

Dockets Nos. 11-88 and 12-88 are tentatively set for April 13 and April 27, 1988. Applications for hearing must be filed at least 22 days in advance of hearing date.

DOCKET: EXAMINER HEARING - WEDNESDAY - MARCH 30, 1988

8:15 A.M. - OIL CONSERVATION DIVISION CONFERENCE ROOM,
STATE LAND OFFICE BUILDING, SANTA FE, NEW MEXICO

The following cases will be heard before Michael E. Stogner, Examiner, or David R. Catanach, Alternate Examiner:

CASE 9351: Application of TXO Production Corporation for an amendment to Division Order No. R-8570, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-8570, dated December 22, 1987, which order authorized the applicant to pool all mineral interests in the Shipp-Strawn Pool underlying Lot 1 and the SE/4 NE/4 of Section 4, Township 17 South, Range 37 East, thereby forming a standard 80.95-acre oil spacing and proration unit to be dedicated to the existing Mesa Petroleum Company Hightower Well No. 1 to be re-entered, directionally drilled, and deepened to a standard subsurface location in said unit, by including a provision in the Order to allow the drilling of a new well at a standard location in said unit if re-entry into the Hightower Well No. 1 is found to be impractical. Said acreage is located approximately 8 miles southeast of Lovington, New Mexico. IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVERTISEMENT.

CASE 9318: (Continued from March 16, 1988, Examiner Hearing)

Application of Yates Drilling Company for a secondary recovery project, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks authority to institute a secondary recovery project by the injection of water into the Queen formation in its proposed Cactus Queen Unit Area (Division Case No. 9319) underlying portions of Sections 26, 27, 34, and 35, Township 12 South, Range 31 East, Southeast Chaves Queen Gas Area Associated Pool, (which is an area that straddles State Highway No. 172 between Milepost Nos. 26.5 and 27.5).

CASE 9319: (Continued from March 16, 1988, Examiner Hearing)

Application of Yates Drilling Company for statutory unitization, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order unitizing, for the purpose of establishing a secondary recovery project, all mineral interests in the Southeast Chaves Queen Gas Area Associated Pool underlying 560 acres, more or less, of State, Federal, and Fee lands in portions of Sections 26, 27, 34, and 35, Township 12 South, Range 31 East. Said area straddles State Highway No. 172 between Milepost Nos. 26.5 and 27.5. Said unit is to be designated the Cactus Queen Unit Area. Among the matters to be considered at the hearing will be the necessity of unit operations; the designation of a unit operator; the determination of the horizontal and vertical limits of the unit area; the determination of the fair, reasonable, and equitable allocation of production and costs of production, including capital investment, to each of the various tracts in the unit area; the determination of the credits and charges to be made among the various owners in the unit area for their investment in well and equipment; and such other matters as may be necessary and appropriate for carrying on efficient unit operations; including, but not necessarily limited to, unit voting procedures, selection, removal, or substitution of unit operator, and time of commencement and termination of unit operations.

CASE 9295: (Continued from March 16, 1988, Examiner Hearing)

Application of Hixon Development Company for a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an exception to the Special Rules and Regulations for the Gavilan-Mancos Oil Pool as promulgated by Division Order No. R-7407, as amended, to form a non-standard 320-acre oil spacing and proration unit comprising the E/2 of Section 26, Township 26 North, Range 2 West, to be dedicated to a well to be drilled at a standard oil well location thereon. Said unit is located approximately 4.5 miles east-northeast of the Ojito Post Office.

CASE 9306: (Reopened)

Application of New Mexico and Arizona Land Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the West Lindrith Gallup-Dakota Oil Pool underlying the SW/4 of Section 25, Township 25 North, Range 3 West, forming a standard 160-acre oil spacing and proration unit for said pool, to be dedicated to a well to be drilled at a standard oil well location thereon. Also to be considered will be the cost of drilling and completing said well 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 and a charge for risk involved in drilling said well. Said unit is approximately 5 miles northwest of Lindrith, New Mexico.

CASE 9335: Application of Sun Exploration and Production Company for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to either the base of the Morrow formation or to a depth of 13,700 feet, whichever is deeper, underlying the N/2 of Section 33, Township 19 South, Range 34 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing, to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well 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 and a charge for risk involved in drilling said well. The southeast corner of said unit is located on U.S. Highway 62/180 at N.M. Milepost No. 79.

CASE 9326: (Continued from March 16, 1988, Examiner Hearing)

Application of Sun Exploration and Production Company for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Mancos Oil Pool underlying all of Section 26, Township 26 North, Range 2 West, to form a standard 640-acre oil spacing and proration unit in said pool. Said unit is to be dedicated to the Sun Exploration and Production Company Wildfire Well No. 1 located 900 feet from the South line and 1650 feet from the West line (Unit N) of said Section 26 which is presently completed in and producing from the Gavilan-Mancos Oil Pool. Also to be considered will be the method for cost allocation and participation thereof as well as actual operating costs and charges for supervision. Applicant further requests that Sun Exploration and Production Company remain as operator of the well and that the effective date of any order issued in the case be retroactive to June 8, 1987. Said well is located approximately 4.5 miles east-northeast of the Ojito Post Office.

CASE 9336: Application of Barbara Fasken for compulsory pooling and a non-standard gas proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to either the base of the Morrow formation or to a depth of 13,950 feet, whichever is deeper, underlying Lots 1 through 4 and the E/2 W/2 of Section 31, Township 19 South, Range 34 East, forming a non-standard 324.16-acre gas spacing and proration unit for any and all formations and/or pools within this vertical extent being developed on 320-acre spacing, to be dedicated to a well to be drilled at a standard gas well location thereon. Also to be considered will be the cost of drilling and completing said well 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 and a charge for risk involved in drilling said well. Said unit is located approximately one mile North of N.M. Milepost 76 of U.S. Highway 62/180.

CASE 8949: (Reopened)

In the matter of Case 8949 being reopened pursuant to the provisions of Division Order No. R-8279, which order, in part, promulgated temporary special rules and regulations for the South Shoe Bar-Devonian Pool in Lea County, New Mexico, including a provision for 80-acre spacing units. Operators in the subject pool may appear and show cause why the South Shoe Bar-Devonian Pool should not be developed on 40-acre spacing units. Said pool is located approximately 6 miles Southwest by South of Lovington, New Mexico.

CASE 9337: Application of Mobil Producing Texas & New Mexico, Inc. for salt water disposal, Lea County, New Mexico. Applicant, in the above-styled cause, seeks authority to dispose of produced salt water into the South Vacuum-Devonian Pool in the open hole interval from approximately 11,950 feet to 13,708 feet in its State Section "27" Well No. 2 located 1980 feet from the North line and 660 feet from the East line (Unit H) of Section 27, Township 18 South, Range 35 East. Said well is approximately 2 miles south-southeast of junction of New Mexico State Highways Nos. 8 and 529.

CASE 9338: Application of ARCO Oil and Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Basin-Dakota Pool with oil production from the Undesignated Kutz-Gallup Oil Pool in the wellbore of its Schlosser "WN" Federal Well No. 2R, located 1835 feet from the South line and 1720 feet from the West line (Unit K) of Section 3, Township 27 North, Range 11 West. Said well is located approximately 7.5 miles south of Bloomfield, New Mexico.

CASE 9339: Application of ARCO Oil and Gas Company for downhole commingling, San Juan County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle gas production from the Basin-Dakota Pool with oil production from the Kutz-Gallup Oil Pool in the wellbore of its Schlosser "WN" Federal Well No. 1R, located 1850 feet from the North line and 790 feet from the West line (Unit E) of Section 10, Township 27 North, Range 11 West. Said well is located approximately 8.5 miles south of Bloomfield, New Mexico.

Examiner Hearing - Wednesday - March 30, 1988

CASE 9340: Application of Union Oil Company of California d/b/a/ Unocal for downhole commingling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks approval to commingle production from the Gallup formation (Undesignated Largo-Gallup Gas Pool, Undesignated South Blanco-Tocito Oil Pool, or the undesignated Gallup formation) and Basin-Dakota Pool (prorated gas) underlying Sections 1 and 2, Township 26 North, Range 7 West. Said area is located approximately 2.5 miles north-northeast of the El Paso Natural Gas Company Largo Station.

CASE 9341: Application of Enron Oil & Gas Company for an unorthodox gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to re-enter the Amoco Production Company Teledyne 4 Gas Well No. 1 located at an unorthodox gas well location 660 feet from the South line and 330 feet from the East line (Unit P) of Section 4, Township 23 South, Range 29 East, to test the Undesignated Laguna Salado-Atoka Gas Pool, the S/2 of said Section 4 to be dedicated to the well. Said location is approximately 1.5 miles southeast of the junction of New Mexico Highways Nos. 31 and 128.

CASE 9325: (Continued from March 2, 1988, Examiner Hearing)

Application of Enron Oil & Gas Company for amendment of special pool rules, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend the special pool rules promulgated by Division Order No. R-3161 for the Cinta Roja Morrow Gas Pool in Township 24 South, Range 35 East, to include a provision for 320-acre infill drilling and appropriate findings relative thereto. Said pool is located approximately 6 miles south-southeast of the San Simon Sink.

CASE 9333: (Continued from March 16, 1988, Examiner Hearing)

Application of Terra Resources, Inc. for compulsory pooling, unorthodox gas well location, and an exception to special pool rules, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Morrow Formation underlying the N/2 of Section 22, Township 15 South, Range 27 East, Undesignated Buffalo Valley-Pennsylvanian Gas Pool, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing to be dedicated to a well to be drilled at an unorthodox gas well location 1650 feet from the North line and 660 feet from the East line (Unit H) of said Section 22. Applicant further seeks exception to the special rules for the Buffalo Valley-Pennsylvanian Gas Pool for the completion of its well in the NE/4 of Section 22 at said unorthodox location. Also to be considered will be the cost of drilling and completing said well 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 and a charge for the risk involved in drilling said well. Said location is approximately 10 miles Southeast of Hagerman, New Mexico.

CASE 9350: Application of Amerind Oil Company for a non-standard oil proration unit, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval for an 80-acre non-standard oil proration unit for production from the Strawn and Atoka formations comprising the SE/4 NE/4 and NE/4 SE/4 of Section 2, Township 17 South, Range 37 East, Undesignated Shipp-Strawn Pool, Undesignated Humble City-Strawn Pool, and Undesignated Humble City-Atoka Pool, said unit to be dedicated to a well to be drilled at a standard oil well location thereon. Said unit is located approximately 4.5 miles north of Humble City, New Mexico.

CASE 9342: Application of the Petroleum Corporation of Delaware for simultaneous dedication and to amend Division Administrative Order No. NSP-1290, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Administrative Order No. NSP-1290, dated April 28, 1982, which Order authorized a 299.84, more or less, non-standard gas spacing and proration unit for the East Burton Flat-Morrow Gas Pool comprising Lots 6 and 7, the E/2 SW/4, and the SE/4 of Section 6, Township 20 South, Range 29 East, to include the East Burton Flat-Strawn Gas Pool. Applicant further seeks authorization to simultaneously dedicate the production from both pools within said non-standard gas proration units to the existing dually completed Superior Federal Well. No. 6 located 660 feet from the South line and 1980 feet from the West line (Unit N) of said Section 6 and to the proposed Superior Federal Well No. 7 to be drilled at a standard location within the SE/4 of said Section 6. Said unit is located approximately 7.5 miles northwest of the junction of New Mexico Highway No. 31 North and U.S. 62/180.

CASE 9343: Application of Mesa Grande Resources, Inc. for compulsory pooling and a non-standard oil proration unit, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Dakota formation underlying the W/2 of Section 15, Township 25 North, Range 2 West, forming a standard 320-acre oil spacing and proration unit for the Undesignated Gavilan Greenhorn-Graneros-Dakota Oil Pool. Applicant further seeks an order pooling all mineral interests in the Gallup formation underlying the aforementioned acreage, thereby forming a non-standard 320-acre oil spacing and proration unit for the Gavilan-Mancos Oil Pool. Both units are to be dedicated to a single well to be drilled at a location which satisfies the standard location requirements for both pools. Also to be considered will be the cost of drilling and completing said well 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 and a charge for risk involved in drilling said well. Said unit is located approximately 6.25 miles north of Lindrith, New Mexico.

CASE 9344: Application of Nanco, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Pictured Cliffs Pool underlying the SW/4 of Section 15, Township 25 North, Range 2 West, forming a standard 160-acre gas spacing and proration unit, to be dedicated to its Locer Well No. 2 located at a standard gas well location for said pool, 1725 feet from the South line and 1799 feet from the West line (Unit K) of said Section 15. Also to be considered will be the cost of drilling and completing said well 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 and a charge for risk involved in drilling said well. Said well is located approximately 6 miles north of Lindrith, New Mexico.

CASE 9345: Application Nanco, Inc. for compulsory pooling, Rio Arriba County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests in the Gavilan-Pictured Cliffs Pool underlying the NW/4 of Section 15, Township 25 North, Range 2 West, forming a standard 160-acre gas spacing and proration unit, to be dedicated to its Locer Well No. 1 located at a standard gas well location 933 feet from the North line and 1676 feet from the West line (Unit C) of said Section 15. Also to be considered will be the cost of drilling and completing said well 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 and a charge for risk involved in drilling said well. Said well is located approximately 6.5 miles of Lindrith, New Mexico.

CASE 9346: Application of Read & Stevens, Inc. for termination of gas prorationing cancellation of overproduction, and emergency relief from shut-in requirements, BuffaloValley-Pennsylvanian Gas Pool, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks an order terminating gas prorationing and for cancellation of overproduction in the Buffalo Valley-Pennsylvanian Gas Pool located in portions of Townships 14 and 15 South, Ranges 27 and 28 East. Applicant further requests emergency relief from shut-in requirements due to overproduction for its Harris Federal Wells Nos. 8 and 9 located in Unit F of Sections 26 and 23, respectively, of Township 15 South, Range 27 East, and for any additional relief as the Division may deem necessary in this matter. Both wells are located in an area approximately 10.5 miles southeast by south of Hagerman, New Mexico.

CASE 9272: (Continued from March 16, 1988, Examiner Hearing)

In the matter of Case No. 9272 being reopened upon application of Arco Oil and Gas Company to reconsider the provisions of Division Order No. R-8579, issued in said Case No. 9272, which granted the application of Mitchell Energy Corporation to compulsorily pool all mineral interests below the top of the Wolfcamp formation underlying the following described acreage in Section 3, Township 15 South, Range 35 East, Lea County, New Mexico, and in the following described manner:

Lots 1 through 4 and S/2 N/2 to form a non-standard 324.7-acre, more or less, gas spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 320-acre spacing;

Lots 3 and 4 to form a non-standard 82.8-acre, more or less, oil spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 80-acre spacing;

Lot 3 to form a non-standard 41.3-acre, more or less, oil spacing and proration unit for any and all formations and/or pools within said vertical limits developed on 40-acre spacing.

All of the above described units were to be dedicated to a single well to be drilled at a location (either standard or non-standard, depending on the appropriate spacing rules applicable to this well's completion horizon[s]) 660 feet from the North line and 1830 feet from the West line (Unit C) of said Section 3. Said order also considered the cost of drilling and completing said well 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 and a charge for risk involved in drilling said well. Said location is approximately 5 miles west-southwest of Hillburn City, New Mexico.

CASE 9347: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order creating, abolishing, and extending the vertical and horizontal limits of certain pools in Lea and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Tubb production and designated as the Cline-Tubb Pool. The discovery well is the JG 20 Properties Inc. Lineberry Well No. 2 located in Unit J of Section 11, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM
Section 11: SE/4

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Morrow production and designated as the West Red Hills-Morrow Gas Pool. The discovery well is the Enron Oil & Gas Company Brinninstool 21 Federal Well No. 1 located in Unit O of Section 21, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM
Section 21: S/2

(c) ABOLISH the Hardy-Tubb Pool in Lea County, New Mexico, and extend abolished area to the Hardy Tubb-Drinkard Pool.

(d) EXTEND the vertical limits of the Hardy-Drinkard Pool in Lea County, New Mexico, to include the Tubb formation, redesignate said pool as the Hardy Tubb-Drinkard Pool, and extend horizontal limits of said pool to include therein:

TOWNSHIP 21 SOUTH, RANGE 36 EAST, NMPM
Section 2: Lots 3, 4, 5, 6, 11, 12, 13, and 14
Section 3: Lots 1, 2, 7, 8, and SW/4
Section 11: NW/4

(e) EXTEND the North Bluitt Siluro-Devonian Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 7 SOUTH, RANGE 37 EAST, NMPM
Section 27: N/2 NW/4
Section 28: NE/4

(f) EXTEND the Cass-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 37 EAST, NMPM
Section 15: W/2

(g) EXTEND the Double X-Delaware Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH, RANGE 32 EAST, NMPM
Section 11: SW/4

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

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

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

TOWNSHIP 16 SOUTH, RANGE 33 EAST, NMPM
Section 26: NE/4

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

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM
Section 36: E/2

- (k) EXTEND the Querecho Plains-Lower Bone Spring Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 25: SW/4
Section 26: SE/4
Section 36: NW/4

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

TOWNSHIP 17 SOUTH, RANGE 37 EAST, NMPM
Section 2: N/2
Section 3: SW/4

- (m) EXTEND the Shugart Yates-Seven Rivers-Queen Grayburg Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 19: W/2

- (n) EXTEND the Skaggs-Drinkard Pool in Lea County New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 38 EAST, NMPM
Section 8: SW/4
Section 17: NW/4

- (o) EXTEND the Tule-Montoya Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 22: S/2

- (p) EXTEND the Tule-Pennsylvanian Gas Pool in Roosevelt County, New Mexico, to include therein:

TOWNSHIP 2 SOUTH, RANGE 29 EAST, NMPM
Section 22: S/2

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

TOWNSHIP 16 SOUTH, RANGE 35 EAST, NMPM
Section 33: NW/4

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

TOWNSHIP 18 SOUTH, RANGE 32 EAST, NMPM
Section 1: SE/4
Section 9: SE/4
Section 17: NW/4

CASE 9348: In the matter of the hearing called by the Oil Conservation Division on its own motion 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 an oil pool for Bone Spring production and designated as the Cedar Hills - Bone Spring Pool. The discovery well is the Manzano Oil Corporation Radke Fed. Well No. 1 located in Unit B of Section 8, Township 21 South, Range 27 East, NMPM. Said pool would comprise:

TOWNSHIP 21 SOUTH, RANGE 27 EAST, NMPM
Section 8: NE/4

(b) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Crooked Creek-Wolfcamp Gas Pool. The discovery well is the BTA Oil Prod. 8612 JV-P Rock Tank Well No. 1 located in Unit I of Section 35, Township 23 South, Range 24 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 24 EAST, NMPM
Section 35: E/2

(c) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the James Ranch-Bone Spring Pool. The discovery well is the Yates Petroleum Corp. Medano VA State Well No. 1 located in Unit K of Section 16, Township 23 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 16: SW/4

(d) CREATE a new pool in Eddy County, New Mexico, classified as an oil pool for Bone Spring production and designated as the South Parkway-Bone Spring Pool. The discovery well is the Conoco Inc. Tuesday A Fed. Well No. 1 located in Unit E of Section 3, Township 20 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 20 SOUTH, RANGE 29 EAST, NMPM
Section 3: NW/4

(e) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Wolfcamp production and designated as the Ross Ranch-Wolfcamp Gas Pool. The discovery well is the Yates Petroleum Corp. Almost Texas Ut. Well No. 1 located in Unit N of Section 2, Township 26 South, Range 31 East, NMPM. Said pool would comprise:

TOWNSHIP 26 SOUTH, RANGE 31 EAST, NMPM
Section 2: S/2

(f) CREATE a new pool in Eddy County, New Mexico, classified as a gas pool for Morrow production and designated as the Rustler Bluff-Morrow Gas Pool. The discovery well is the Bettis, Boyle, & Stovall, Pickett Draw Fed. Well No. 1 located in Unit C of Section 9, Township 25, Range 29 East, NMPM. Said pool would comprise.

TOWNSHIP 25 SOUTH, RANGE 29, EAST, NMPM
Section 9: N/2

(g) EXTEND the East Avalon-Bone Spring Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 20 SOUTH, RANGE 28 EAST, NMPM
Section 36: NE/4

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

TOWNSHIP 26 SOUTH, RANGE 29 EAST, NMPM
Section 28: NE/4
Section 25: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 30 EAST, NMPM
Section 2: SW/4

(j) EXTEND the Foor Ranch-Prepermian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 27 EAST, NMPM
Section 7: E/2

(k) EXTEND the North Foor Ranch-Pennsylvanian Gas Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM
Section 32: S/2

- (l) EXTEND the Forty Niner Ridge-Delaware Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 30 EAST, NMPM
Section 16: W/2

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

TOWNSHIP 19 SOUTH, RANGE 27 EAST, NMPM
Section 7: N/2

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

TOWNSHIP 24 SOUTH, RANGE 25 EAST, NMPM
Section 6: W/2

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

TOWNSHIP 10 SOUTH, RANGE 26 EAST, NMPM
Section 7: SW/4

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

TOWNSHIP 5 SOUTH, RANGE 22 EAST, NMPM
Section 32: SE/4

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

TOWNSHIP 26 SOUTH, RANGE 30 EAST, NMPM
Section 24: SE/4
Section 25: NE/4

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

TOWNSHIP 23 SOUTH, RANGE 31 EAST, NMPM
Section 34: W/2

- (s) EXTEND the Sheep Draw-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 25 EAST, NMPM
Section 1: W/2
Section 12: W/2

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

TOWNSHIP 18 SOUTH, RANGE 31 EAST, NMPM
Section 11: SW/4

CASE 9349: In the matter of the hearing called by the Oil Conservation Division on its own motion for an order contracting and extending certain pools in Rio Arriba, San Juan, and Sandoval Counties, New Mexico:

- (a) CONTRACT the Devil's Fork-Gallup Associated Pool in Rio Arriba County, New Mexico, as heretofore classified, defined and described, by the deletion of the following described area.

TOWNSHIP 25 NORTH, RANGE 7 WEST, NMPM
Section 23: S/2
Section 24: S/2

- (b) CONTRACT the Rio Puerco-Mancos Oil Pool in Sandoval County, New Mexico, as heretofore classified, defined and described, by the deletion of the following described area:

TOWNSHIP 21 NORTH, RANGE 4 WEST, NMPM
Section 25: NW/4
Section 26: N/2

- (c) EXTEND the Alamito-Gallup Oil Pool in Sandoval County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM
Section 32: S/2 N/2

- (d) EXTEND the South Bisti-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 24 NORTH, RANGE 10 WEST, NMPM
Section 31: SE/4
Section 32: SW/4

- (e) EXTEND the Blanco-Mesaverde Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 30 NORTH, RANGE 11 WEST, NMPM
Section 22: S/2
Section 27: All

- (f) EXTEND the Blanco-Pictured Cliffs Pool in Rio Arriba and San Juan Counties, New Mexico, to include therein:

TOWNSHIP 31 NORTH, RANGE 9 WEST, NMPM
Section 19: NE/4
Section 20: W/2

- (g) EXTEND the Lybrook-Gallup Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 23 NORTH, RANGE 7 WEST, NMPM
Section 2: W/2 NE/4, E/2 NW/4

TOWNSHIP 24 NORTH, RANGE 6 WEST, NMPM
Section 31: S/2 SW/4, NE/4 SW/4, SW/4 SE/4

TOWNSHIP 24 NORTH, RANGE 7 WEST, NMPM
Section 35: SE/4 NE/4

TOWNSHIP 24 NORTH, RANGE 8 WEST, NMPM
Section 22: SW/4, SW/4 SE/4

- (h) EXTEND the Northeast Ojito Gallup-Dakota Oil Pool in Rio Arriba County, New Mexico, to include therein:

TOWNSHIP 26 NORTH, RANGE 3 WEST, NMPM
Section 23: SW/4
Section 27: NE/4

- (i) EXTEND the Totah-Gallup Oil Pool in San Juan County, New Mexico, to include therein:

TOWNSHIP 29 NORTH, RANGE 13 WEST, NMPM
Section 32: E/2 NE/4