CASE 10222: (Continued from January 24, 1991, Examiner Hearing.)

Application of Yates Petroleum Corporation to amend the special rules and regulations for the South Dagger Draw-Upper Pennsylvanian Associated Pool, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-5353-L, which promulgated special pool rules for the South Dagger Draw-Upper Pennsylvanian Associated Pool located in Sections 11, 14, 22, 23, 26 and 35, Township 20 South, Range 24 East. Applicant seeks the establishment of a special depth bracket allowable for a standard 320-acre oil spacing and proration unit in said pool of 1400 barrels of oil per day. Said pool is located approximately 8 miles west-southwest of Seven Rivers, New Mexico.

CASE 10219: (Continued from January 24, 1991, Examiner Hearing.)

Application of Hanley Petroleum Inc. for compulsory pooling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Wolfcamp formation underlying the following described acreage in Section 8, Township 18 South, Range 33 East, and in the following manner: the W/2 NW/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and or/pools developed on 80-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated South Corbin-Wolfcamp Pool; and the SW/4 NW/4 to form a standard 40-acre oil spacing and proration unit for any and all formations and/or pools developed on 40-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated West Corbin-Delaware Pool, Undesignated Central Corbin-Queen Pool, Undesignated West Corbin-San Andres Pool, and Undesignated Corbin-Bone Spring Pool. Said units are to be dedicated to a single well to be drilled at a standard oil well location 1980 feet from the North line and 660 feet from the West line of said Section 8. 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 7.5 miles southeast by south of Maljamar, New Mexico.

<u>CASE 10240</u>: 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 Lea and Roosevelt Counties, New Mexico.

(a) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Seven Rivers production and designated as the Buffalo-Seven Rivers Pool. The discovery well is the Chevron USA Inc. Langlie A Federal Well No. 1 located in Unit K of Section 9, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 9: SW/4

(b) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Tansill-Yates-Seven Rivers production and designated as the West Dollarhide Tansill-Yates-Seven Rivers Gas Pool. The discovery well is the Texaco Producing Inc. Mexico J Well No. 2 located in Unit 0 of Section 32, Township 24 South, Range 38 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 38 EAST, NMPM Section 32: SE/4

(c) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Gem-Delaware Pool. The discovery well is the JFG Enterprises Tonto State Well No. 1 located in Unit J of Section 32, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 33 EAST, NMPM Section 32: SE/4

(d) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Delaware production and designated as the Geronimo-Delaware Pool. The discovery well is the Mitchell Energy Corporation Geronimo Federal Well No. I located in Unit D of Section 31, Township 19 South, Range 33 East, NMPM. Said pool would comprise:

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

(e) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Wolfcamp production and designated as the Northeast Lovington-Wolfcamp Pool. The discovery well is the Bridge Oil Company L. P. Kim Harris Well No. 1 located in Unit B of Section 12, Township 16 South, Range 36 East, NMPM. Said pool would comprise:

TOWNSHIP 16 SOUTH, RANGE 36 EAST, NMPM Section 12: NE/4

(f) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Abo production and designated as the East Nadine-Abo Pool. The discovery well is the Petroleum Technical Services Company Carter Well No. 1 located in Unit I of Section 30, Township 19 South, Range 39 East, NMPM. Said pool would comprise:

TOWNSHIP 19 SOUTH, RANGE 39 EAST, NMPM Section 30: SE/4

(g) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Bone Spring production and designated as the Red Tank-Bone Spring Pool. The discovery well is the Chevron USA Inc. Covington A Federal Well No. 1 located in Unit C of Section 25, Township 22 South, Range 32 East, NMPM. Said pool would comprise:

TOWNSHIP 22 SOUTH, RANGE 32 EAST, NMPM Section 25: NW/4

(h) CREATE a new pool in Lea County, New Mexico, classified as an oil pool for Paddock production and designated as the Teague-Paddock Pool. The discovery well is the Arch Petroleum Inc. E. C. Hill B Federal Well No. 1 located in Unit A of Section 34, Township 23 South, Range 37 East, NMPM. Said pool would comprise:

TOWNSHIP 23 SOUTH, RANGE 37 EAST, NMPM Section 34: NE/4

(i) CREATE a new pool in Lea County, New Mexico, classified as a gas pool for Atoka production and designated as the Vaca Draw-Atoka Gas Pool. The discovery well is the Oryx Energy Company Gila 4 Deep Com Well No. 1 located in Unit G of Section 4, Township 25 South, Range 33 East, NMPM. Said pool would comprise:

TOWNSHIP 25 SOUTH, RANGE 33 EAST, NMPM Section 4: E/2

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

TOWNSHIP 21 SOUTH, RANGE 32 EAST, NMPM Section 32: SW/4

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

TOWNSHIP 18 SOUTH, RANGE 33 EAST, NMPM Section 16: SE/4

(1) EXTEND the East Crossroads-Devonian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 36 EAST, NMPM Section 25: NE/4

(m) EXTEND the Cuerno Largo-Pennsylvanian Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 10 SOUTH, RANGE 32 EAST, NMPM Section 35: NE/4

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

TOWNSHIP 22 SOUTH, RANGE 37 EAST, NMPM Section 5: SE/4
Section 8: E/2

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

TOWNSHIP 10 SOUTH, RANGE 33 EAST, NMPM Section 8: NE/4 Section 9: NW/4

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

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM Section 2: 5/2

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

TOWNSHIP 20 SOUTH, RANGE 33 EAST, NMPM Section 32: SE/2

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

TOWNSHIP 16 SOUTH, RANGE 34 EAST, NMPM Section 22: W/2 Section 27: N/2

(s) EXTEND the Lane-Abo Pool in Lea County, New Mexico, to include therein:

TOWNSHIP 9 SOUTH, RANGE 33 EAST, NMPM Section 26: SW/4