

interests in the Gallup and Dakota formations underlying the NE/4 of said Section 12, to form a standard 160-acre oil spacing and proration unit to be dedicated to a well to be drilled at a standard location thereon, both provisions to be in accordance with the Special Pool Rules which are in existence at the time said well is drilled. Also to be considered in either case will be the cost of drilling and completing said well or wells and the allocation of the cost thereof as well as actual operating costs and charges for supervision, designation of applicant as operator of the well or wells and a charge for risk involved in drilling that well.

CASE 9118:

In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending certain pools in Chaves and Eddy Counties, New Mexico:

- (a) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Strawn production and designated as the Cedar Lake-Strawn Pool. The discovery well is the Southland Royalty Co. Holly 4 Federal Well No. 1 located in Unit N of Section 4, Township 18 South, Range 30 East, NMPM. Said pool would comprise:

TOWNSHIP 18 SOUTH, RANGE 30 EAST, NMPM  
Section 4: SW/4

- (b) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Cotton Draw-Bone Spring Pool. The discovery well is the Texaco Producing, Inc. Todd 2 State Well No. 1 located in Unit F of Section 2, Township 24 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 31 EAST, NMPM  
Section 2: NW/4

- (c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Esperanza-Wolfcamp Pool. The discovery well is the TXO Production Corporation Delta Fee Well No. 1 located in Unit C of Section 12 Township 22 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM  
Section 12: NW/4

- (d) ABOLISH the Cave-Seven Rivers Pool in Eddy County, New Mexico, in order that the productive acreage may be included in the Grayburg Jackson-Queen-Grayburg-San Andres Seven Rivers Pool in Eddy County, New Mexico.

- (e) EXTEND the East Carlsbad-Wolfcamp Gas pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 22 SOUTH, RANGE 27 EAST, NMPM  
Section 12: W/2

- (f) EXTEND the Cedar Canyon-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29, EAST, NMPM  
Section 2: W/2  
Section 3: S/2

- (g) EXTEND the Diablo-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 27 EAST, NMPM  
Section 28: SE/4

- (h) EXTEND the East Empire Yates-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 28 EAST, NMPM  
Section 28: NW/4 SE/4

- (i) EXTEND the Northwest Fenton-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM  
Section 1: SE/4

- (j) EXTEND the Grayburg Jackson-Queen-Grayburg-San Andres-Seven Rivers Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 17 SOUTH, RANGE 29 EAST, NMPM  
Section 7: SE/4

- (k) EXTEND the Malaga-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM  
Section 7: SE/4

- (l) EXTEND the McMillan-Upper Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM  
Section 18: E/2

- (m) EXTEND the East Red Lake Queen-Grayburg Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 16 SOUTH, RANGE 28 EAST, NMPM  
Section 24: SE/4

- (n) EXTEND the North Ross Draw-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM  
Section 14: SW/4

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

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM  
Section 29: S/2

- (p) EXTEND the North Sand Dunes-Morrow Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM  
Section 1: S/2

- (q) EXTEND the Turkey Track-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH, RANGE 29 EAST, NMPM  
Section 16: S/2