

DOCKET: EXAMINER HEARING - THURSDAY - SEPTEMBER 7, 1995

8:15 A.M. - 2040 South Pacheco

Santa Fe, New Mexico

Dockets Nos 27-95 and 28-95 are tentatively set for September 21, 1995 and September 28, 1995. Applications for hearing must be filed at least 23 days in advance of hearing date. The following cases will be heard by an Examiner:

CASE 11327: (Continued from August 24, 1995, Examiner Hearing.)

Application of Merrion Oil & Gas Corporation for a high angle/horizontal directional drilling pilot project and for the promulgation of special operating rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the designated and Undesignated Snake Eyes-Entrada Oil Pool underlying a single fee lease comprising all or portions of Sections 19, 20, and 21, Township 21 North, Range 8 West. Further, the applicant seeks the promulgation of special operating rules and procedures for wells within said project area including provisions for administrative authorization for horizontal wells, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, the assignment of a special oil allowable or formula for the project area and the designation of a target window such that horizontal or producing portions of such a wellbore shall be no closer than 330 feet to the outer boundary of the project area. Said area is located approximately 16 miles south by east of Nageezi, New Mexico.

CASE 11328: (Continued from August 24, 1995, Examiner Hearing.)

Application of Merrion Oil & Gas Corporation for a high angle/horizontal directional drilling pilot project and for the promulgation of special operating rules therefor, Sandoval County, New Mexico. Applicant, in the above-styled cause, seeks to initiate a high angle/horizontal directional drilling pilot project in the Media-Entrada Oil Pool within its proposed Media Entrada Secondary (Federal) Unit comprising portions of Sections 14, 15, 22, and 23, Township 19 North, Range 3 West. Further, the applicant seeks the promulgation of special operating rules and procedures for wells within said Unit Area including provisions for administrative authorization for horizontal wells, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, the assignment of a special oil allowable or formula for the project area and the designation of a target window such that horizontal or producing portions of such a wellbore shall be no closer than 330 feet to the outer boundary of the project area. Said area is located approximately 14 miles southwest of Cuba, New Mexico.

CASE 11329: (Continued from August 24, 1995, Examiner Hearing.)

Application of Merrion Oil & Gas Corporation to amend Division Order No. R-9079, to extend the horizontal limits of the existing high angle/horizontal directional drilling pilot project area, and to adopt additional special operating rules therefor, McKinley County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9079 by extending the project area approved therein to include the N/2 NW/4, SE/4 NW/4, NE/4 SW/4, and S/2 SW/4 of Section 15 and the SE/4 NE/4 and NE/4 SE/4 of Section 16, of Township 19 North, Range 5 West. Further, the applicant seeks the promulgation of special operating rules and procedures for wells within said Cooperative Area including provisions for administrative authorization for horizontal wells, the formation of oversized and irregular shaped spacing and proration units to accommodate such wellbores, the assignment of a special oil allowable or formula for the project area and the designation of a target window such that horizontal or producing portions of such a wellbore shall be no closer than 330 feet to the outer boundary of the project area. Said area is located approximately 22 miles northwest of San Luis, New Mexico.

CASES 10793, 10981, and 11004: (Reopened - Continued from August 24, 1995, Examiner Hearing.)

In the matter of Case Nos. 10793, 10981, and 11004 being reopened pursuant to the provisions of Division Order Nos. R-9976 and R-9976-A, which orders established a "pilot infill drilling program" in the Pecos Slope-Abo Gas Pool in portions of Townships 5, 6, and 7 South, Ranges 25 and 26 East, Chaves County. The applicant in this matter, Yates Petroleum Corporation, seeks the promulgation of special rules and regulations for the currently unprorated Pecos Slope-Abo Gas Pool, based on the geologic and engineering data acquired from the pilot program, including provisions to permit the optional drilling of an additional well on each 160-acre standard gas spacing and proration unit, designated well location requirements, and any other provisions deemed necessary in the implementation of "infill drilling" in said pool. Currently the Pecos Slope-Abo Gas Pool comprises approximately 199,000 acres in all or portions of Townships 4, 5, 6, 7, and 8 South, Ranges 24, 25, 26, and 27 East.

CASE 11373: Application of Harvey E. Yates Company for a unit agreement, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval of the Flint Unit Agreement for an area comprising 8,446.58 acres, more or less, of State lands in Townships 17 and 18 South, Ranges 35 and 36 East. Said unit area is centered approximately 8.5 miles east by south of Buckeye, New Mexico.

CASE 11374: Application of Santa Fe Energy Resources, Inc. for an exception to the casing requirements of Division Order No. R-111-P, Lea County, New Mexico. Applicant, in the above styled-cause, seeks authority to delete the salt protection string requirements of Division Order No. R-111-P in the "Oil-Potash Area" from its proposed Spessartine "28" Well No. 1 to be drilled 660 feet from the South line and 1980 feet from the East line (Unit O) of Section 28, Township 21 South, Range 33 East, to a total depth of approximately 15,000 feet in order to test the Undesignated Legg-Atoka Morrow Gas Pool. Said well site is located approximately 24 miles west of Eunice, New Mexico.

CASE 11375: Application of Enron Oil & Gas Company to amend Division Order No. R-10109, promulgating special rules and regulations for the Red Hills-Bone Spring Pool, and for the assignment of a special depth bracket oil allowable, Lea County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-10109, which promulgated "*Special Rules and Regulations for the Red Hills-Bone Spring Pool*", comprising all or portions of Sections 1, 12, and 13, Township 25 South, Range 33 East and Sections 6, 7, 8, 16, and 17, Township 25 South, Range 34 East, changing the well location requirements contained in Rules 2 and 4 to permit a well in each quarter-quarter section or lot of a standard 80-acre spacing and proration unit. Applicant further seeks the assignment of a special poolwide depth bracket oil allowable, pursuant to Division General Rule 505(d), of 660 barrels of oil per day per 80-acre unit. Said pool is located approximately 18.5 miles west by north of Jal, New Mexico.

CASE 11206: (Reopened)

Pursuant to Division Order No. R-10318, the application of Strata Production Company for pool creation, the promulgation of special pool rules, and for an unorthodox oil well location in Lea and Chaves Counties, New Mexico, is being reopened. Applicant, in the reopened case, seeks the creation of a new pool for the production of oil from the Devonian formation underlying the E/2 E/2 of Section 36, Township 12 South, Range 31 East, Lots 1 through 4 (W/2 W/2 equivalent) of Section 31, Township 12 South, Range 32 East, Lot 1 and the SE/4 NE/4 (E/2 NE/4 equivalent) of Section 1, Township 13 South, Range 31 East, and Lots 4 and 5 (W/2 NW/4 equivalent) of Section 6, Township 13 South, Range 32 East (being approximately 11.5 miles south-southwest of Caprock, New Mexico) and for the promulgation of Special Rules and Regulations therefor including provisions for 80-acre oil spacing and proration units and designated well location requirements. Applicant further seeks approval of an unorthodox oil well location in this newly created Devonian oil pool for a well to be drilled 1435 feet from the North line and 757 feet from the East line (Unit H) of said Section 36, the E/2 NE/4 of said Section 36 to be dedicated to said well thereby forming a standard 80-acre oil spacing and proration unit in said pool.

CASE 11376: Application of Kerr-McGee Corporation for an unorthodox infill gas well location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks approval to drill its Winston-Federal Gas Com Well No. 2 at an unorthodox infill gas well location 697 feet from the North line and 2146 feet from the East line (Unit B) of Section 31, Township 21 South, Range 24 East, in the Indian Basin-Morrow Gas Pool. Said well is to be dedicated to an existing 637.18-acre gas spacing and proration unit comprising all of said irregular Section 31, which is presently dedicated to its Winston-Federal Gas Com Well No. 1, located at a standard gas well location 2080 feet from the South line and 1980 feet from the West line (Unit K) of said Section 31. Said unit is located approximately 4 miles east of the Marathon Oil Company Indian Basin Gas Plant.

CASE 11316: (Reopened and Readvertised)

Application of Marathon Oil Company for directional drilling and an unorthodox oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks approval to directionally drill its Royal Well No. 1 from an unorthodox surface oil well location 2210 feet from the South line and 1310 feet from the East line (Unit I) of Section 33, Township 17 South, Range 35 East to a bottomhole location that is within a 50-foot radius of a point that is also considered to be unorthodox 2310 feet from the South line and 1310 feet from the East line of said Section 33. The NE/4 SE/4 of said Section 33 is to be dedicated to said well to form a standard 40-acre oil spacing and proration unit for both the Blinebry formation and Undesignated East Vacuum-Drinkard Pool. Said unit is located approximately 3 miles east southeast of Buckeye, New Mexico. **IN THE ABSENCE OF OBJECTION, THIS APPLICATION WILL BE TAKEN UNDER ADVISEMENT.**

CASE 11335: (Continued from August 24, 1995, Examiner Hearing.)

Application of Naumann Oil & Gas, Inc. for compulsory pooling, Eddy 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 E/2 of Section 34, Township 18 South, Range 29 East, forming a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the North Turkey Track-Morrow Gas Pool. Said unit is to be dedicated to the Empire "34" Federal Well No. 1 which is an existing well located at a standard gas well location 1980 feet from the North line and 1980 feet from the East line (Unit G) of Section 34 and which is to be re-entered and deepened in an attempt to complete in the Morrow formation. Also to be considered will be the costs of re-entering, deepening and completing said well and the allocation of those costs thereof as well as actual operating costs and charges for supervision, designation of applicant as the operator of the well and a charge for risk involved in re-entering, deepening and completing said well. Said unit is located approximately 9 miles southwest of Loco Hills, New Mexico.

CASE 11040: (Reopened)

In the matter of Case No. 11040 being reopened pursuant to the provisions of Division Order No. R-5353-O, which order created the Burton Flat-Bone Spring Associated Pool in Eddy County, New Mexico and promulgated special pool rules therefor. Operators in the subject pool may appear and show cause why the temporary special rules and regulations for the Pool should not be rescinded and the pool reclassified accordingly, or in the alternative, to have said pool consolidated with other surrounding Bone Spring Pools.

CASE 11360: (Continued from August 24, 1995, Examiner Hearing.)

Application of Nearburg Exploration Company for compulsory pooling, Eddy 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 following described acreage in Section 33, Township 17 South, Range 27 East, and in the following manner: the W/2 to form a standard 320-acre gas spacing and proration unit for any and all formations and/or pools developed on 320-acre spacing within said vertical extent which presently includes but is not necessarily limited to the Undesignated Jennings Spring-Wolfcamp Gas Pool, Undesignated Red Lake-Pennsylvanian Gas Pool, Undesignated Logan Draw-Cisco/Canyon Gas Pool, Undesignated Scoggin Draw-Atoka Gas Pool, Undesignated Logan Draw-Morrow Gas Pool, Undesignated West Logan Draw-Morrow Gas Pool, and Undesignated Scoggin Draw-Morrow Gas Pool; and, the SW/4 to form a standard 160-acre gas spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent. Said units are to be dedicated to a single well to be drilled and completed 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 Nearburg Producing Company as the operator of the well, and a charge for risk involved in drilling said well. Said well location is approximately 3 miles south of Riverside, New Mexico.

CASE 11377: **Application of Nearburg Exploration Company for an unorthodox gas well location, Eddy County, New Mexico.** Applicant, in the above-styled cause, seeks approval to drill its Trigg "29" Federal Com Well No. 1 at an unorthodox gas well location, 1400 feet from the South line and 750 feet from the East line (Unit I) of Section 29, Township 17 South, Range 27 East, to test any and all formations and/or pools from the top of the Wolfcamp formation to the base of the Morrow formation that are developed on 320-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated Red Lake-Pennsylvanian Gas Pool and the Undesignated West Logan Draw-Morrow Gas Pool. The S/2 of said Section 29 is to be dedicated to said well to form a standard 320-acre gas spacing and proration unit. Said unit is located approximately 2 miles south of Riverside, New Mexico.

CASE 11287: (Readvertised)

Application of Nearburg Exploration Company for compulsory pooling, directional drilling, and an unorthodox bottomhole oil well location, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from a subsurface depth of 5,500 feet to the base of the Atoka formation underlying the N/2 NW/4 of Section 13, Township 17 South, Range 37 East, 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 South Humble City-Strawn and Undesignated Humble City-Atoka Pools. Said unit is to be dedicated to its Shriner "13" Well No. 2 to be directionally drilled from a surface location 330 feet from the South line and 1350 feet from the West line (Unit O) of Section 12, Township 17 South, Range 37 East, to an unorthodox bottomhole oil well location within 50 feet of a point 330 feet from the North line and 2130 feet from the West line (Unit C) of said Section 13. 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 Nearburg Producing Company as the operator of the well and a charge for risk involved in drilling and completing said well. Said unit is located approximately 5 miles west of Knowles, New Mexico.

CASE 11359: (Continued from August 10, 1995, Examiner Hearing.)

Application of Damar Energy Company for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Delaware formation, underlying the SE/4 SE/4 (Unit P) of Section 22, Township 23 South, Range 28 East, 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 East Loving-Brushy Canyon Pool. Said unit is 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 the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 2 miles east of Loving, New Mexico.

CASE 11283: (Readvertised)

Application of Yates Petroleum Corporation for an amendment to Division Order No. R-9976-A authorizing a location change of a certain unorthodox infill gas well location, Chaves County, New Mexico. Applicant, in the above-styled cause, seeks to amend Division Order No. R-9976-A, which order authorized the applicant to infill drill the Pecos Slope-Abo (unprorated) Gas Pool within a portion of Townships 5, 6, and 7 South, Ranges 25 and 26 East, by changing the location approved by said order of its Catterson "SS" Federal Well No. 7, which has already been drilled, to reflect its current position 2310 feet from the South line and 660 feet from the East line (Unit I) of Section 21, Township 7 South, Range 26 East. Said well is located approximately 14 miles west of Elkins, New Mexico.

CASE 11264: (Continued from August 24, 1995, Examiner Hearing.)

Application of Yates Petroleum Corporation for compulsory pooling, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks an order pooling all mineral interests from the surface to the base of the Canyon formation underlying the NE/4 of Section 24, Township 19 South, Range 25 East, forming a standard 160-acre spacing and proration unit for any and all formations and/or pools developed on 160-acre spacing within said vertical extent, which presently includes but is not necessarily limited to the Undesignated North Dagger Draw Upper-Pennsylvanian Pool. Said unit is to be dedicated to its Fairchild "24" Well No. 2 to be drilled at a standard location in the NW/4 NE/4 (Unit B) of said Section 24. 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 the operator of the well and unit, and a charge for risk involved in drilling and completing said well. Said unit is located approximately 4 miles west-northwest of Lakewood, New Mexico.

CASE 11339: (Continued from August 24, 1995, Examiner Hearing.)

Application of Yates Petroleum Corporation for directional drilling and an unorthodox bottomhole location, Eddy County, New Mexico. Applicant, in the above-styled cause, seeks authority to drill its Zinnia Federal Unit Well No. 1 from a unorthodox surface location 1980 feet from the North line and 910 feet from the West line (Unit E) of Section 27, Township 20 South, Range 29 East, to an unorthodox bottomhole gas well location within 50 feet of a point 1980 from the North line and 2405 feet from the East line (Unit G of Section 27, to test the Strawn and Morrow formations, Undesignated East Burton Flat-Strawn Gas Pool and Wildcat Morrow. The N/2 of Section 27 is to be dedicated to this well forming a standard 320-acre gas spacing and proration unit for both formations. Said well is located approximately 11 miles northeast of Carlsbad, New Mexico.

CASE 11378: Application of Tamarack Petroleum Company, Inc. for lease commingling, Lea County, New Mexico. Applicant, in the above-styled cause, seeks an exception to Division General Rule 309.A to permit commingling of Saunders-Permo Pennsylvanian Pool production from its Lion State, Lion "A" State, and Saunders State leases in Sections 9 and 16, Township 14 South, Range 33 East, being in an area located approximately 20 miles south-southeast of Caprock, New Mexico.

CASE 11358: (Continued from August 10, 1995, Examiner Hearing.)

Application of Nearburg Exploration Company/Nearburg Producing Company to terminate injection operations into two certain disposal wells by rescinding Division Administrative Order SWD-336 and Division Order No. R-7637, Eddy County, New Mexico. Applicant, in the above-styled cause, as operator of the Ross Ranch "22" well No. 2 (API No. 30-015-27458), located 1980 feet from the North line and 660 feet from the West line (Unit E) of Section 22, Township 19 South, Range 25 East, North Dagger Draw-Upper Pennsylvanian Pool, seeks an order from the Division rescinding: (1) Administrative Order SWD-336, dated March 3, 1988, which order permitted Yates Petroleum Corporation to utilize its Osage Well No. 1 (API No. 30-015-20890), located 1980 feet from the North and East lines (Unit G) of Section 21, Township 19 South, Range 25 East, as a salt water disposal well into the Canyon formation; and, (2) Order No. R-7637, dated August 23, 1984, which order authorized Anadarko Petroleum Corporation to dispose of produced salt water into the Cisco/Canyon formations through its Dagger Draw SWD Well No. 1, (API No. 30-015-25003), located 1495 feet from the North line and 225 feet from the West line (Unit E) of said Section 22. The 160 acres comprising the NW/4 of said Section 22, in which the Ross Ranch "22" Well No. 2 is therein dedicated, is located approximately 4 miles southwest by west of Seven Rivers, New Mexico.

CASE 11202: (Reopened and Advertised)

In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Billy R. Wilson - Robinson Brothers Drilling (Company), Inc., operator, The Travelers Indemnity Company, surety, G. A. Baber, Jr., interest owner, and all other interested parties to appear and show cause why the State "A" Well No. 1 (API No. 30-015-02331), located 660 feet from the South and West lines (Unit M) of Section 36, Township 19 South, Range 28 East, Eddy County, New Mexico (which is approximately 8 miles southeast by south of the old Illinois Production Camp), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have the well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 11379: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Lobo Production, operator, Fidelity & Deposit Company of Maryland, surety, and all other interested parties to appear and show cause why the following six wells located in Sandoval and San Juan Counties, New Mexico, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug any or all of said wells, the Division seeks an order directing the operator to pay the costs of such plugging and if failing to do so, ordering a forfeiture of the plugging bond, if any, covering said well(s):

- (1) Gulf Federal "24" Well No. 1 (API No. 30-043-20672), located 920'FNL & 795'FWL (Unit D) of Section 24, Township 23 North, Range 6 West, Sandoval County;
- (2) Gulf State "36" Well No. 1 (API No. 30-043-20660), located 850'FNL & 800'FEL (Unit A) of Section 36, Township 23 North, Range 6 West, Sandoval County;
- (3) Hynes Kennedy "7" Well No. 1 (API No. 30-045-25599), located 800'FSL & 1885'FEL (Unit O) of Section 7, Township 29 North, Range 14 West, San Juan County;
- (4) Mesa Kirtland "11" Well No. 1 (API No. 30-045-25440), located 1190'FNL & 1850'FWL (Unit C) of Section 11, Township 29 North, Range 15 West, San Juan County;
- (5) Hatch Well No. 1 (API No. 30-045-24985), located 660'FNL & 1980'FWL (Unit C) of Section 14, Township 29 North, Range 15 West, San Juan County; and,
- (4) Libra Well No. 1 (API No. 30-045-25852), located 810'FNL & 1800'FWL (Unit C) of Section 16, Township 32 North, Range 13 West, San Juan County.

CASE 11380: In the matter of the hearing called by the Oil Conservation Division ("Division") on its own motion to permit Sovereign Oil Company, operator, Allied Fidelity Insurance Company, surety, and all other interested parties to appear and show cause why the Sovereign "32-6" Well No. 1 (API No. 30-045-25790), located 1730 feet from the North line and 900 feet from the West line (Unit E) of Section 9, Township 32 North, Range 6 West, San Juan County, New Mexico (which is approximately 14.5 miles northeast by north of the Navajo Reservoir Dam), should not be plugged and abandoned in accordance with a Division-approved plugging program. Should the operator fail to properly plug said well, the Division should then be authorized to take such action as is deemed necessary to have this well properly plugged and abandoned and to direct the operator to pay the costs of such plugging.

CASE 10898: (Reopened - Continued from August 24, 1995, Examiner Hearing.)

In the matter of Case No. 10898 being reopened pursuant to the provisions of Division Order No. R-10056, which promulgated special pool rules and regulations for the Penasco Draw-Wolfcamp Pool in Eddy County, New Mexico, including a provision for 160-acre spacing and proration units and designated well location requirements. Operators in the subject pool may appear and show cause why the temporary special rules and regulation for the Pensaco Draw-Wolfcamp Pool should not be rescinded.

CASE 11381: In the matter of the hearing called by the Oil Conservation Division upon 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 a gas pool for Wolfcamp production and designated as the North Pierce Crossing-Wolfcamp Gas Pool. The discovery well is the Maralo, Inc. Cochiti "5" Federal Com. Well No. 1 located in Unit M of Section 5, Township 24 South, Range 29 East, NMPM. Said pool would comprise:

TOWNSHIP 24 SOUTH, RANGE 29 EAST, NMPM

Section 5: W/2

- (b) EXTEND the Southeast Acme-San Andres Pool in Chaves County, New Mexico, to include therein:

TOWNSHIP 8 SOUTH, RANGE 27 EAST, NMPM

Section 11: NE/4

Section 14: SE/4

Section 23: NE/4

- (c) EXTEND the South Carlsbad-Canyon Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH, RANGE 26 EAST, NMPM

Section 12: E/2

Section 13: NE/4

- (d) EXTEND the South Carlsbad-Strawn Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH. RANGE 26 EAST. NMPM

Section 12: N/2

- (e) EXTEND the South Culebra Bluff-Wolfcamp Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 23 SOUTH. RANGE 28 EAST. NMPM

Section 33: SE/4

TOWNSHIP 24 SOUTH. RANGE 28 EAST. NMPM

Section 4: E/2

Section 9: E/2

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

TOWNSHIP 22 SOUTH. RANGE 26 EAST. NMPM

Section 18: N/2

Section 33: N/2

- (g) EXTEND the West Indian Flats-Atoka Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 21 SOUTH. RANGE 28 EAST. NMPM

Section 29: S/2

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

TOWNSHIP 23 SOUTH. RANGE 30 EAST. NMPM

Section 19: W/2

Section 30: N/2

- (i) EXTEND the Siegreest Draw-Abo Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 19 SOUTH. RANGE 24 EAST. NMPM

Section 32: NW/4

- (j) EXTEND the White City-Pennsylvanian Gas Pool in Eddy County, New Mexico, to include therein:

TOWNSHIP 24 SOUTH. RANGE 26 EAST. NMPM

Section 31: All