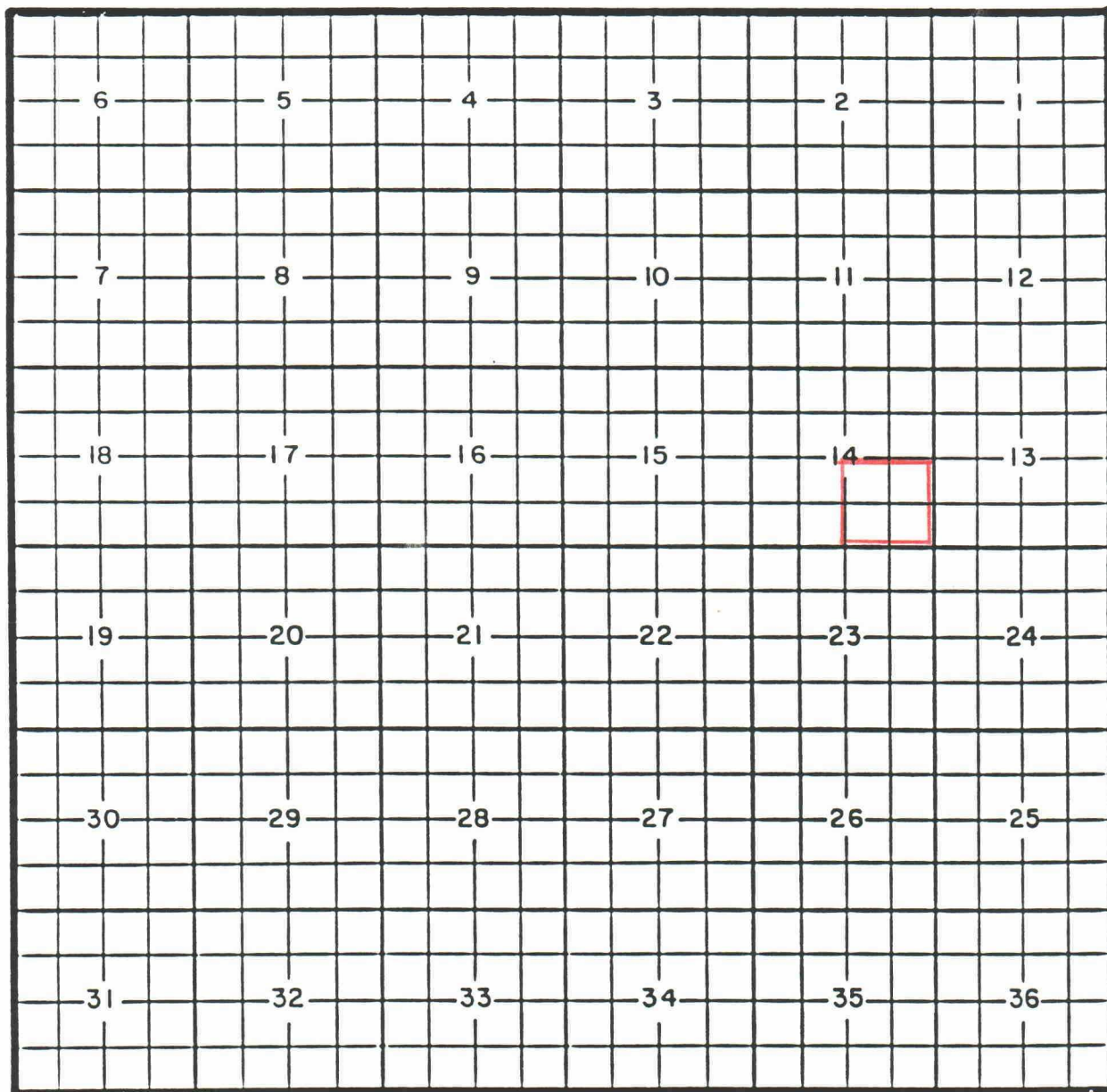
COUNTY LEA

POOL SALT LAKE-WOLFCAMP

TOWNSHIP 20 South

RANGE 32 East

NMPM



PURPOSE: One completed oil well capable of producing.

Yates Petroleum Corporation Belco AIA Federal Well No. 1 located in Unit J of Section 14, Township 20 South, Range 32 East, NMPM. It was completed August 28, 1990, in the Wolfcamp formation. The top of the perforations is at 11,272 feet.

Proposed pool boundary outlined in red. Section 14: SE/4

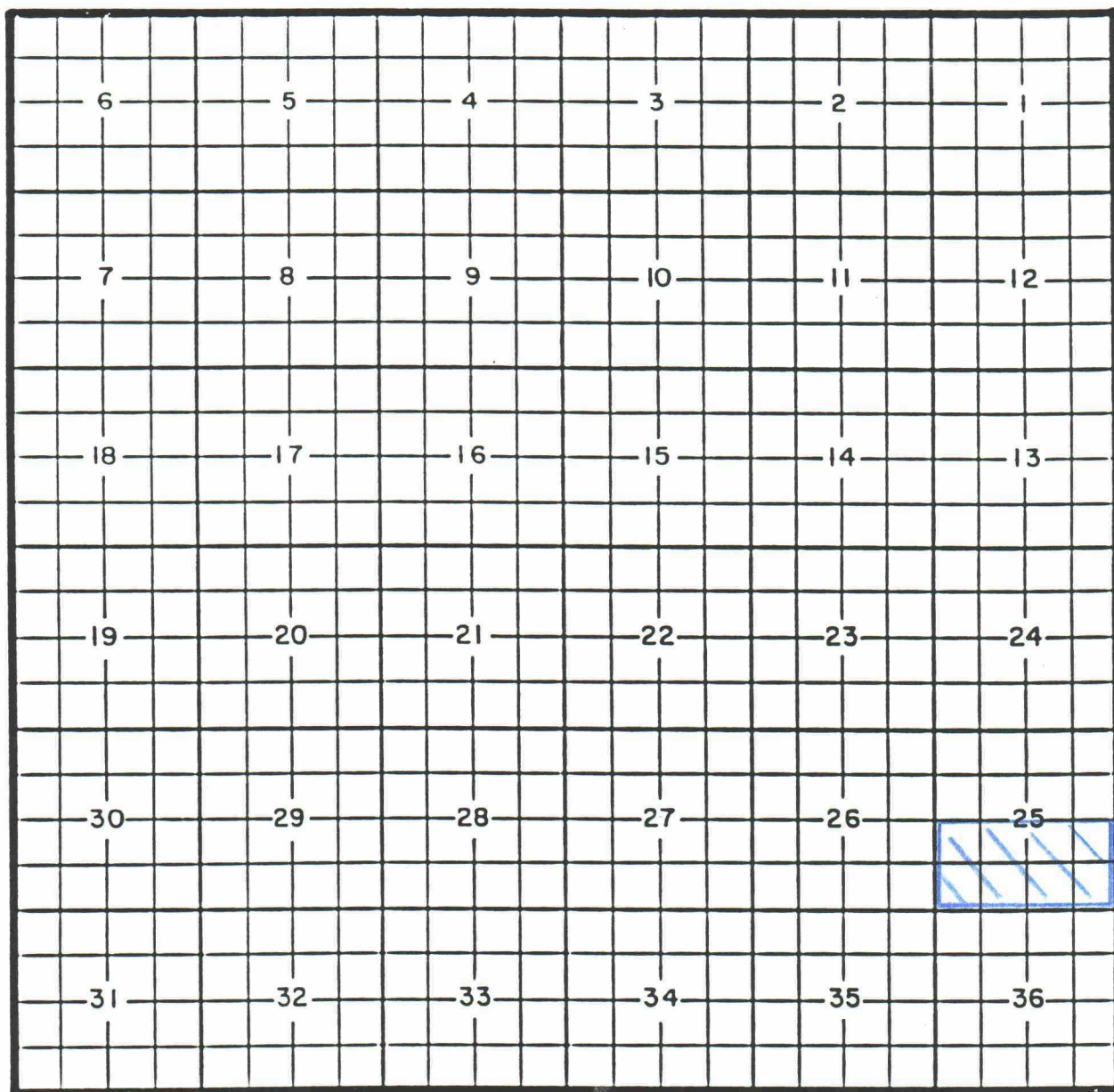
COUNTY LEA

POOL EAST PITCHFORK RANCH-ATOKA GAS

TOWNSHIP 24 South

RANGE 34 East

NMPM



PURPOSE: No well located within the pool capable of producing from the Atoka formation.

Pool boundary outlined in blue. Section 25: S/2

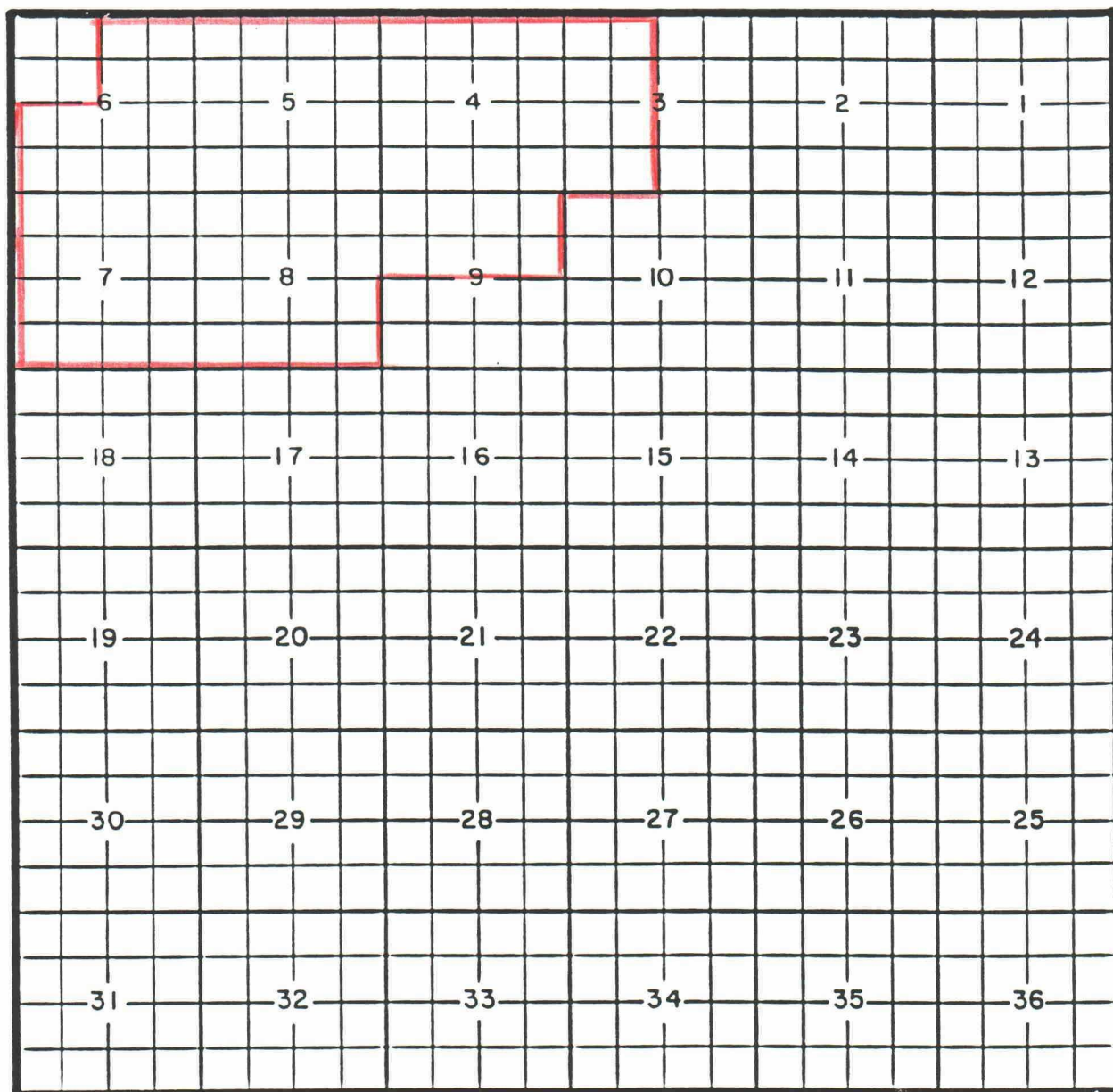
COUNTY LEA

POOL WEST LOVINGTON-SAN ANDRES-Redesignate as the
West Lovington-Upper San Andres

TOWNSHIP 17 South

RANGE 36 East

NMPM

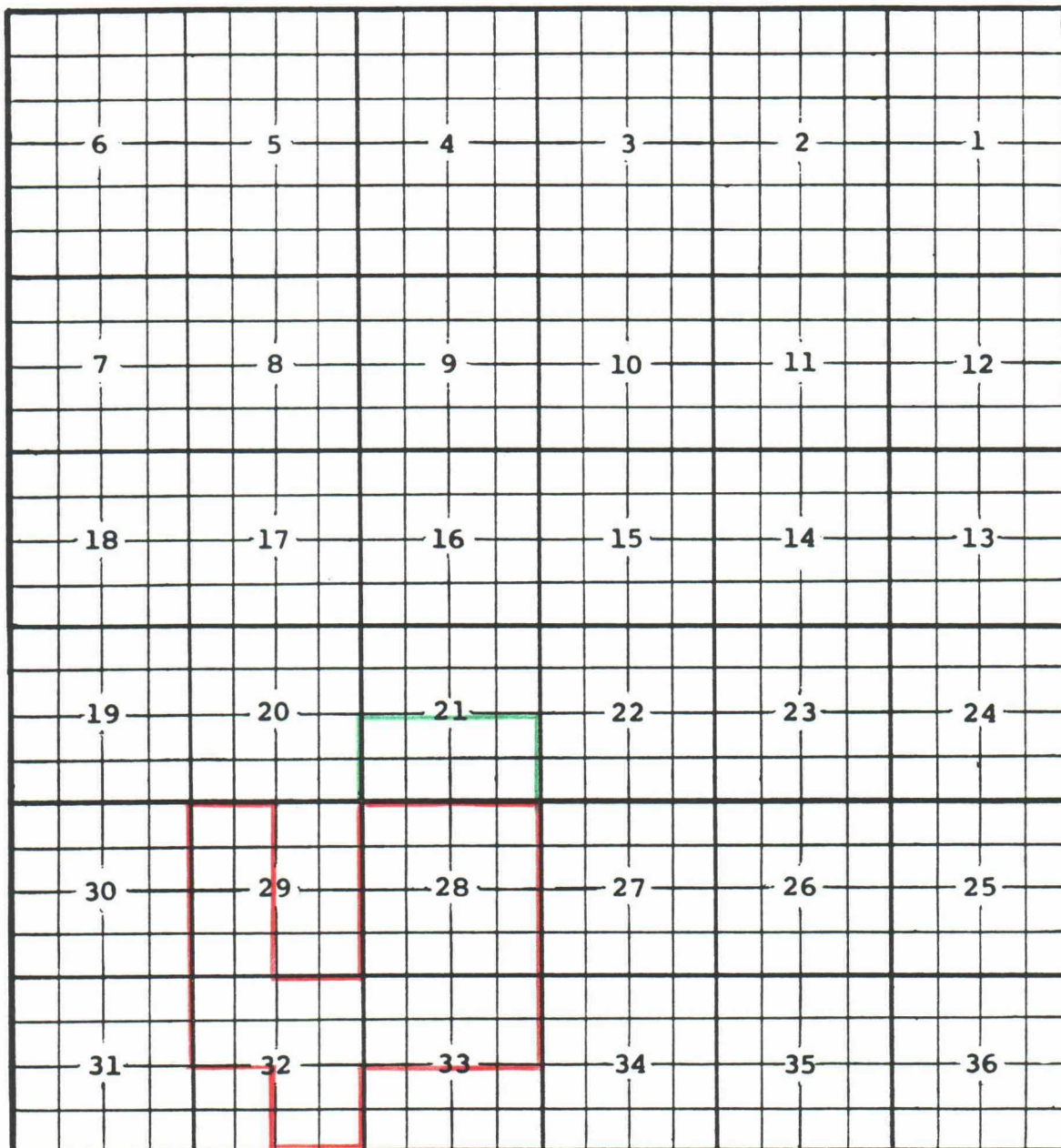


PURPOSE: Contraction of vertical limits and redesignate the pool by virtue of Type Log Cities Service State AU Well No. 1 located in Unit D of Section 10, Township 17 South, Range 36 East, NMPM. The top of the Upper San Andres formation is 4727 feet; Base of the Upper San Andres formation is at 5160 feet.

Pool boundary outlined in red.

COUNTY LEA POOL BILBREY-MORROW GAS

TOWNSHIP 21 South RANGE 32 East NMPM



PURPOSE: One completed gas well capable of producing.

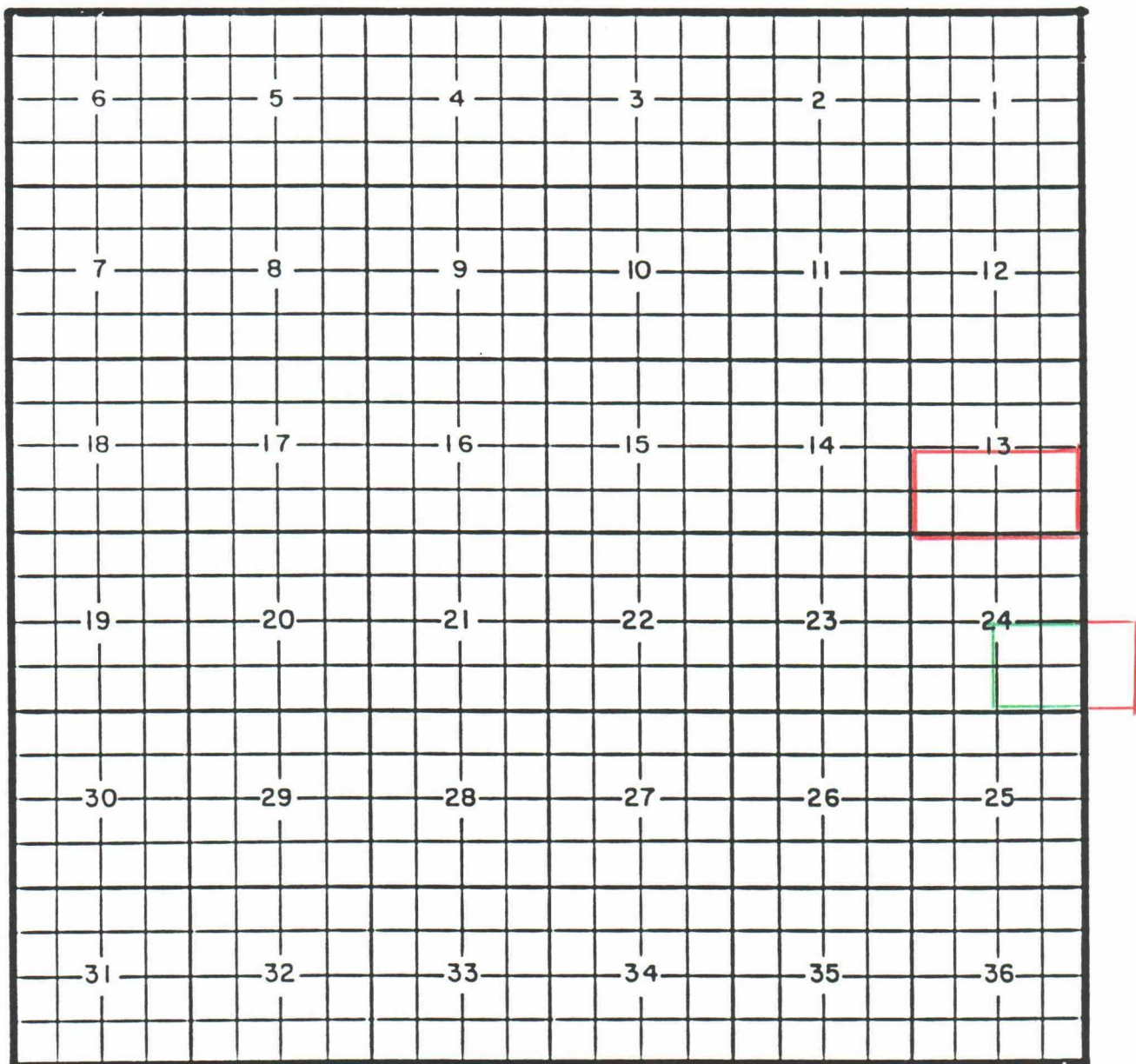
Santa Fe Energy Operating Partners L.P. Bilbrey 21 Federal Com Well No. 1
located in Unit 0 of Section 21, Township 21 South, Range 32 East, NMPM.
It was completed March 24, 1990, in the Morrow formation. the top of the
perforations is at 14,253 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 21: S/2

COUNTY LEA POOL SOUTH CORBIN-WOLFCAMP

TOWNSHIP 18 South RANGE 32 East NMPM



PURPOSE: One completed oil well capable of producing.

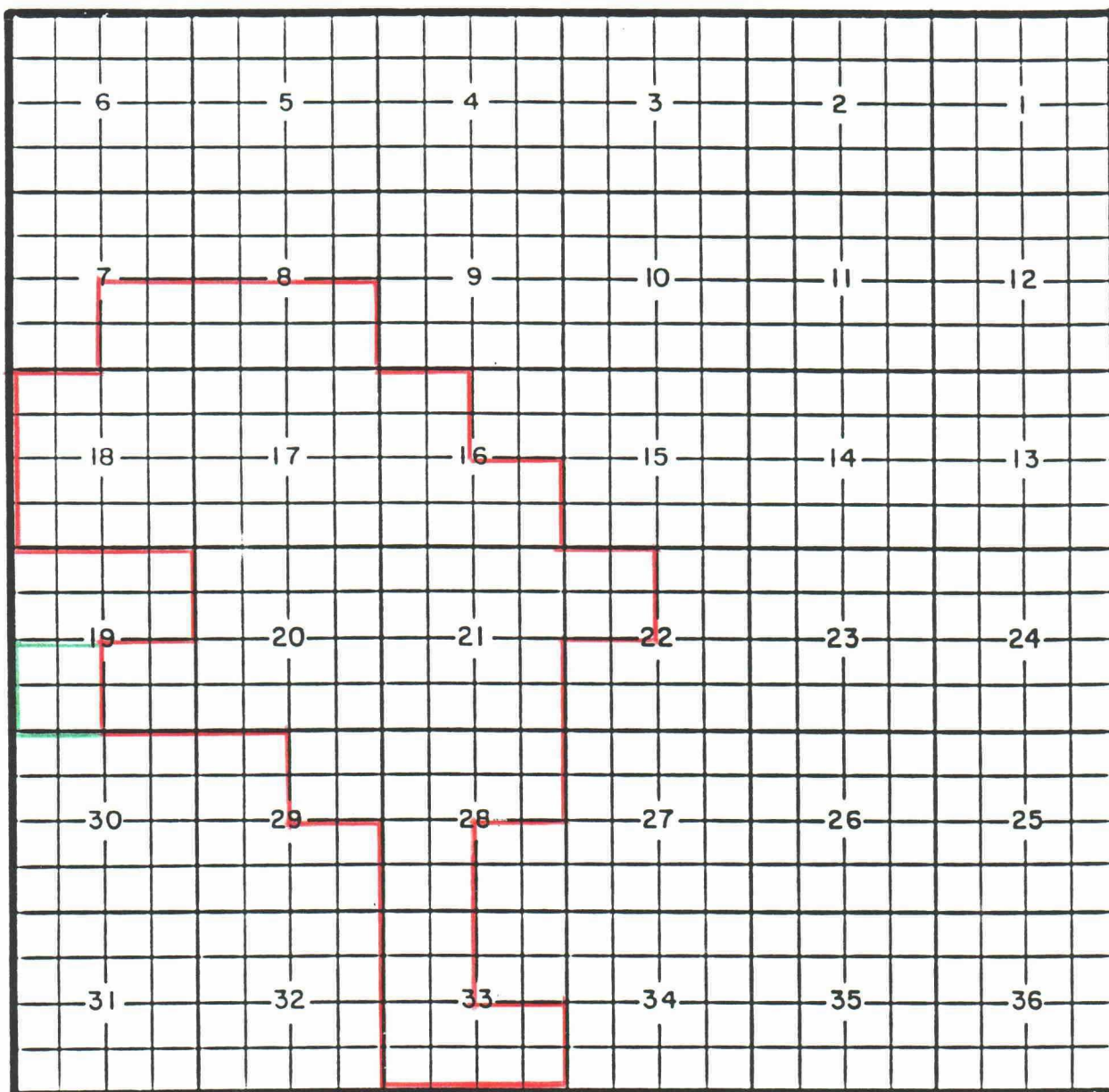
BTA Oil Producers French 9004 JV-P Well No. 1 located in Unit P of Section 24, Township 18 South, Range 32 East, NMPM. It was completed September 6, 1990, in the Wolfcamp formation. The top of the perforations is at 10,992 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 24: SE/4

COUNTY LEA POOL SOUTH CORBIN-WOLFCAMP

TOWNSHIP 18 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

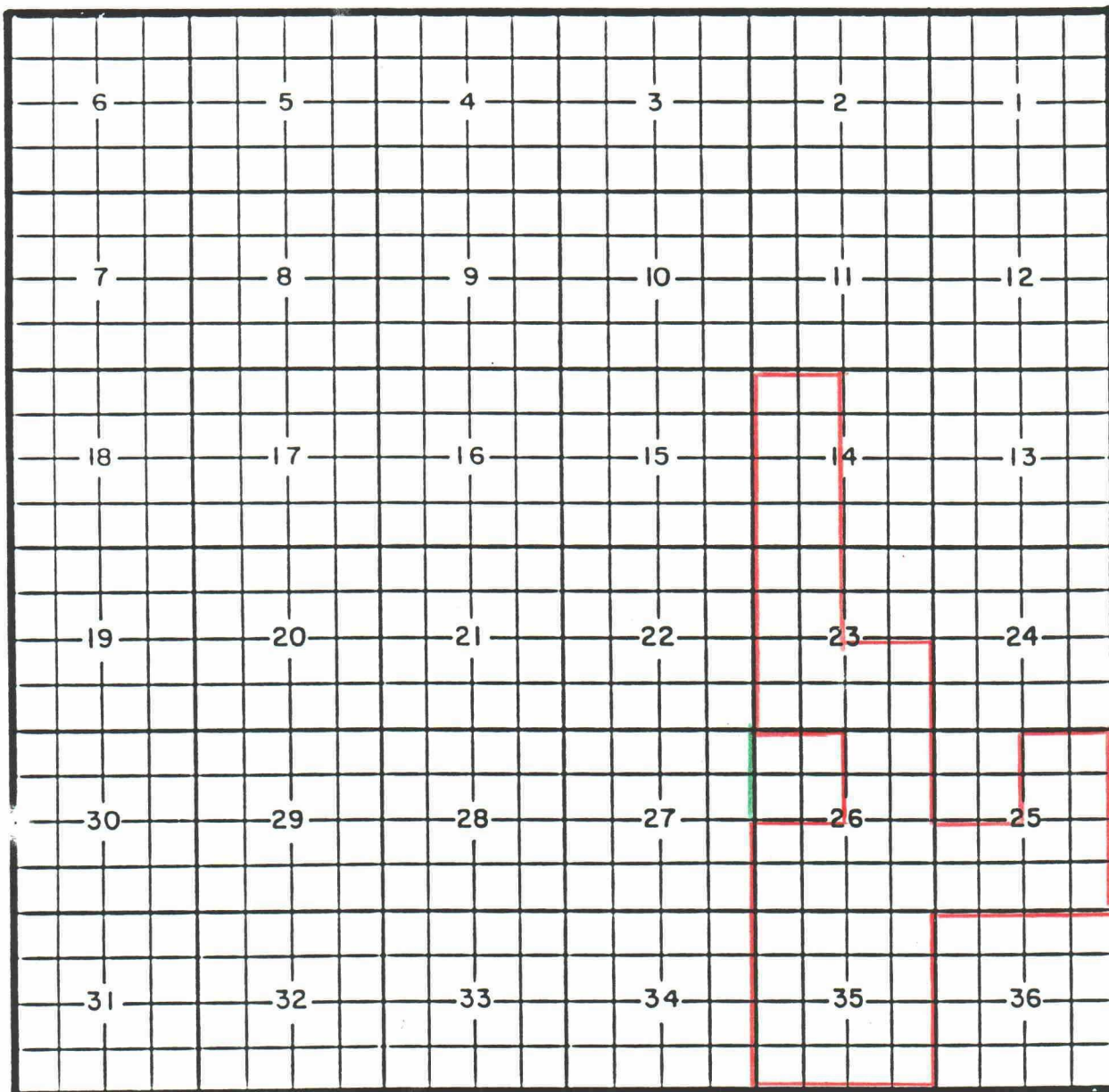
BTA Oil Producers French 9004 JV-P Well No. 1 located in Unit P of Section 24, Township 18 South, Range 32 East, NMPM. It was completed September 6, 1990, in the Wolfcamp formation. The top of the perforations is at 10,992 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 19: SW/4

COUNTY LEA POOL EAST GEM-MORROW GAS

TOWNSHIP 19 South RANGE 33 East NMPM



PURPOSE: One completed gas well capable of producing.

Union Oil Company of California Laguna Deep Federal Unit Well No. 4 located in Unit B of Section 26, Township 19 South, Range 33 East, NMPM. It was completed March 10, 1990, in the Morrow formation. The top of the perforations is at 13,194 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 26: NW/4

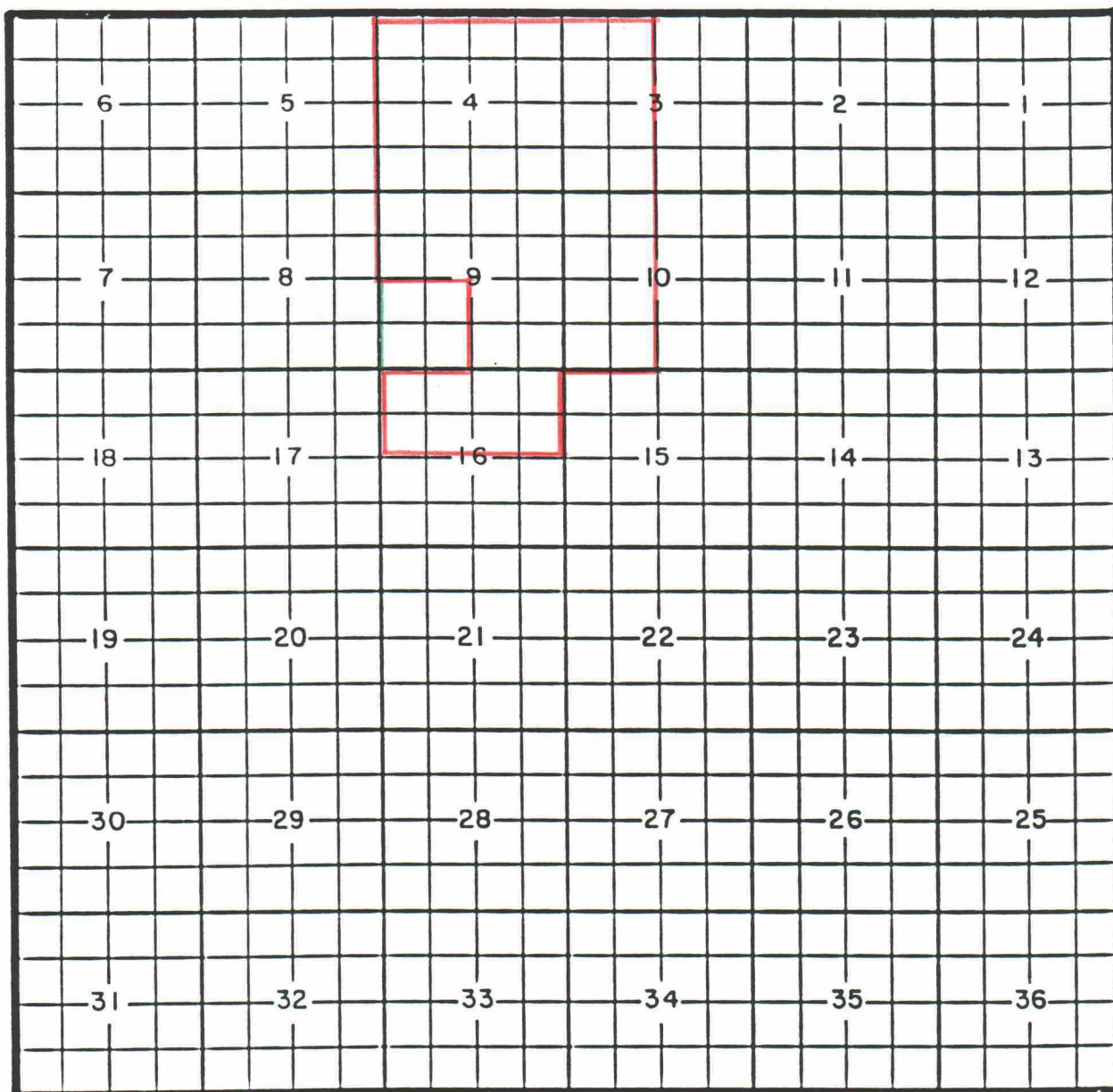
COUNTY LEA

POOL GRAMA RIDGE-MORROW GAS

TOWNSHIP 22 South

RANGE 34 East

NMPM



PURPOSE: One completed gas well capable of producing.

Oryx Energy Company Grama Ridge Federal Well No. 2 located in Unit D of Section 9, Township 22 South, Range 34 East, NMPM. It was completed August 2, 1990, in the Morrow formation. The top of the perforations is at 12,725 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 9: SW/4

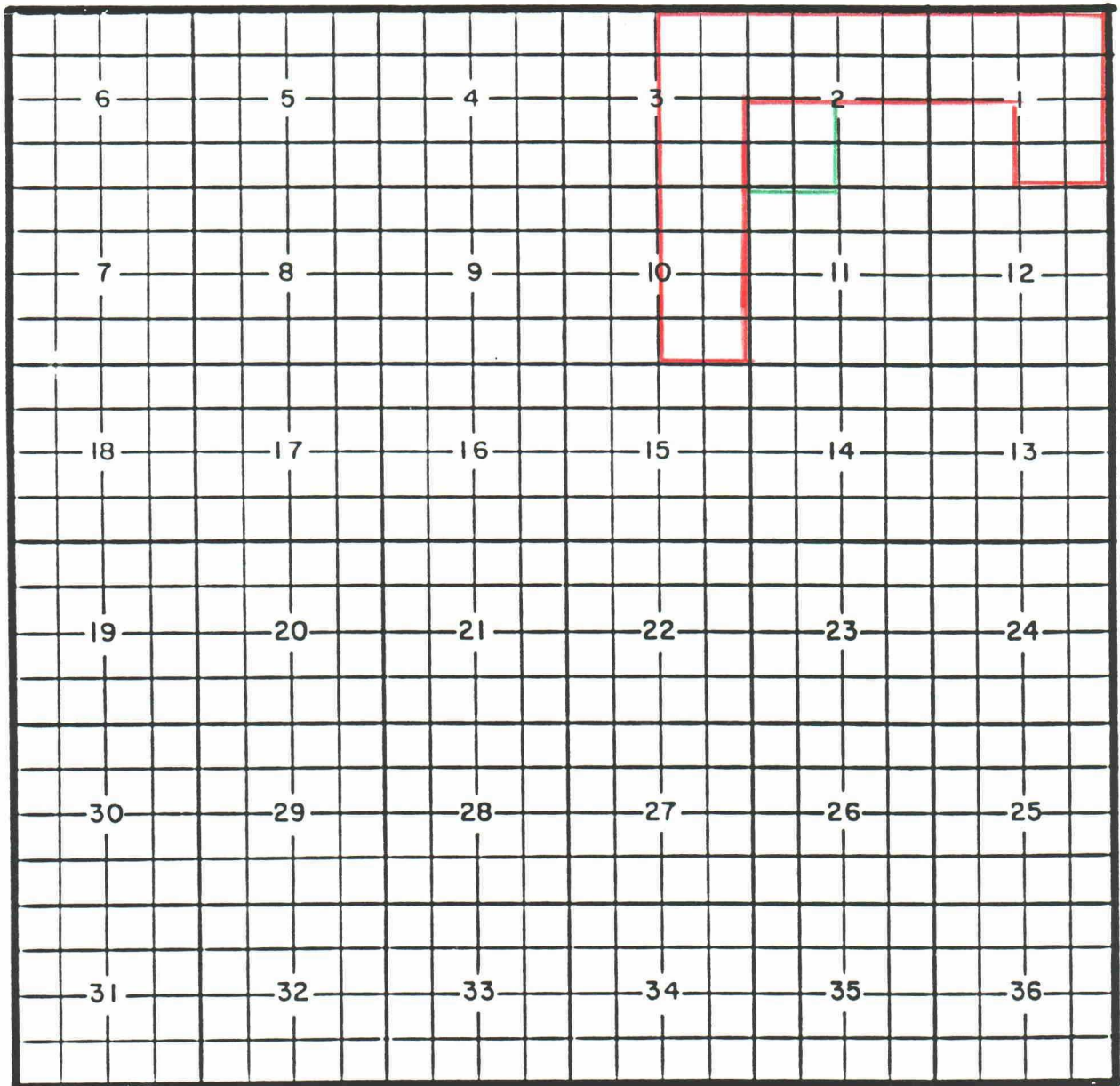
COUNTY LEA

POOL EAST GRAMA RIDGE-STRAWN GAS

TOWNSHIP 22 South

RANGE 34 East

NMPM



PURPOSE: One completed gas well capable of producing.

Texaco Producing Inc. Getty 2 State Com Well No. 1 located in Unit F of Section 2, Township 22 South, Range 34 East, NMPM. It was completed November 22, 1989, in the Strawn formation. The top of the perforations is at 11,752 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 2: SW/4

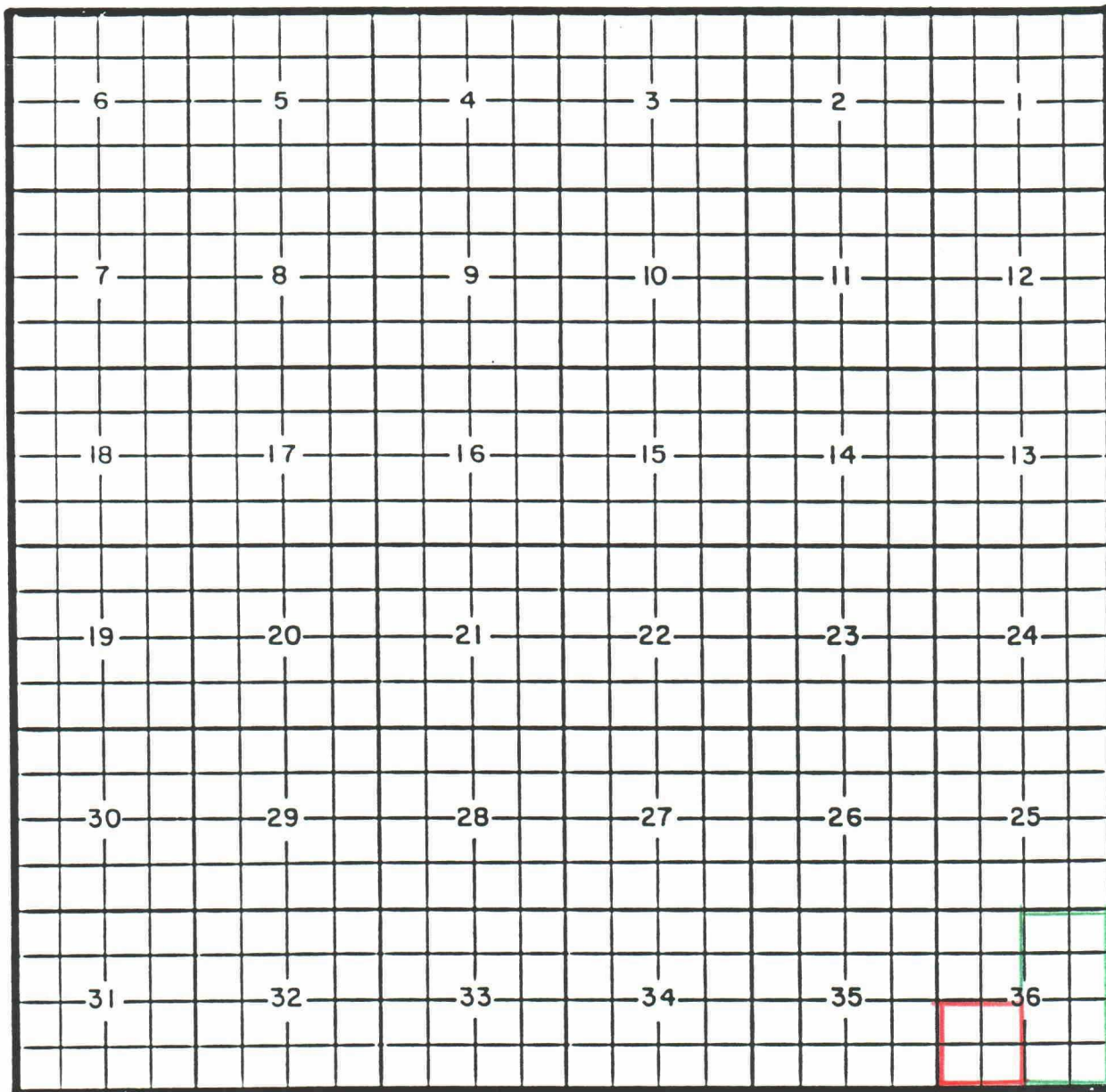
COUNTY LEA

POOL LANE-SAN ANDRES

TOWNSHIP 9 South

RANGE 33 East

NMPM



PURPOSE: One completed oil well capable of producing.

Petroleum Production Management Inc. Sunray 682 Ltd. Well No. 5 located in Unit B of Section 36, Township 9 South, Range 33 East, NMPM. It was completed July 26, 1990, in the San Andres formation. The top of the perforations is at 4,640 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 36: E/2

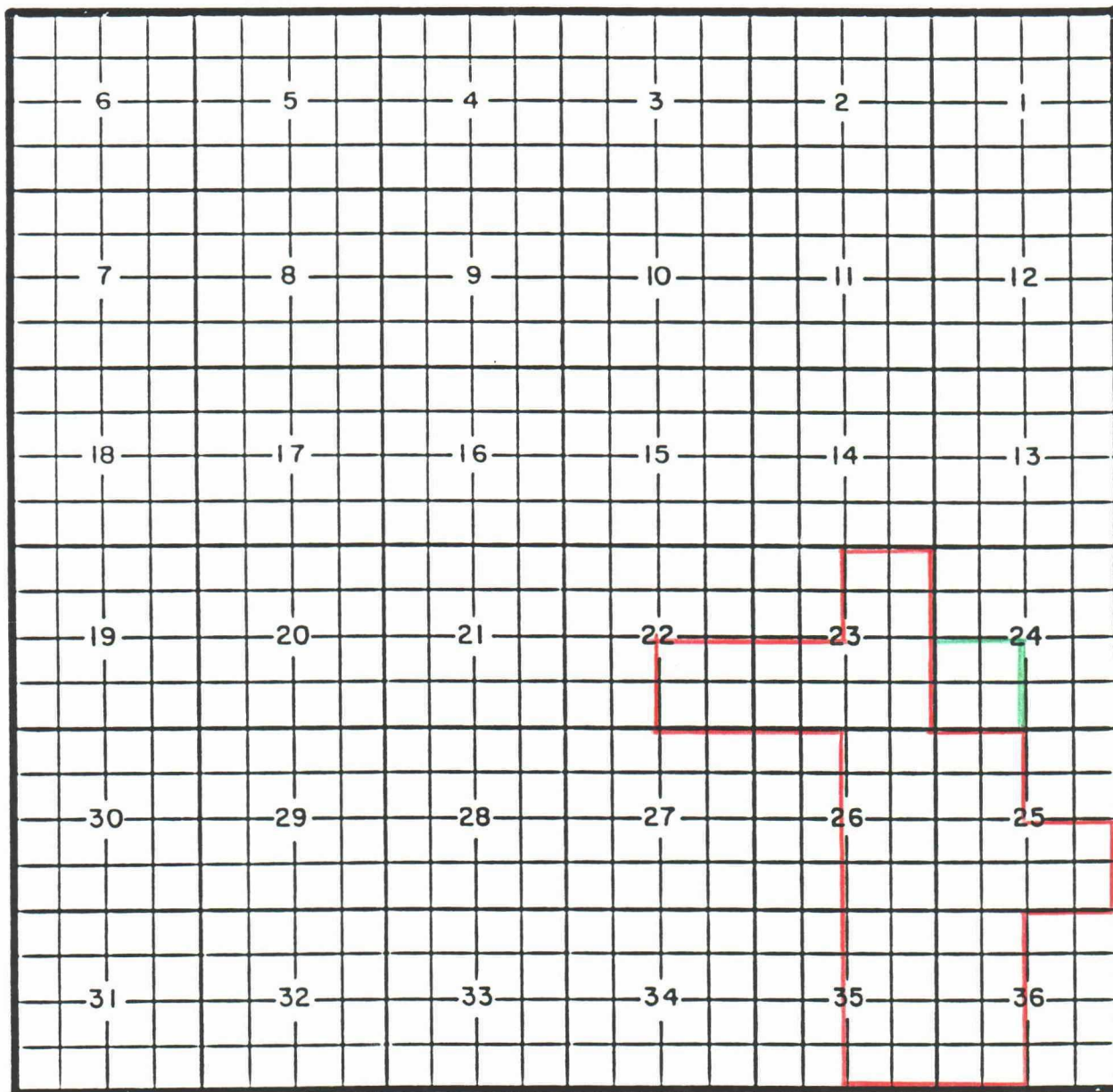
COUNTY LEA

POOL LEA-BONE SPRING

TOWNSHIP 19 South

RANGE 34 East

NMPM



PURPOSE: One completed oil well capable of producing.

Harvey E. yates Company Mobil 24 Federal Well No. 1 located in Unit K of Section 24, Township 19 South, Range 34 East, NMPM. It was completed July 17, 1990, in the Bone Spring formation. The top of the perforations is at 10,397 feet.

Pool boundary outlined in red.

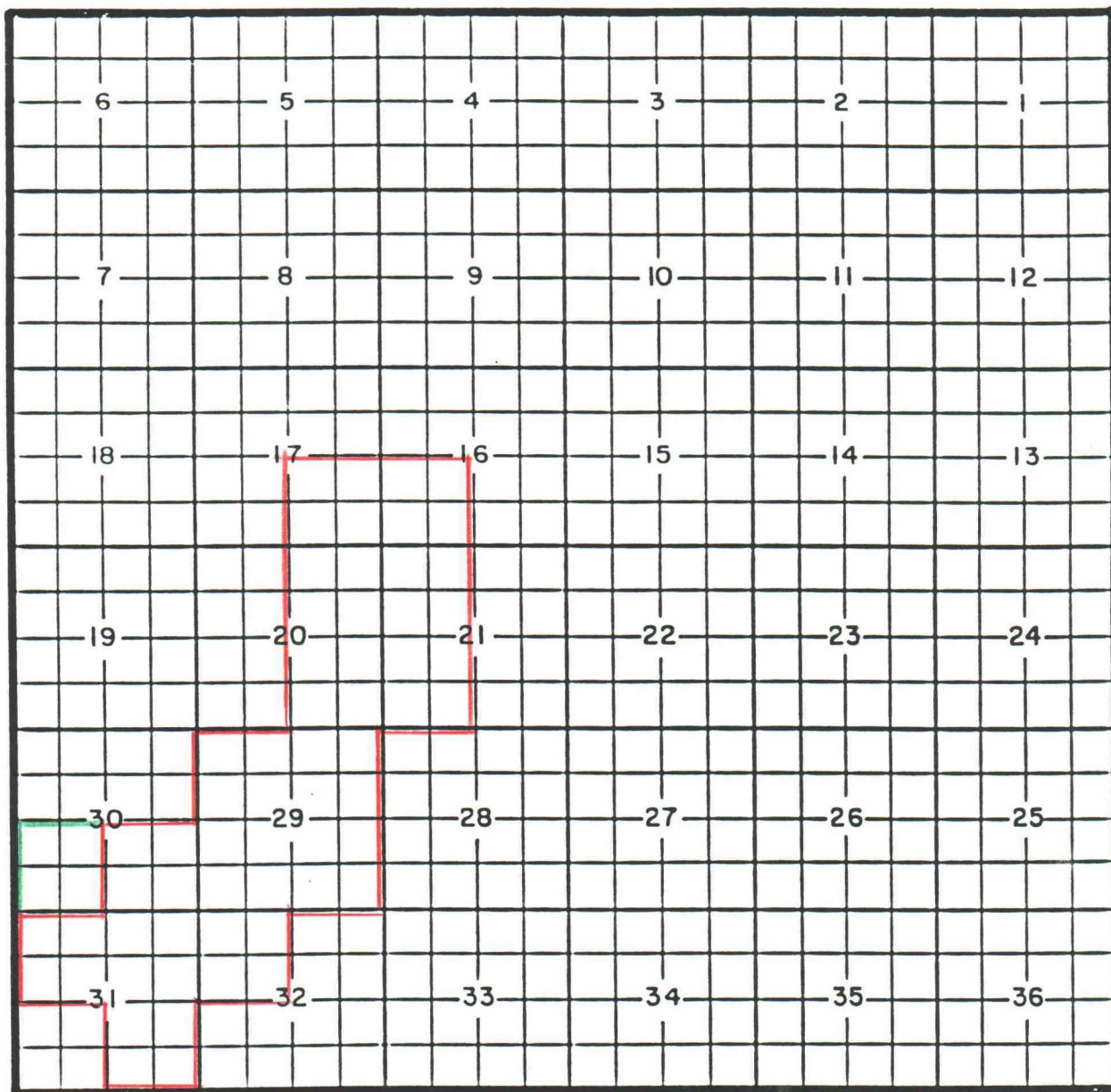
Proposed pool extension outlined in green. Section 24: SW/4

COUNTY LEA

POOL WEST LUSK-DELAWARE

TOWNSHIP 19 South RANGE 32 East

NMPM



PURPOSE: One completed oil well capable of producing.

Yates Petroleum Corporation Flood AFN Federal Well No. 1 located in Unit M of Section 30, township 19 South, Range 32 East, NMPM. It was completed August 22, 1990, in the Delaware formation. The top of the perforations is at 7,002 feet.

Pool boundary outlined in red.

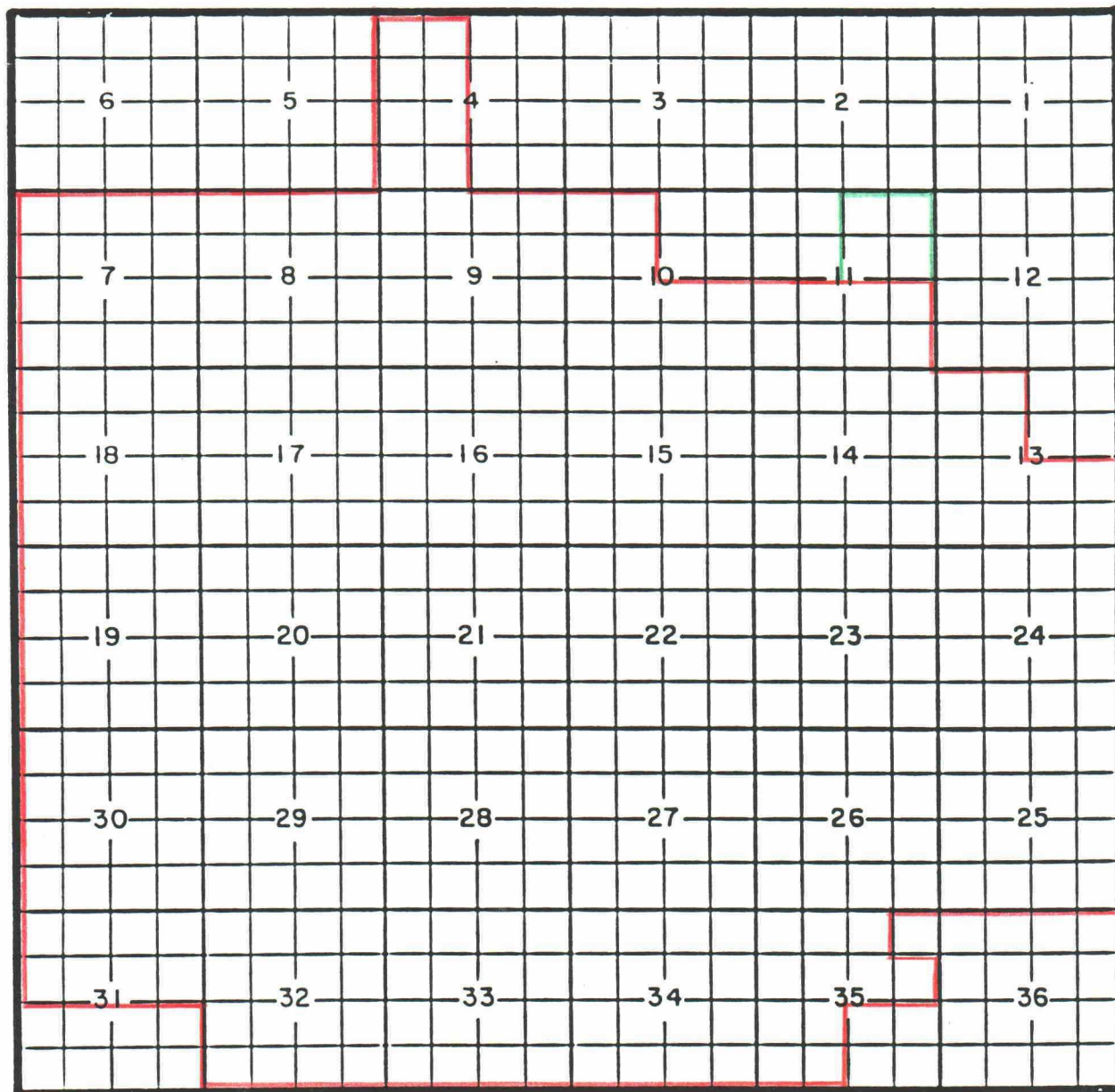
Proposed pool extension outlined in green. Section 30: SW/4

COUNTY LEA

POOL MALJAMAR GRAYBURG-SAN ANDRES

TOWNSHIP 17 South RANGE 33 East

NMPM



PURPOSE: One completed oil well capable of producing.

Marbob Energy Corporation Petrus D Well No. 4 located in Unit H of Section 11, Township 17 South, Range 33 East, NMPM. It was completed August 27, 1990, in the Grayburg-San Andres formation. The top of the perforations is at 4,400 feet.

Pool boundary outlined in red.

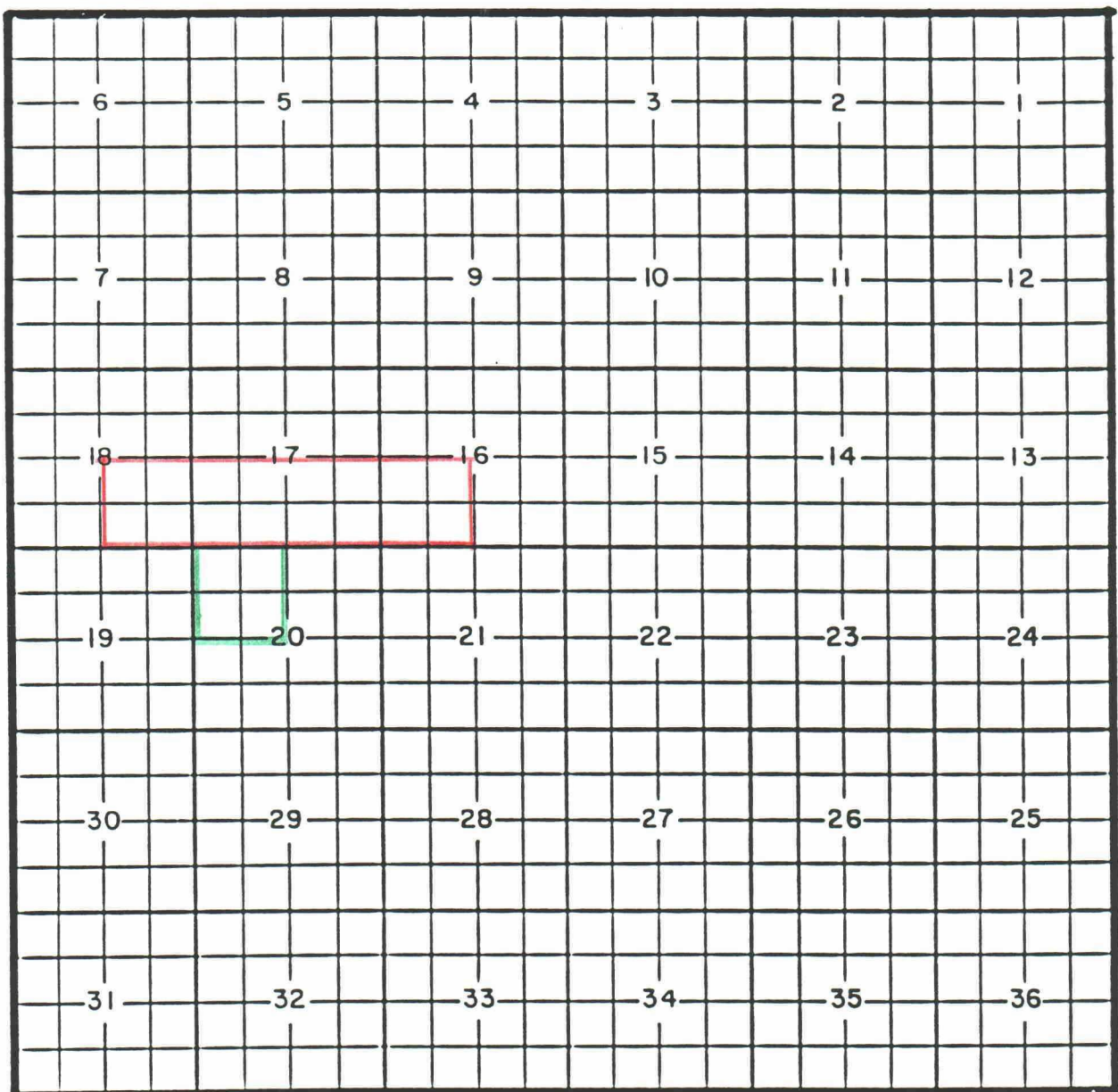
Proposed pool extension outlined in green. Section 11: NE/4

COUNTY LEA

POOL MIDWAY-SAN ANDRES

TOWNSHIP 17 South RANGE 37 East

NMPM



PURPOSE: One completed oil wells capable of producing.

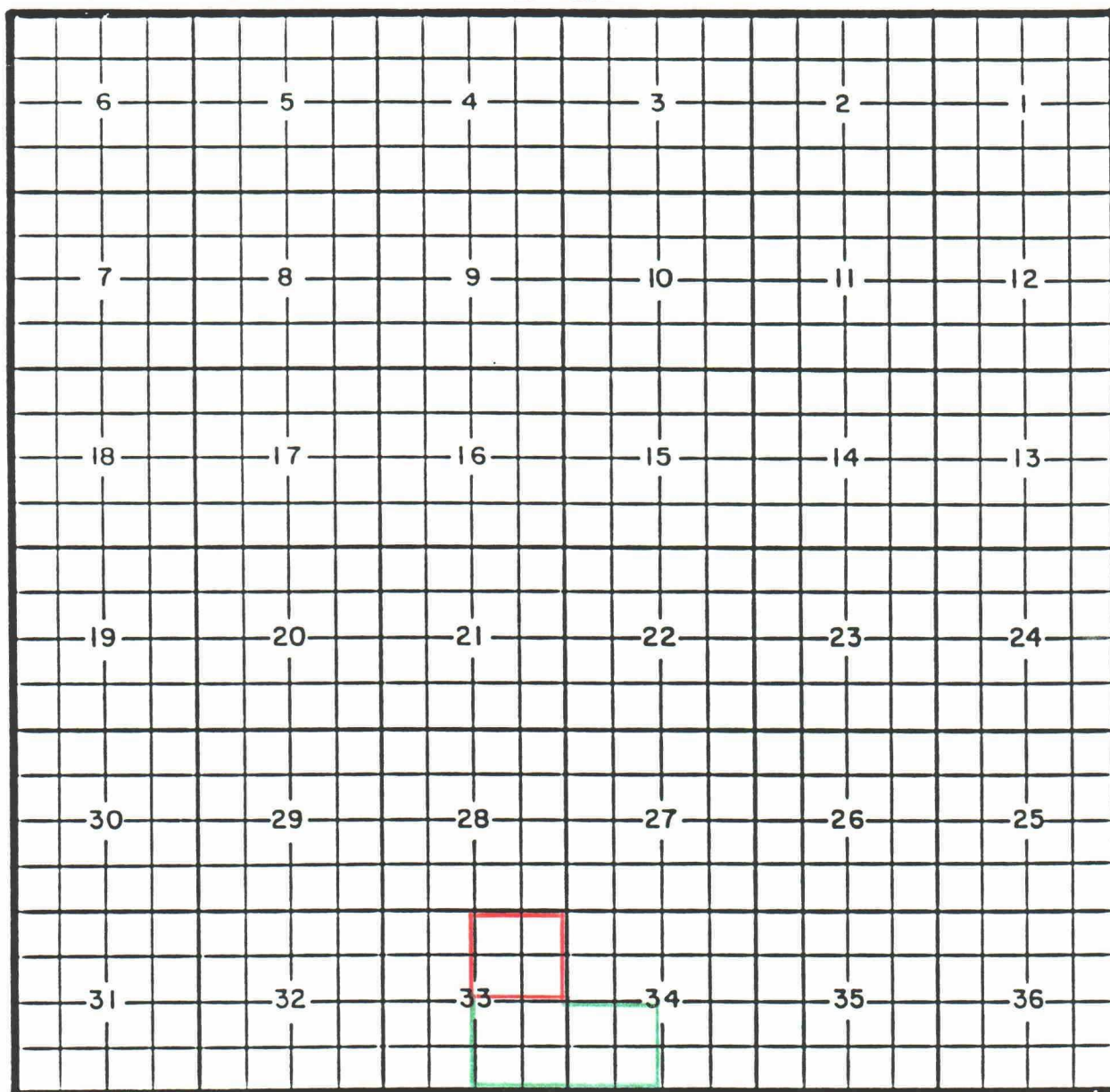
Lynx Petroleum Consultants, Inc. E. D. Shipp Well No. 1 located in Unit D of Section 20, Township 17 South, Range 37 East, NMPM. It was completed July 19, 1990, in the San Andres formation. The top of the perforations is at 5,104 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 20: NW/4

COUNTY ROOSEVELT POOL MILNESAND-ABO

TOWNSHIP 8 South RANGE 35 East NMPM



PURPOSE: One completed oil well capable of producing.

Petroleum Production Management Inc. Will 693 Ltd. Well No. 3 located in Unit N of Section 34, Township 8 South, Range 35 East, NMPM. It was completed August 11, 1990, in the Abo formation. The top of the perforations is at 8,924 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 33: SE/4.

Section 34: SW/4

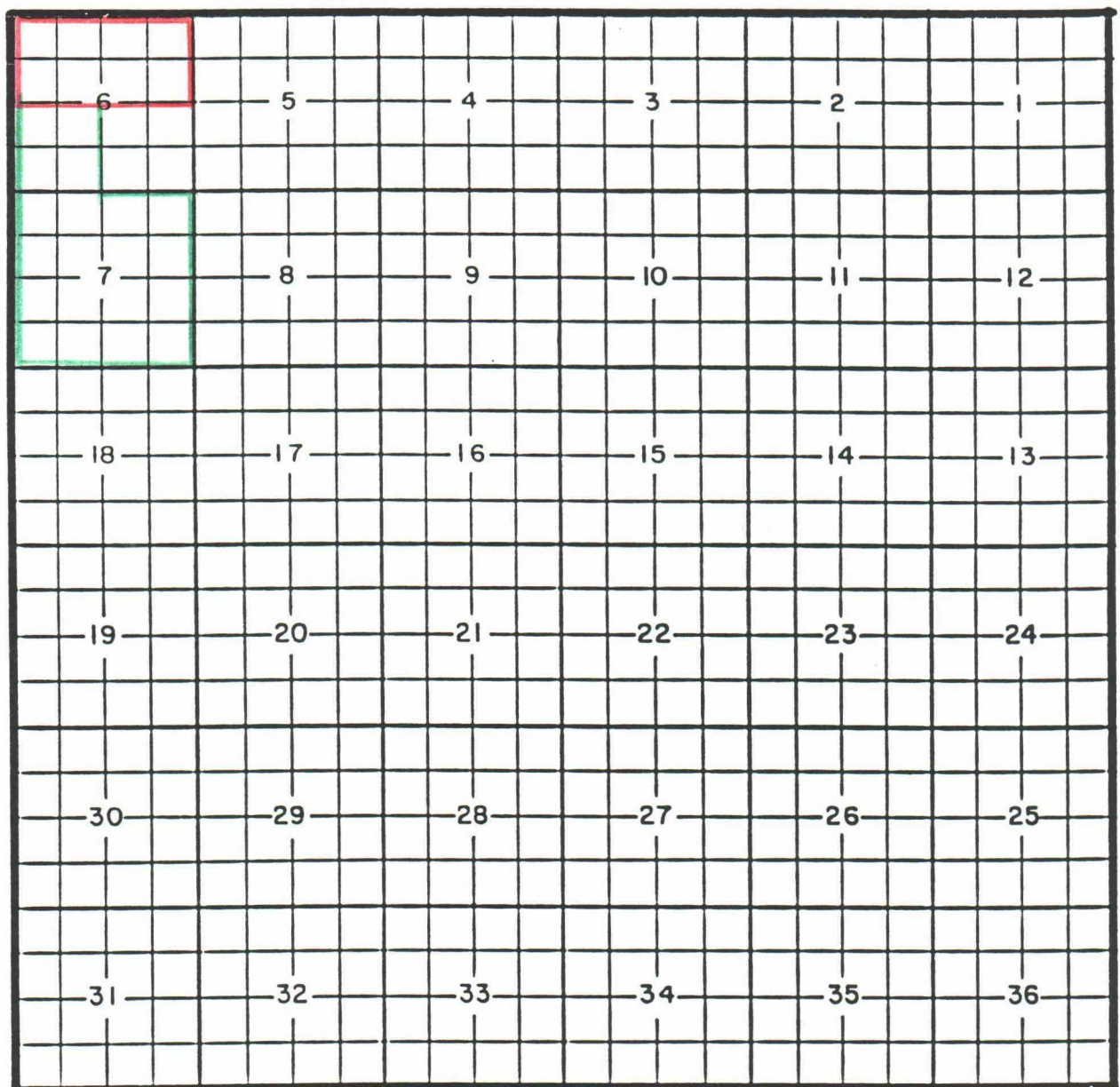
COUNTY LEA

POOL QUAIL RIDGE-MORROW GAS

TOWNSHIP 20 South

RANGE 34 East

NMPM



PURPOSE: Two completed gas wells capable of producing.

TXO Production Corporation Hamon Federal Com Well No. 1 located in Unit B of Section 7, Township 20 South, Range 34 East, NMPM. It was completed August 8, 1990, in the Morrow formation. The top of the perforations is at 13,222 feet.

TXO Production Corporation Hamon A Federal Com Well No. 1 located in Unit J of Section 7, Township 20 South, Range 34 East, NMPM. It was completed September 14, 1990, in the Morrow formation. The top of the perforations is at 13,308 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 6: SW/4; Section 7: ALL

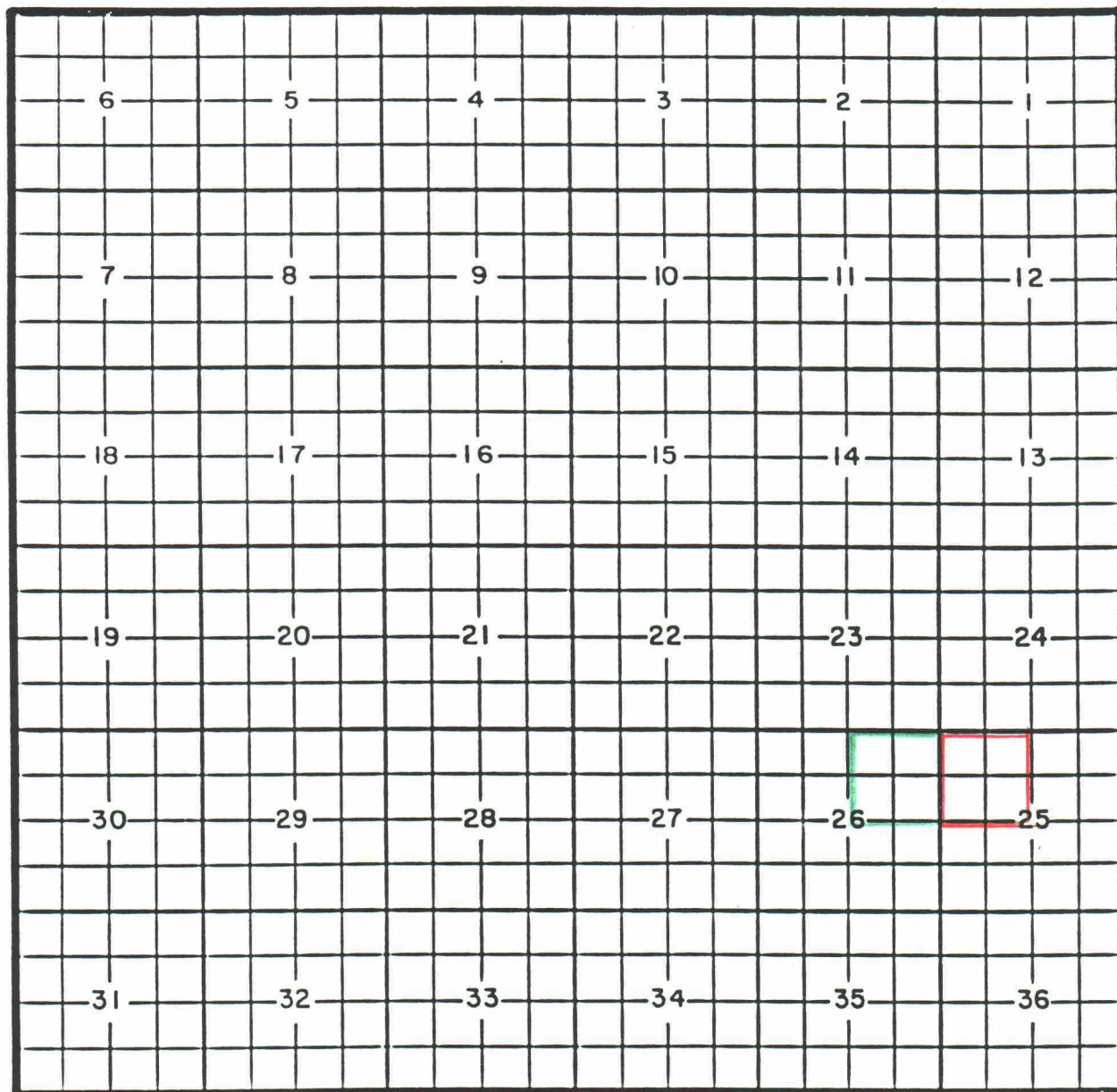
COUNTY LEA

POOL QUERECHO PLAINS-DELAWARE

TOWNSHIP 18 South

RANGE 32 East

NMPM



PURPOSE: One completed oil well capable of producing.

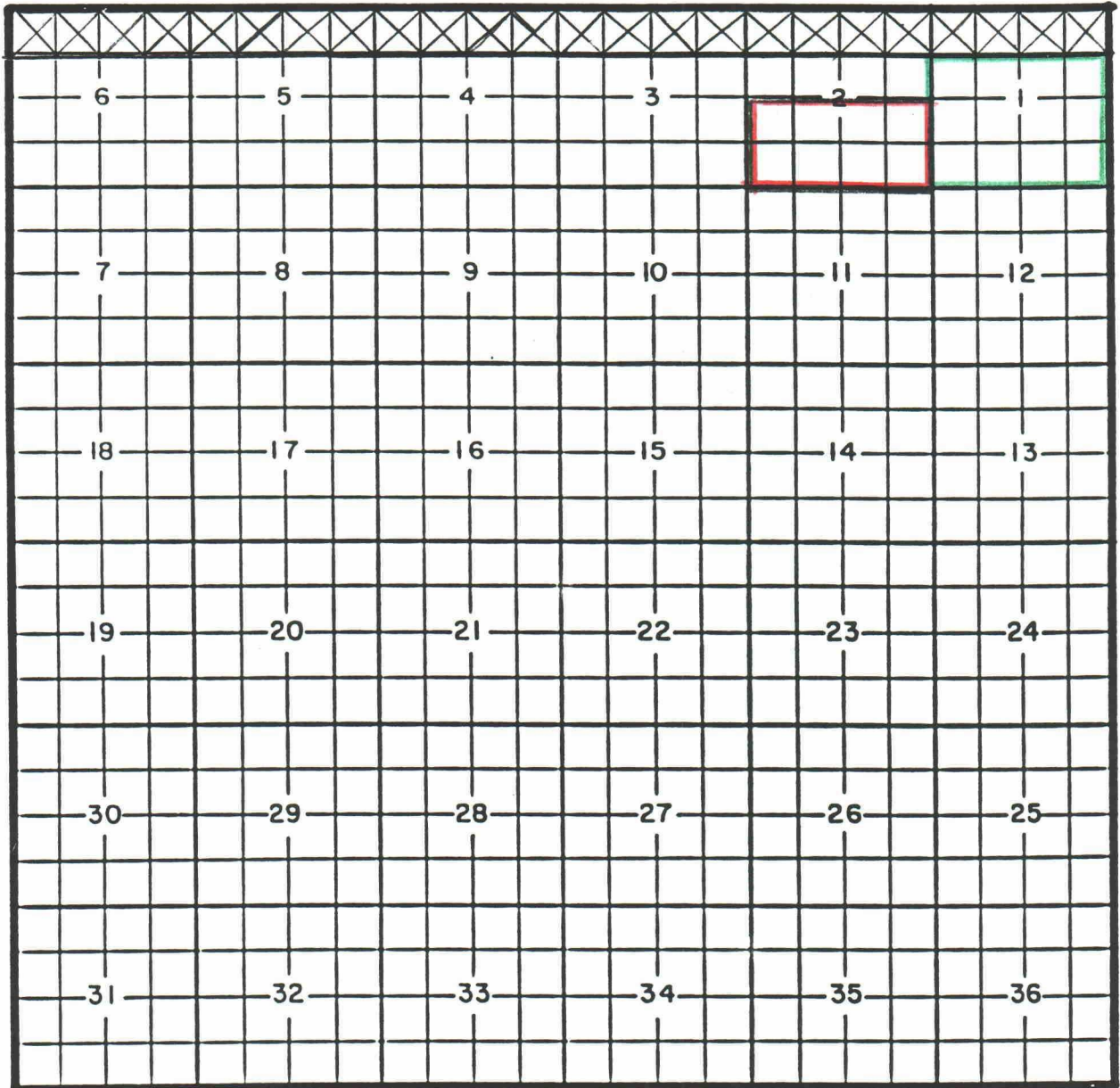
Anadarko Petroleum Corporation Burleson Federal Well No. 3 located in Unit G of Section 26, Township 18 South, Range 32 East, NMPM. It was completed August 15, 1990, in the Delaware formation. The top of the perforations is at 5,652 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 26: NE/4

COUNTY LEA POOL SAND SPRINGS-ATOKA GAS

TOWNSHIP 11 South RANGE 34 East NMPM



PURPOSE: One completed gas well capable of producing.

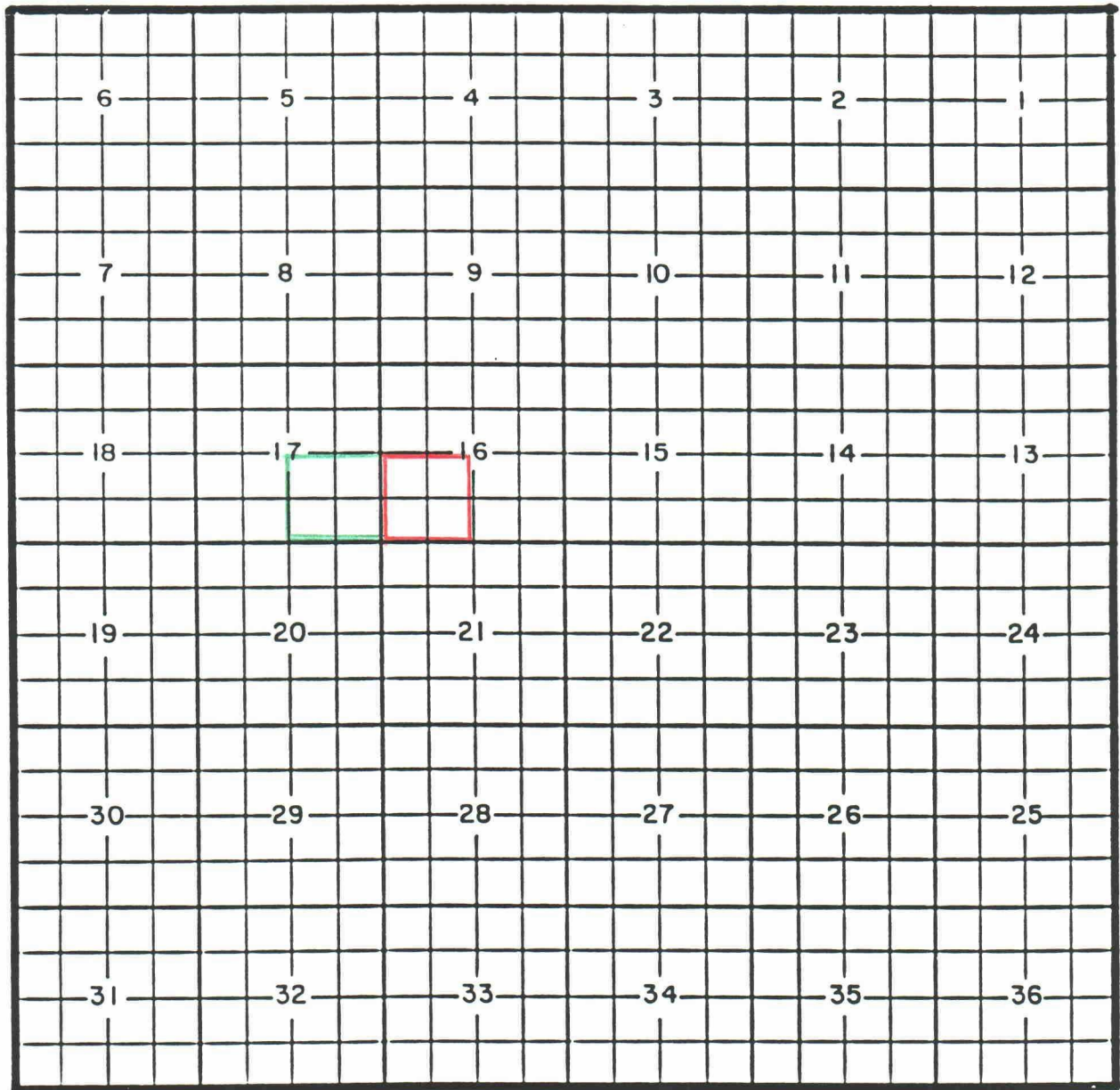
Yates Petroleum Corporation Lagarto State Unit Well No. 3 located in Unit M of Section 1, Township 11 South, Range 34 East, NMPM. It was completed August 4, 1990, in the Atoka formation. The top of the perforations is at 11,881 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 1: Lots 1, 2, 3, 4 and S/2

COUNTY LEA POOL MID VACUUM-DELAWARE

TOWNSHIP 18 South RANGE 35 East NMPM



PURPOSE: One completed oil well capable of producing.

Mitchell Energy Corporation Milky Way State Well No. 1 located in Unit I of
Section 17, Township 18 South, Range 35 East, NMPM. It was completed September
15, 1990, in the Delaware formation. The top of the perforations is at 5,396
feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 17: SE/4

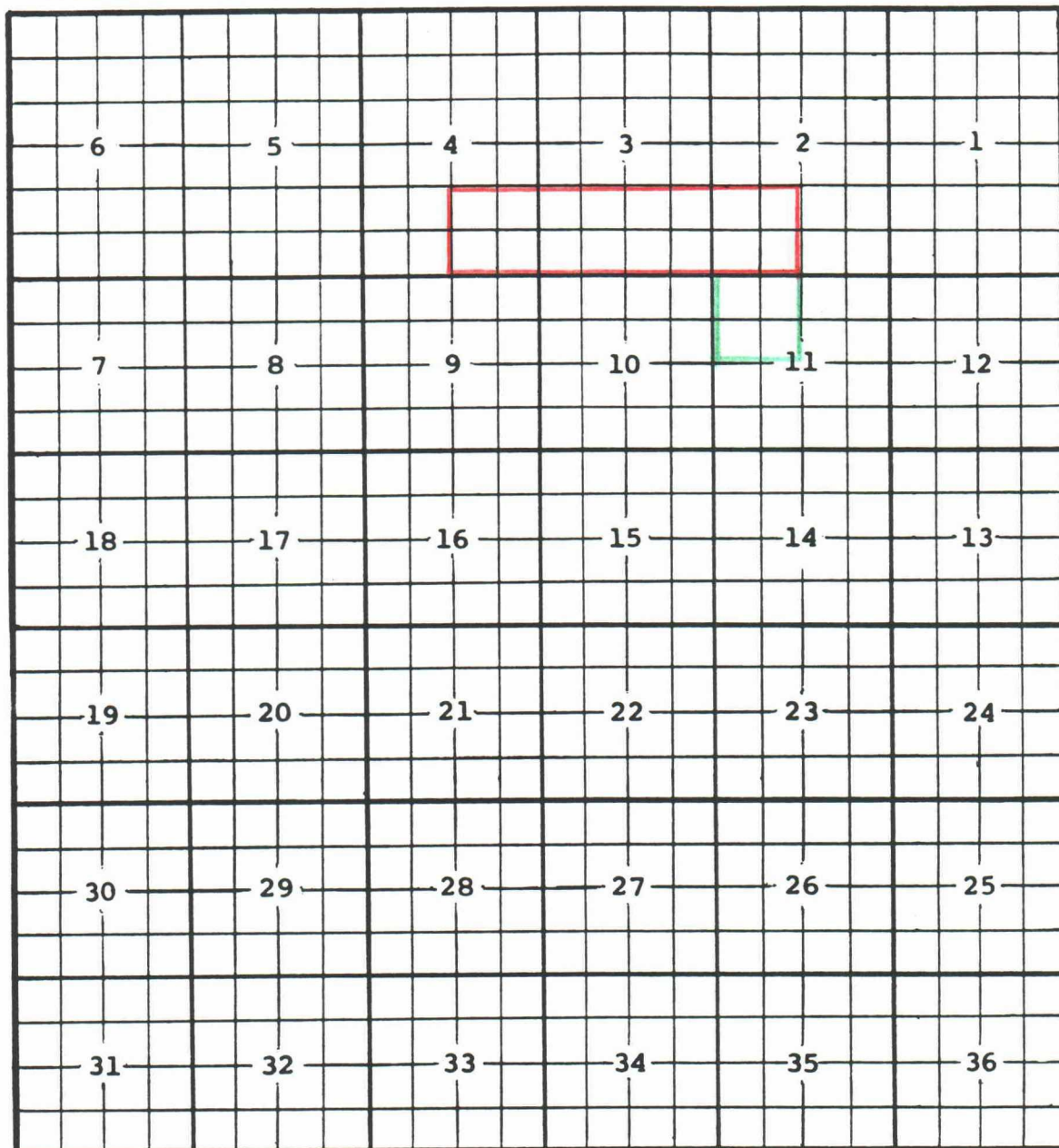
COUNTY LEA

POOL WEST WILSON-YATES

TOWNSHIP 21 South

RANGE 34 South

NMPM



PURPOSE: One completed oil well capable of producing.

Stevens & Tull Inc. Wilson State Well No. 1 located in Unit D of Section 11, Township 21 South, Range 34 East, NMPM. It was completed August 27, 1990, in the Yates formation. The top of the perforations is at 3,836 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 11: NW/4

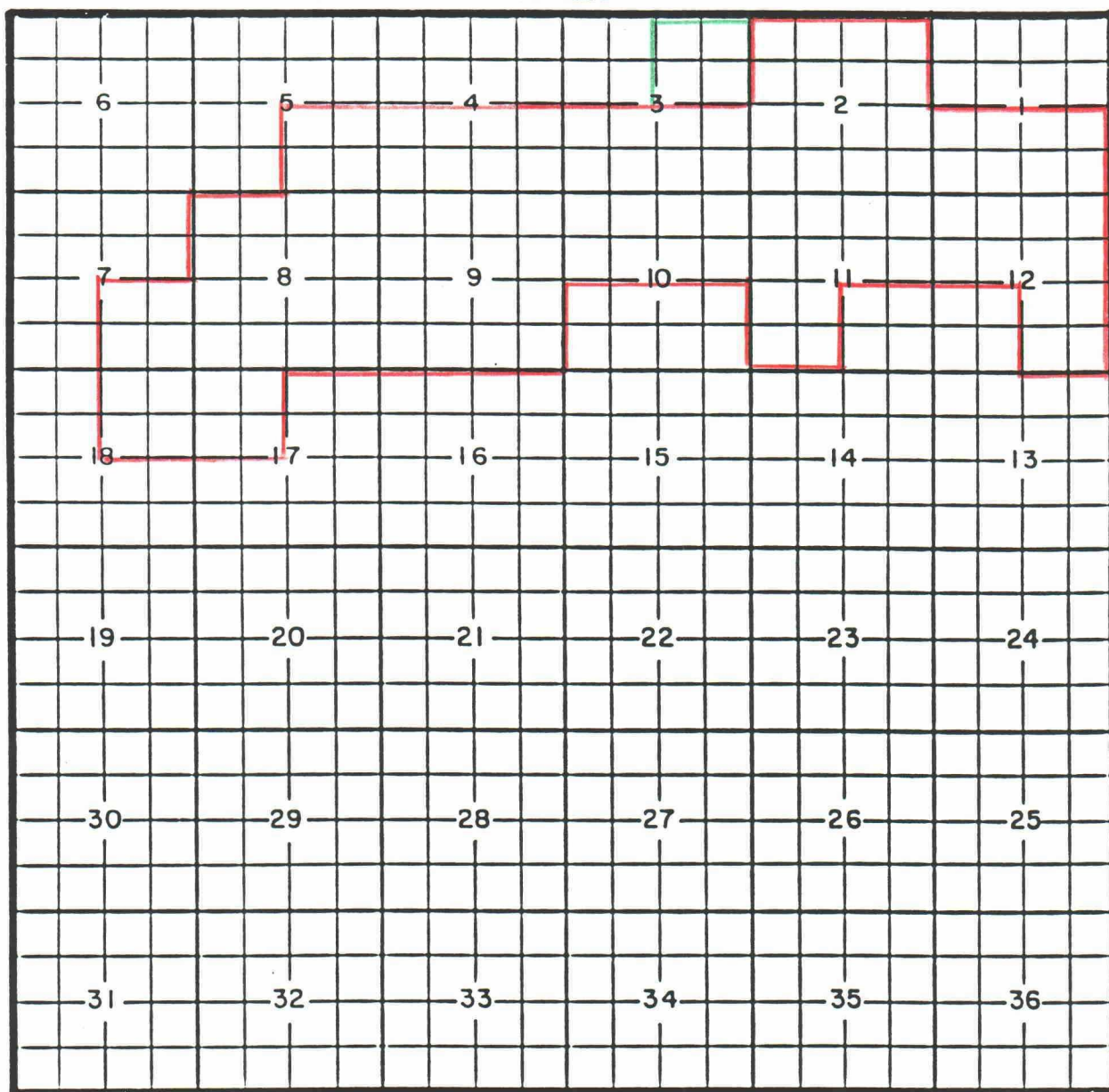
COUNTY LEA

POOL NORTH YOUNG-BONE SPRING

TOWNSHIP 18 South

RANGE 32 East

NMPM



PURPOSE: One completed oil well capable of producing.

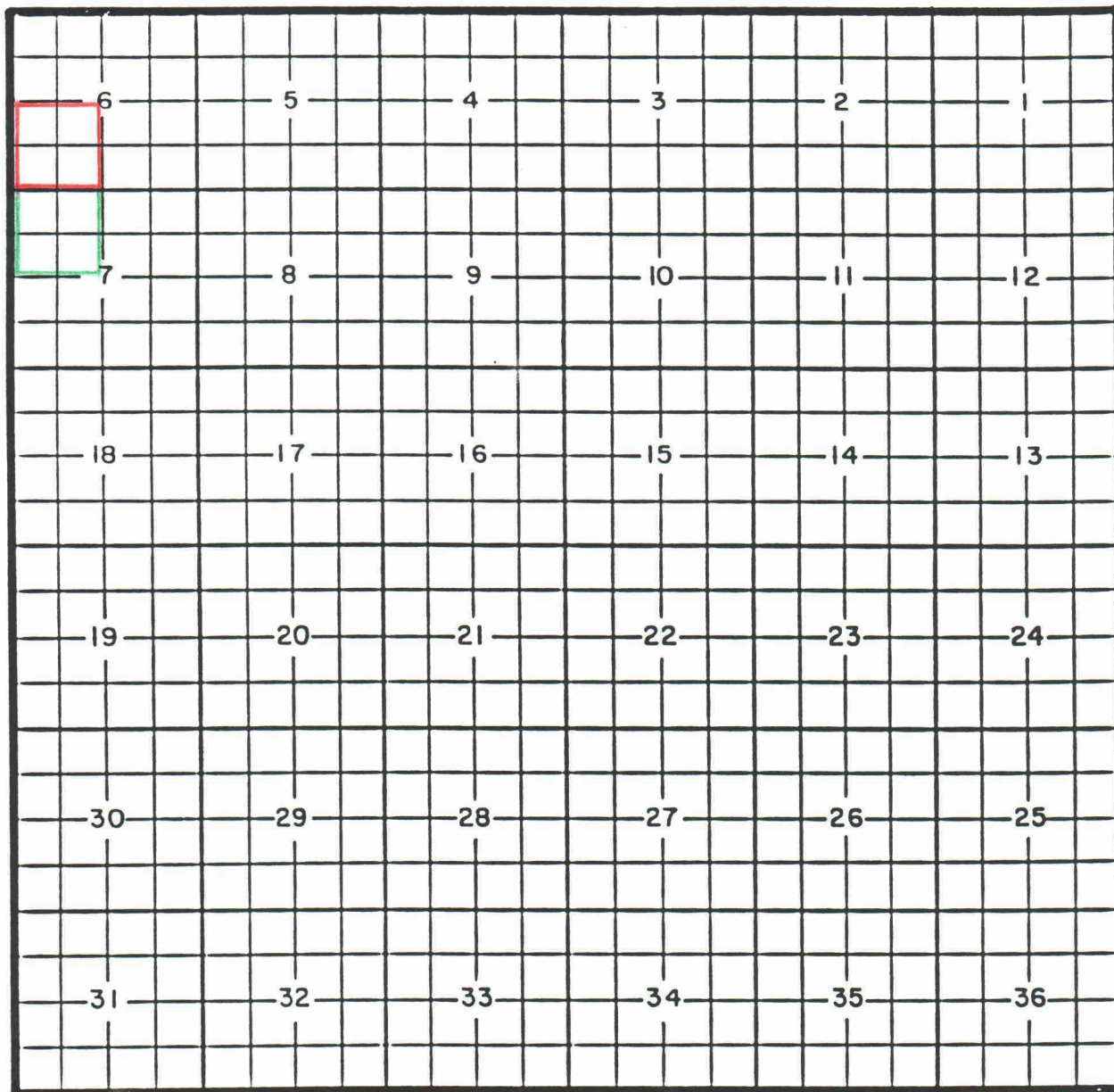
Harvey E. Yates Company North Young "3" Federal Well No. 1 located in Unit H of Section 3, Township 18 South, Range 32 East, NMPM. it was completed July 6, 1990, in the Bone Spring formation. The top of the perforations is at 8,225 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 3: NE/4

COUNTY LEA POOL NORTH YOUNG-BONE SPRING

TOWNSHIP 18 South RANGE 33 East NMPM



PURPOSE: One completed oil well capable of producing.

Southland Royalty Company West Corbin Federal Well No. 19 located in Unit D of Section 7, Township 18 South, Range 33 East, NMPM. It was completed April 20, 1990, in the Bone Spring formation. The top of the perforations is at 8,500 feet.

Pool boundary outlined in red.

Proposed pool extension outlined in green. Section 7: NW/4