

New Mexico

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IMPORTANT NOTICE: Examiner hearings have tentatively been scheduled for December 6 and 20, 2001.
Applications for hearing must be filed at least 23 days in advance of hearing date.

COMMISSION HEARING HELD - NOVEMBER 6 - SANTA FE

NMOCD Director - Lori Wrotenbery
Commissioner - Jami Bailey
Commissioner by telephone - Dr. Robert Lee
Commission Counsel - Steven Ross
Commission Secretary - Florene Davidson

The minutes of the October 12, 2001, Commission hearing were adopted.

EDDY COUNTY

Properly Plug One Well (Case 12459 - Continued to January 2002) (De Novo)

Continued to January 2002 is this case which the Oil Conservation Division, upon its own motion, has called to consider an order requiring I. T. Properties to appear and show cause why one (1) well located in Sec. 23, T-19-S, R-28-E, should not be plugged and abandoned in accordance with a Division-approved plugging program. Further, should the operator fail to properly plug this well, the Division seeks an order (i) requiring operator to properly plug these wells; (ii) authorizing the Division to plug these wells; (iii) ordering a forfeiture of the plugging bond, and (iv) assessing fines for failure to comply with the order. **IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.** Upon application of I. T. Properties, this case will be heard De Novo pursuant to the provisions of Rule 1220.

RIO ARRIBA COUNTY

Compulsory Pooling (Case 12635 and 12705)

(Consolidate for Purposes
of Testimony)

In Case 12635, McElvain Oil & Gas Properties, Inc. sought an order pooling all mineral interests in all formations from the base of the Pictured Cliffs formation to the base of the Mesaverde formation in the S/2 of Sec. 25, T-25-N, R-3-W, Rio Arriba County, for all formations and/or pools developed on 320-acre spacing, which include but are not necessarily limited to the Mesaverde formation, Blanco-Mesaverde Gas Pool. Said units are to be dedicated to its No. 1 Naomi Well (formerly the No. 1 Wynona Well) at a previously approved unorthodox gas well location 1650 feet from the South line and 450 feet from the West line of said Sec. 25, to be reentered and recompleted in the Mesaverde formation. Also to have been considered was allocation of well costs, charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling the well. Said area is located approximately 5 miles southwest of Lindrith, New Mexico. Upon application of D. J. Simmons, Inc. this case will be heard De Novo pursuant to the provisions of Rule 1220.

In Case 12635, D. J. Simmons, Inc. sought an order pooling all mineral interests from the surface to the base of the Mesaverde formation in the E/2 of Sec. 25, T-25-N, R-3-W, Rio Arriba County, for all formations and/or pools developed on 320-acre spacing, including, but not necessarily limited to, the Mesaverde formation, Blanco-Mesaverde Gas Pool. Said unit is to be dedicated to the applicant's No. 25-1 Bishop Federal well to be drilled at a standard location in the NE/4 of said Sec. 25 to a depth sufficient to test all formations in the pooled intervals, as well as the Chacra formation and the Gallup-Dakota formation, West Lindrith Gallup-Dakota Oil Pool. Also to have been considered was allocation of well costs, charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling the well. The unit is located approximately 5 miles southwest of Lindrith, New Mexico.

Appearances: Michael Feldewert (Santa Fe), attorney, for McElvain Oil & Gas Properties, Inc.; Scott Hall (Santa Fe), attorney, for D.J. Simmons, Inc.; Mona Binion, McElvain landman, Denver CO; Jane Estes-Jackson, McElvain geologist, Denver; John Steuble, McElvain engineer, Denver; Ed Dunn, D.J. Simmons landman, Farmington; Lisa Gusek, Simmons geologist, Farmington; Tom Mullins, consulting engineer for Simmons, Farmington.

Testimony: Binion said McElvain obtained leases in the W/2 in October 2000 and proposed a S/2 well on November 11, 2000. The proposal stated the cost, approximately \$360,000. Binion said McElvain felt that a laydown provided all the parties the chance to test the Mesaverde zone in a low-cost re-enter. This type of risk sharing is common. In this area, the patterns are developed independent of each other. McElvain sent another letter November 20, 2000, with the engineering information on the recompletion. D.J. Simmons also requested a set of the logs, and they were provided, even though typically that's not offered. McElvain then sought administrative approval for an NSL for the Blanco-Mesaverde (the well was orthodox in the original oil well). The Division approved the NSL, and the letter references the S/2 unit. D.J. Simmons did not propose another spacing unit. McElvain filed its compulsory pooling application March 2001. It had found new owners; secured mineral abstracts and title opinion that everyone has benefited from, and there was one unlocatable owner that they finally found. McElvain filed a forced-pooling application on March 13, 2001. Even at point, the parties were given a chance to go non-consent. Dugan Production Co., which owns an interest in the SE/4, wrote a letter in support [to which Hall objected]. The examiner hearing was May 17, 2001. D.J. Simmons still had not proposed a well. D. J. Simmons appeared. Division Order No. 11663 forced-pooled two owners, including D.J.

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Simmons, Inc. and Forest Energy Onshore, Inc. Forest Energy is waiting for the Commission to rule on the spacing pattern; if it's not a S/2 unit, they have no interest. D.J. Simmons has elected not to participate; their letter was received October 8, 2001. McElvain does plan to develop the N/2; they have a pooling application pending. D.J. Simmons proposed a well in a letter received June 7, 2001, after the hearing, after McElvain's application was under advisement, and seven months after McElvain's proposal. The proposal is confusing; it proposes two Gallup-Dakota wells, with a reference to the Mesaverde as a secondary target. Their AFEs did not deal with the Mesaverde. The drilling plan also makes no commitment to complete in the Mesaverde. E/2 owners would have the opportunity to participate or farm out, but only in the Mesaverde, and only if the Mesaverde is completed—which Simmons does not commit to do. It does not afford any options to the owners in the SE/4, either in the Mesaverde or Gallup-Dakota. It is not true, as D.J. Simmons alleged in its letter, that the opportunity to commingle in the SE/4 would be lost. It's also unclear how the costs would be shared. D.J. Simmons filed a compulsory pooling application on July 14, 2001, five weeks after their proposal letter. On August 6, 2001 D.J. Simmons sent a letter repeating the proposal and attempting to clarify the costs on the first well. It still makes no commitment to complete in the Mesaverde. D.J. Simmons sent a letter September 13 on the NE/4 well that included costs of completion in the Mesaverde--\$461,000—although there still is no commitment to complete in the Mesaverde, or describe any sharing. It also does not refer to Simmons' proposed SE/4 well.

[Chairman Wrotenbery sustained Hall's objection to the Dugan letter. She also sustained Hall's objections to Feldewert's questions about whether Dugan supports McElvain's concept.]

Binion was allowed to state that Dugan is participating in the McElvain project.

Estes-Jackson said McElvain's proposal was made partly on geologic grounds, not just land issues. She said porosity would determine the success, and the porosity matrix McElvain sought in the Mesaverde was present in Naomi 1, the well McElvain wanted to re-enter, and less present—if at all—in the Mesaverde at the D.J. Simmons Gallup-Dakota locations.

Steuble said based on well data the drainage patterns in the area run east-west, not north-south. He said there were discrepancies between the economic figures D.J. Simmons presented at the examiner hearing--\$500,000 in drilling costs to the Gallup-Dakota and \$50,000 to recomplete in the Mesaverde—and the economic claims Simmons is making in this hearing--\$658,000 for drilling and \$236,000 to recomplete in the Mesaverde. He said Simmons now claims it would be uneconomic to recomplete in the Mesaverde. He said McElvain is in a time crunch; they had hoped to drill in the summer and avoid hunting season, when the surface owner allows hunting. Now their only window is December.

Dunn said Simmons sought to pool Forest Oil Corp., Dugan Production and McElvain. Simmons first acquired its interest in September 2000. He described the history of the dispute, and said Simmons tried to secure McElvain's participation in the Bishop 25-1 well, proposed June 7, 2001. On September 13, Simmons offered to sell its interest in the N/2 SE/4 of S. 25 to McElvain from 750' below the Huerfano Bentonite to the base of the Mesaverde and got no response. On October 25, 2001, Simmons offered to allow a S/2 unit if Simmons could have two special 160-acre units in the N/2. He said McElvain did not make a good-faith effort to obtain voluntary agreement for its well. Simmons sought a 200% risk penalty and to be operator.

Gusek said McElvain must have added in Dakota production in its well records. She said she could not find justification for the Mesaverde target; she also questioned the vertical extent that McElvain asked to pool as a 320-acre formation: somewhere in the order of 750', which is not included in the rules of the Mesaverde. She said they were picking up some of the Chakra Sands that have been shown to be productive in other parts of the Basin. There is high variability in the area. She believes that it is a large fracture system and that production tends to be enhanced by production. She believes the natural fracture patterns in the Mancos run north-south to north-40-degrees-east. The Bishop 25-1 will be a test; Simmons wants to test by drilling at 45 degrees through the Gallup and then drop down to the Dakota. The point is to see whether they can get enhanced production by working with natural fracturing. The fractures that will be induced will follow the natural fracturing. These formations are tight; the McElvain well will not drain the SE/4. Simons will drill the Bishop 25-1; its success will determine whether they drill the Bishop 25-2 in the SE/4. If they don't drill, it's unlikely the Gallup-Dakota will be drilled.

[Feldewert objected to two exhibits relating to information from Burlington's literature; he said they were hearsay. Chairman Wrotenbery overruled the objection.]

Mullins said Simmons operates several properties in the area. The Bishop 25-1 well will be a directional well in the NE/4 and the Bishop 25-2 will be a vertical in the SE/4. The 25-1 will be drilled east to west to intercept the fracture patterns in the Gallup and Mancos Sands. He was the reservoir engineer who helped develop the fracture montage referenced by Gusek. Fracture patterns in the Gallup and Mancos run north-south, to north-40-degrees-east. Whether Simmons completes in the Mesaverde in the 25-1 depends on what they find in the Gallup and Dakota; they will test the deeper reservoirs first.

LEA COUNTY
Special Pool Rules (Case 12605 – Continued to December 4 Special Hearing) (De Novo)

Continued to December 4 is the application of Sapient Energy Corporation seeking the promulgation of special pool rules for the West Monument-Tubb Gas Pool, which currently comprises the E/2 of Sec. 7, T-20-S, R-37-E (located approximately three miles southwest of Monument, new Mexico), including provisions for 8-acre spacing and designated well location requirements. Upon application of Sapient Energy Corporation, Chevron U.S.A. Production Company and Conoco, Inc., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

LEA COUNTY

Unorthodox Well Location and Two Non-Standard 160-Acre Spacing Units, or
One Non-Standard 160-Acre Spacing and Proration Unit (Case 12587 – Continued to
December 4 Special Hearing) (De Novo)

Continued to December 4 is the application of Sapient Energy Corp. seeking approval of an unorthodox gas well location for its No. 12 Bertha J. Barber Well, which is located at an unorthodox gas well location 330 feet from the North line and 660 feet from the East line of Sec. 7, T-20-S, R-37-E, Lea County, to be dedicated to a non-standard 160-acre gas proration and spacing unit consisting of either (i) the E/2 E/2 of this section, or in the alternative, (ii) the E/2 NE/4 of Sec. 7 and the W/2 NW/4 of Sec. 8 for production from the West Monument-Tubb Gas Pool retroactive to the date of first production (September 9, 1999). In addition, should the Division approve a non-standard 160-acre spacing and proration unit consisting of the E/2 E/2 of Sec. 7, then the applicant seeks the approval of a second non-standard 160-acre proration and spacing unit consisting of the W/2 E/2 of this section. This unit is located approximately 12 miles southwest of Hobbs, New Mexico. Upon application of Sapient Energy Corporation, Chevron U.S.A. Production Company and Conoco, Inc., this case will be heard De Novo pursuant to the provisions of Division Rule 1220.

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EXAMINER HEARING SET – NOVEMBER 15 – SANTA FE

Michael E. Stogner or David R. Catanach – Examiner

LEA COUNTY

Compulsory Pooling (Case 12753 – Continued from November 1)

David H. Arrington Oil & Gas Inc. seeks an order pooling all mineral interests from the surface to the base of the Mississippian formation underlying the W/2 of Sec. 36, T-16-S, R-35-E, Lea County, 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 that vertical extent, including but not limited to the Undesignated South Shoe Bar-Morrow Gas Pool and Undesignated Shoe Bar-Mississippian Gas Pool. The unit is to be dedicated to applicant's No. 1 Double Hackle Drake "36" State Well, to be drilled at an orthodox location in the NW/4 NW/4 of Sec. 36. Also to be considered will be allocation of well costs, charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling the well. The unit is located approximately 6 miles southwest of Lovington, New Mexico.

EDDY COUNTY

Compulsory Pooling (Case 12760)

Mewbourne Oil Company seeks an order pooling all mineral interests from the base of the Grayburg formation to the base of the Morrow formation underlying the E/2 of Sec. 18, T-19-S, R-28-E, Eddy County, 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 that vertical extent, including but not limited to the Undesignated West Millman-Wolfcamp Pool, Millman-Strawn Gas Pool, and Undesignated South Millman-Morrow Gas Pool. The unit is to be dedicated to applicant's No. 1 Remington "18" St. Com. Well, drilled at an orthodox location in the NW/4 SE/4 of Sec. 18. Also to be considered will be allocation of well costs, charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling the well. IN THE ABSENCE OF OBJECTION, THIS MATTER WILL BE TAKEN UNDER ADVISEMENT.

EDDY COUNTY

Compulsory Pooling (Case 12735 – Continued from November 1)

Louis Dreyfus Natural Gas Corporation seeks an order pooling all mineral interests from the surface to the base of the Morrow formation underlying the following described acreage in Sec. 4, T-23-S, R-26-E, Eddy County, in the following manner: the E/2 to form a standard 320-acre gas spacing unit for all formations and/or pools developed on 320-acre spacing within that vertical extent, which presently includes but is not necessarily limited to the South Carlsbad-Morrow Gas Pool; the SE/4 to form a standard 160-acre gas spacing unit for all formations and/or pools developed on 160-acre spacing within that vertical extent; and the NE/4 SE/4 to form a standard 40-acre spacing unit for all formations and/or pools developed on 40-acre spacing within that vertical extent. Said units are to be dedicated to the proposed No. 1 Saragossa 4 Fed Com Well to be located at a standard location in Unit I of this section. Also to be considered will be allocation of well costs, charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling the well. This unit is located approximately 6 miles southwest of Carlsbad, New Mexico.

EDDY COUNTY

Unorthodox Gas Well Location (Case 12736 – Continued from October 18)

KUKUI Operating Company seeks an exception to Division Rule 104.C(2) for its proposed No. 3 Goodnight "35" Federal Well to be drilled at an unorthodox gas well location 440 feet from the South line and 660 feet from the West line (Unit M) of Sec. 35, T-23-S, R-29-E, Eddy County. The S/2 of Sec. 35 is to be dedicated to this well in order to form a standard 320-acre lay-down gas spacing and proration unit for the Wolfcamp (Laguna Grande-Wolfcamp Gas Pool), Strawn, Atoka, and Morrow formations. This unit is located approximately 8.5 miles east by south of Loving, New Mexico.

LEA COUNTY

Unit Agreement (Case 12761)

Yates Petroleum Corporation seeks approval of the Mocha State Unit for an area comprising 2880 acres, more or less, of state lands in Secs. 33, 34 and 35, T-12-S, R-34-E, Lea County, and Secs. 2 and 11, T-13-S, R-34-E, Lea County, which is located approximately 9.5 miles southwest of Tatum, New Mexico.

LEA COUNTY
Unit Agreement (Case 12762)

Paladin Energy Corp. seeks approval of the Paladin Wolfcamp Exploratory Unit for an area comprising 80 acres, more or less, of state and fee lands in Secs. 35 and 36, T-13-S, R-37-E, Lea County, which is located approximately 9 miles east of McDonald, New Mexico.

LEA COUNTY
Unorthodox Gas Well Location (Case 12763)

Paladin Energy Corp. seeks approval of an unorthodox well location in the Wolfcamp formation, King-Wolfcamp Pool, for its No. 1 State "C" Well to be re-entered and recompleted at an unorthodox well location 1550 feet from the North line and 10 feet from the West line of Sec. 36, T-13-S, R-37-E, Lea County. Said well is located approximately 9 miles east of McDonald, New Mexico.

LEA COUNTY
Unit Agreement (Case 12764)

Discovery Exploration seeks approval of the Lowe Exploratory Unit for an area comprising 80 acres of fee lands in Secs. 28 and 29, T-12-S, R-38-E, Lea County, which is located approximately 11 miles east of Tatum, New Mexico.

LEA COUNTY
Unorthodox Gas Well Location (Case 12765)

Discovery Exploration seeks approval of an unorthodox gas well location in the Devonian formation, Trinity-Devonian Pool, for its No. 1 Lowe Well to be drilled at an unorthodox gas well location 2300 feet from the South line and 100 feet from the East line of Sec. 29, T-12-S, R-38-E, Lea County. Said well is located approximately 11 miles east of Tatum, New Mexico.

LEA COUNTY
Special Pool Rules (Case 12179 – Continued from October 18) (Reopened)

The Oil Conservation Division, upon its own motion, has reopened this case pursuant to the provisions of Division Order No. R-11208, which order promulgated temporary special pool rules for the East Hobbs-San Andres Pool in Lea County. Operators in the East Hobbs-San Andres Pool should be prepared to appear and show cause why the top oil allowable rate of 160 barrels of oil per day for the pool should not be rescinded.

SOCORRO COUNTY
Unit Agreement (Case 12766)

Primero Operating, Inc. seeks approval of the Cat Head Mesa Unit, a voluntary exploratory unit for an area comprising 37,339.04 acres, more or less, of state, federal and fee oil and gas leases underlying portions or all of the following sections: Secs. 35, 36, T-3-S, R-8-E; Secs. 31, 32, 33, T-3-S, R-9-E; Secs. 1, 2, 3, 10-15, 23-25, and 36, T-4-S, R-8-E; Secs. 2-36, T-4-S, R-9-E; Sec. 1, T-5-S, R-8-E; Secs. 2-11, T-5-S, R-9-E, Socorro County. This proposed unit is located approximately 18 miles northeast of Bingham, New Mexico.

LEA COUNTY
Unorthodox Oil Well Location (Case 12767)

Chesapeake Operating, Inc. seeks approval to drill and produce its proposed No. 1 Buchanan "32" Well at an unorthodox oil well location 2520 feet from the South line and 1909 feet from the West line (Unit K) of Sec. 32, T-16-S, R-37-E, Lea County, for production from the Strawn formation from the Northeast Lovington-Pennsylvanian Pool to be dedicated to a standard 80-acre oil spacing and proration unit consisting of the N/2 SW/4 of this section. This location is located approximately 5-1/2 miles southeast of Lovington, New Mexico.

LEA COUNTY
Compulsory Pooling (Case 12768)

Chesapeake Operating Inc. seeks an order pooling all mineral interests from the surface to the base of the Strawn formation underlying the following described acreage in Sec. 9, T-16-S, R-37-E: the E/2 SW/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within this vertical extent, including the Northeast Lovington-Pennsylvanian Pool; and the NE/4 SW/4 to form a standard 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing and proration unit for any and all formations and/or pools developed on 80-acre oil spacing within this vertical extent. This unit is to be dedicated to its No. 1 Buddy "9" Well which will be located at a standard well location within Unit K of this section. Applicant further seeks an order prescribing now ("operating provisions") pursuant to which future operations may be conducted in accordance with applicant's Joint Operating Agreement. Also to be considered will be allocation of well costs, charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling the well. This unit is located approximately 4 miles east of the center of the City of Lovington, New Mexico.

LEA COUNTY
Compulsory Pooling (Case 12769)

Matador Petroleum Corporation seeks an order pooling all mineral interests from the top of the surface to the base of the Tubb formation underlying the following described acreage in Sec. 4, T-20-S, R-37-E: the N/2 NE/4 to form a standard 80-acre spacing and proration unit for any and all formations and/or pools developed on 80-acre spacing within this vertical extent, including but not limited to the Monument Tubb Pool; and the NW/4 NE/4 to form a standard 40-acre spacing and proration unit for any and all formations and/or pools developed on

LEA COUNTY
Compulsory Pooling (Case 12769) (Continued)

40-acre spacing within this vertical extent, including but not limited to the East Monument-Paddock Pool and the Monument-Blinbry Pool. This unit is to be dedicated to its proposed No. 2 Cooper "4" Well to be drilled and completed at a standard well location in Unit B of this Sec. Applicant further seeks an order prescribing terms ("operating provisions") pursuant to which future operations may be conducted in accordance with applicant's Joint Operating Agreement. Also to be considered will be allocation of well costs, charges for supervision, designation of applicant as operator of the well, and a charge for risk involved in drilling the well. This unit is located approximately 1-1/2 miles south-southeast of Monument, New Mexico.

LEA COUNTY
Order Requiring the Plugging of Ninety Wells (Case 12770)

The Oil Conservation Division, upon its own motion, has called this hearing to consider an order requiring Sierra Blana Operating Company, the operator of ninety (90) inactive wells in Lea County, to properly plug and abandon the same, authorizing the Division to plug said wells if the operator or its sureties fails to do so, forfeiting Operator's plugging bonds and cash collateral, and providing for such other relief as the Director deems appropriate. The affected wells are the following:

#1 North Caprock Queen Unit, located in Unit A, Sec. 7, T-13-S; R-32-E;
#2 North Caprock Queen Unit, located in Unit 2, Sec. 6, T-13-S; R-32-E;
#2Y North Caprock Queen Unit, located in Unit B, Sec. 7, T-13-S; R-32-E;
#3 North Caprock Queen Unit, located in Unit 3, Sec. 5, T-13-S; R-32-E;
#3 North Caprock Queen Unit, located in Unit 3, Sec. 6, T-13-S; R-32-E;
#3 North Caprock Queen Unit, located in Unit C, Sec. 7, T-13-S; R-32-E;
#4 North Caprock Queen Unit, located in Unit D, Sec. 8, T-13-S; R-32-E;
#4Y North Caprock Queen Unit, located in Unit D, Sec. 8, T-13-S; R-32-E;
#5 North Caprock Queen Unit, located in Unit E, Sec. 5, T-13-S; R-32-E;
#5 North Caprock Queen Unit, located in Unit E, Sec. 8, T-13-S; R-32-E;
#6 North Caprock Queen Unit, located in Unit F, Sec. 32, T-12-S; R-32-E;
#6 North Caprock Queen Unit, located in Unit F, Sec. 7, T-13-S; R-32-E;
#6 North Caprock Queen Unit, located in Unit F, Sec. 8, T-13-S; R-32-E;
#6F North Caprock Queen Unit, located in Unit F, Sec. 6, T-13-S; R-32-E;
#7 North Caprock Queen Unit, located in Unit G, Sec. 32, T-12-S; R-32-E;
#7 North Caprock Queen Unit, located in Unit G, Sec. 6, T-13-S; R-32-E;
#7 North Caprock Queen Unit, located in Unit G, Sec. 7, T-13-S; R-32-E;
#8 North Caprock Queen Unit, located in Unit H, Sec. 7, T-13-S; R-32-E;
#9 North Caprock Queen Unit, located in Unit I, Sec. 6, T-13-S; R-32-E;
#9 North Caprock Queen Unit, located in Unit I, Sec. 7, T-13-S; R-32-E;
#10 North Caprock Queen Unit, located in Unit J, Sec. 7, T-12-S; R-32-E;
#10Y North Caprock Queen Unit, located in Unit J, Sec. 7, T-13-S; R-32-E;
#11 North Caprock Queen Unit, located in Unit K, Sec. 6, T-13-S; R-32-E;
#11 North Caprock Queen Unit, located in Unit K, Sec. 8, T-13-S; R-32-E;
#11 North Caprock Queen Unit, located in Unit K, Sec. 7, T-13-S; R-32-E;
#12 North Caprock Queen Unit, located in Unit L, Sec. 32, T-12-S; R-32-E;
#12 North Caprock Queen Unit, located in Unit L, Sec. 5, T-13-S; R-32-E;
#12 North Caprock Queen Unit, located in Unit 6, Sec. 6, T-13-S; R-32-E;
#12 North Caprock Queen Unit, located in Unit L, Sec. 8, T-13-S; R-32-E;
#13 North Caprock Queen Unit, located in Unit M, Sec. 32, T-12-S; R-32-E;
#13 North Caprock Queen Unit, located in Unit M, Sec. 8, T-13-S; R-32-E;
#14 North Caprock Queen Unit, located in Unit N, Sec. 32, T-12-S; R-32-E;
#14 North Caprock Queen Unit, located in Unit N, Sec. 6, T-13-S; R-32-E;
#14 North Caprock Queen Unit, located in Unit N, Sec. 8, T-13-S; R-32-E;
#15 North Caprock Queen Unit, located in Unit O, Sec. 6, T-13-S; R-32-E;
#16 North Caprock Queen Unit, located in Unit P, Sec. 30, T-12-S; R-32-E;
#1 Northeast Caprock Queen Unit, located in Unit L, Sec. 16, T-12-S, R-32-E;
#2 Northeast Caprock Queen Unit, located in Unit K, Sec. 16, T-12-S, R-32-E;
#3 Northeast Caprock Queen Unit, located in Unit J, Sec. 18, T-12-S, R-32-E;
#4 Northeast Caprock Queen Unit, located in Unit I, Sec. 16, T-12-S, R-32-E;
#5 Northeast Caprock Queen Unit, located in Unit L, Sec. 15, T-12-S, R-32-E;
#6 Northeast Caprock Queen Unit, located in Unit P, Sec. 17, T-12-S, R-32-E;
#7 Northeast Caprock Queen Unit, located in Unit M, Sec. 16, T-12-S, R-32-E;
#8 Northeast Caprock Queen Unit, located in Unit N, Sec. 16, T-12-S, R-32-E;
#9 Northeast Caprock Queen Unit, located in Unit O, Sec. 16, T-12-S, R-32-E;
#10 Northeast Caprock Queen Unit, located in Unit P, Sec. 16, T-12-S, R-32-E;
#11 Northeast Caprock Queen Unit, located in Unit O, Sec. 15, T-12-S, R-32-E;
#12 Northeast Caprock Queen Unit, located in Unit P, Sec. 15, T-12-S, R-32-E;
#13 Northeast Caprock Queen Unit, located in Unit M, Sec. 14, T-12-S, R-32-E;
#14 Northeast Caprock Queen Unit, located in Unit N, Sec. 14, T-12-S, R-32-E;
#15 Northeast Caprock Queen Unit, located in Unit B, Sec. 20, T-12-S, R-32-E;
#16 Northeast Caprock Queen Unit, located in Unit A, Sec. 20, T-12-S, R-32-E;
#17 Northeast Caprock Queen Unit, located in Unit D, Sec. 21, T-12-S, R-32-E;
#18 Northeast Caprock Queen Unit, located in Unit C, Sec. 21, T-12-S, R-32-E;
#19 Northeast Caprock Queen Unit, located in Unit B, Sec. 21, T-12-S, R-32-E;
#20 Northeast Caprock Queen Unit, located in Unit A, Sec. 21, T-12-S, R-32-E;
#21 Northeast Caprock Queen Unit, located in Unit D, Sec. 22, T-12-S, R-32-E;
#22 Northeast Caprock Queen Unit, located in Unit C, Sec. 22, T-12-S, R-32-E;
#23 Northeast Caprock Queen Unit, located in Unit B, Sec. 22, T-12-S, R-32-E;
#25 Northeast Caprock Queen Unit, located in Unit D, Sec. 23, T-12-S, R-32-E;
#26 Northeast Caprock Queen Unit, located in Unit C, Sec. 23, T-12-S, R-32-E;
#27 Northeast Caprock Queen Unit, located in Unit G, Sec. 20, T-12-S, R-32-E;
#28 Northeast Caprock Queen Unit, located in Unit H, Sec. 20, T-12-S, R-32-E;
#29 Northeast Caprock Queen Unit, located in Unit E, Sec. 21, T-12-S, R-32-E;
#30 Northeast Caprock Queen Unit, located in Unit F, Sec. 21, T-12-S, R-32-E;

LEA COUNTY

Order Requiring the Plugging of Ninety Wells (Case 12770) (Continued)

#31 Northeast Caprock Queen Unit, located in Unit M, Sec. 22, T-12-S, R-32-E;
#32 Northeast Caprock Queen Unit, located in Unit E, Sec. 23, T-12-S, R-32-E;
#33 Northeast Caprock Queen Unit, located in Unit F, Sec. 23, T-12-S, R-32-E;
#34 Northeast Caprock Queen Unit, located in Unit L, Sec. 21, T-12-S, R-32-E;
#35Y Northeast Caprock Queen Unit, located in Unit N, Sec. 18, T-12-S, R-32-E;
#2 Young Unit, located in Unit D, Sec. 16, T-18-S, R-32-E;
#3 Young Unit, located in Unit A, Sec. 17, T-18-S, R-32-E;
#5 Young Unit, located in Unit G, Sec. 17, T-18-S, R-32-E;
#6 Young Unit, located in Unit H, Sec. 17, T-18-S, R-32-E;
#7 Young Unit, located in Unit E, Sec. 16, T-18-S, R-32-E;
#9 Young Unit, located in Unit I, Sec. 17, T-18-S, R-32-E;
#10 Young Unit, located in Unit K, Sec. 17, T-18-S, R-32-E;
#11 Young Unit, located in Unit N, Sec. 17, T-18-S, R-32-E;
#12 Young Unit, located in Unit D, Sec. 20, T-18-S, R-32-E;
#13 Young Unit, located in Unit C, Sec. 20, T-18-S, R-32-E;
#14 Young Unit, located in Unit B, Sec. 20, T-18-S, R-32-E;
#15 Young Unit, located in Unit C, Sec. 20, T-18-S, R-32-E;
#16 Young Unit, located in Unit E, Sec. 20, T-18-S, R-32-E;
#18 Young Unit, located in Unit G, Sec. 20, T-18-S, R-32-E;
#19 Young Unit, located in Unit H, Sec. 20, T-18-S, R-32-E;
#21 Young Unit, located in Unit J, Sec. 20, T-18-S, R-32-E;
#22 Young Unit, located in Unit K, Sec. 20, T-18-S, R-32-E;
#24 Young Unit, located in Unit N, Sec. 20, T-18-S, R-32-E;
#25 Young Unit, located in Unit O, Sec. 20, T-18-S, R-32-E;
#30 Young Unit, located in Unit C, Sec. 28, T-18-S, R-32-E.

LEA, ROOSEVELT AND CHAVES COUNTIES

Order Requiring the Plugging of Sixty-Two Wells (Case 12771)

The Oil Conservation Division, upon its own motion, has called this hearing to consider an order requiring the operators of 62 inactive wells located in Lea, Roosevelt and Chaves Counties, New Mexico, to bring said wells into compliance with OCD Rule 201.B by either restoring said wells to production or beneficial use, plugging and abandoning said wells or securing Division approval for temporary abandonment thereof. The affected wells are the following:

C. C. Pollard #1 State B, located in Unit L, Sec. 29, T-21-S, R-36-E;
Prairie Sun, Inc. #1 Gulf McKay Federal, located in Unit N, Sec. 334, T-18-S, R-32-E;
Prairie Sun, Inc. #1 Morgan Federal, located in Unit 3, Sec. 6, T-10-S, R-30-E;
Primal Energy Corporation, #2 Hale State, located in Unit H, Sec. 2, T-25-S, R-37-E;
Primal Energy Corporation, #1 M E Hale, located in Unit G, Sec. 2, T-25-S, R-37-E;
Primal Energy Corporation, #2 Ramsey State, located in Unit K, Sec. 36, T-24-S, R-37-E;
Primal Energy Corporation, #5 Ramsey State, located in Unit N, Sec. 36, T-24-S, R-37-E;
Professional Oil Services, Inc., #3 Keohane, located in Unit K, Sec. 6, T-20-S, R-38-E;
Pro-Gas Operating Inc., #1 State A located in Unit J, Sec. 36, T-21-S, R-35-E;
Pro-Gas Operating Inc., #2 State A located in Unit O, Sec. 36, T-21-S, R-35-E;
Pronghorn Management Corp., #1 Fowler B located in Unit K, Sec. 6, T-19-S, R-38-E;
Pronghorn Management Corp., #3 J F Black located in Unit B, Sec. 21, T-24-S, R-37-E;
Pronghorn Management Corp., #4 J F Black located in Unit F, Sec. 21, T-24-S, R-37-E;
Pronghorn Management Corp., #5 J F Black located in Unit K, Sec. 21, T-24-S, R-37-E;
Pronghorn Management Corp., #4 Jennings Federal located in Unit K, Sec. 14, T-24-S, R-32-E;
Pronghorn Management Corp., #1 Marshall located in Unit 4, Sec. 19, T-23-S, R-33-E;
Pronghorn Management Corp., #5 Marshall located in Unit F, Sec. 19, T-23-S, R-33-E;
Pronghorn Management Corp., #3 New Mexico BZ State NCT 5 located in Unit E,
Sec. 29, T-21-S, R-35-E;
Pronghorn Management Corp., #4 New Mexico BZ State NCT 5 located in Unit F,
Sec. 29, T-21-S, R-35-E;
Pronghorn Management Corp., #5 New Mexico BZ State NCT 5 located in Unit D,
Sec. 29, T-21-S, R-35-E;
Pronghorn Management Corp., #8 New Mexico DL State located in Unit P, Sec. 18, T-23-S, R-33-E;
Pronghorn Management Corp., #1 State T located in Unit 13, Sec. 6, T-16-S, R-36-E;
Pronghorn Management Corp., #2 State T located in Unit 12, Sec. 6, T-16-S, R-36-E;
Pronghorn Management Corp., #3 State T located in Unit 14, Sec. 6, T-16-S, R-36-E;
Pronghorn Management Corp., #4 State T located in Unit 11, Sec. 6, T-18-S, R-36-E;
Pronghorn Management Corp., #1 Gila 4 Deep located in Unit G, Sec. 4, T-25-S, R-33-E;
Pronghorn Management Corp., #6 J F Black located in Unit F, Sec. 21, T-24-S, R-37-E;
Pronghorn Management Corp., #7 J F Black located in Unit C, Sec. 21, T-24-S, R-37-E;
Saba Energy of Texas Inc., #2 San Simon 5 State located in Unit G, Sec. 5, T-22-S, R-35-E;
Saba Energy of Texas Inc., #1 Fern Guye in U located in Unit M, Sec. 5, T-13-S, R-38-E;
SF Energy Operating of Partners, #3 White Swan 9 Federal, located in Unit J, Sec. 9, T-22-S, R-32-E;
Smith & Marrs Inc., #1 American Eagle, located in Unit M, Sec. 22, T-26-S, R-36-E;
Smith & Marrs Inc., #1 Christie, located in Unit A, Sec. 19, T-11-S, R-33-E;
Smith & Marrs Inc., #2 Lea KN State, located in Unit B, Sec. 17, T-17-S, R-37-E;
Smith & Marrs Inc., #2 Shults, located in Unit P, Sec. 13, T-12-S, R-37-E;
Smith & Marrs Inc., #1 State HTA, located in Unit B, Sec. 36, T-12-S, R-33-E;
Smith & Marrs Inc., #1 Aztec State Com, located in Unit 4, Sec. 18, T-16-S, R-37-E;
Smith & Marrs Inc., #6 Cortland Myers Unit, located in Unit J, Sec. 22, T-24-S, R-37-E;
Smith & Marrs Inc., #5 Jamison, located in Unit H, Sec. 21, T-24-S, R-37-E;
Smith & Marrs Inc., #6 Knight, located in Unit P, Sec. 21, T-24-S, R-37-E;
Smith & Marrs Inc., #7 Knight, located in Unit I, Sec. 21, T-24-S, R-37-E;
Smith & Marrs Inc., #8 Knight, located in Unit L, Sec. 22, T-24-S, R-37-E;
Smith & Marrs Inc., #10 Knight, located in Unit M, Sec. 22, T-24-S, R-37-E;
Smith & Marrs Inc., #11 Knight, located in Unit M, Sec. 22, T-24-S, R-37-E;

LEA, ROOSEVELT AND CHAVES COUNTIES
Order Requiring the Plugging of Sixty-Two Wells (Case 12771) (Continued)

Smith & Marrs Inc., #12 Knight, located in Unit P, Sec. 21, T-24-S, R-37-E;
Smith & Marrs Inc., #13 Knight, located in Unit P, Sec. 21, T-24-S, R-37-E;
Smith & Marrs Inc., #1 Mr Wills Federal, located in Unit D, Sec. 34, T-26-S, R-37-E;
Smith & Marrs Inc., #2 New Mexico CV State, located in Unit P, Sec. 28, T-26-S, R-36-E;
Smith & Marrs Inc., #1 State HTB SWD, located in Unit 1, Sec. 31, T-12-S, R-34-E;
Spence Energy Co., #2 Kellahin 14 State, located in Unit P, Sec. 14, T-9-S, R-32-E;
Tenison Oil Co., #1 Vaughn B 9, located in Unit A, Sec. 9, T-24-S, R-36-E;
Texland Petroleum, Inc., #2 J R Holt located in Unit 3, Sec. 2, T-17-S, R-37-E;
Texland Petroleum, Inc., #16 W D Grimes NCT A located in Unit D, Sec. 32, T-18-S, R-38-E;
W H Brininstool, #1 Shearn State located in Unit 2, Sec. 32, T-26-S, R-37-E, all located in Lea County.

RW Oil Co., #2 Reno Federal located in Unit M, Sec. 3, T-15-S, R-31-E;
RW Oil Co., #3 Reno Federal located in Unit K, Sec. 3, T-15-S, R-31-E;
RW Oil Co., #4 Reno Federal located in Unit N, Sec. 3, T-15-S, R-31-E;
RW Oil Co., #2 Reno Federal located in Unit L, Sec. 3, T-15-S, R-31-E, all located in Chaves County.

Smith & Marrs Inc., #3 Hayes located in Unit L, Sec. 29, T-8-S, R-37-E;
Smith & Marrs Inc., #4 Hayes located in Unit N, Sec. 29, T-8-S, R-37-E;
Smith & Marrs Inc., #1 Las Cruces B located in Unit 1, Sec. 30, T-8-S, R-37-E, all located in Roosevelt County.

EDDY COUNTY
Shutting In Wells, Canceling Allowables and Assessing Civil Penalties
(Case 12726 – Continued from November 1)

Applicant seeks an order shutting in 18 wells in Eddy County, and canceling their allowable until such time as Tom R. Cone, who has applied to the Division to assume operation of these wells files the additional bonds required by the Division, and assessing civil penalties against Cone for producing these wells without Division approval. The affected wells are the following, all of which are located in Eddy County:

No. 2 Carper Johnson A located in Unit H, Sec. 35, T-16-S, R-31-E;
No. Federal 13 located in Unit E, Sec. 13, T-19-S, R-30-E;
No. 2 Federal 13 located in Unit F, Sec. 13, T-19-S, R-30-E;
No. 1 Kennedy Johnson A located in Unit F, Sec. 35, T-16-S, R-31-E;
No. 2 Kennedy Johnson A located in Unit H, Sec. 35, T-16-S, R-31-E;
No. 3 Kennedy Johnson A located in Unit L, Sec. 35, T-16-S, R-31-E;
No. 6 Kennedy Johnson A located in Unit M, Sec. 35, T-16-S, R-31-E;
No. 1 North Shugart Queen Unit located in Unit C, Sec. 21, T-18-S, R-31-E;
No. 2 North Shugart Queen Unit located in Unit D, Sec. 21, T-18-S, R-31-E;
No. 3 North Shugart Queen Unit located in Unit H, Sec. 20, T-18-S, R-31-E;
No. 4 North Shugart Queen Unit located in Unit E, Sec. 21, T-18-S, R-31-E;
No. 5 North Shugart Queen Unit located in Unit F, Sec. 21, T-18-S, R-31-E;
No. 6 North Shugart Queen Unit located in Unit K, Sec. 21, T-18-S, R-31-E;
No. 7 North Shugart Queen Unit located in Unit L, Sec. 21, T-18-S, R-31-E;
No. 8 North Shugart Queen Unit located in Unit I, Sec. 20, T-18-S, R-31-E;
No. 9 North Shugart Queen Unit located in Unit P, Sec. 20, T-18-S, R-31-E;
No. 10 North Shugart Queen Unit located in Unit M, Sec. 21, T-18-S, R-31-E;
No. 11 North Shugart Queen Unit located in Unit N, Sec. 21, T-18-S, R-31-E, all located in Eddy County.

EDDY COUNTY
Properly Plug Seventeen Wells (Case 12757 – Continued from November 1)

The Oil Conservation Division, upon its own motion, has called this hearing seeking an order requiring Marks and Garner Ltd. Co., the operator of seventeen (17) inactive wells in Eddy County, New Mexico to properly plug and abandon the same, authorizing the Division to plug said wells if the operator or its surety fails to do so, forfeiting the Operator's plugging bond, and assessing civil penalties for false production reporting. The affected wells are the following:

No. 1 Cave Pool Unit located in Unit O, Sec. 33, T-16-S, R-29-E;
No. 3 Cave Pool Unit located in Unit A, Sec. 4, T-17-S, R-29-E;
No. 12 Cave Pool Unit located in Unit E, Sec. 4, T-17-S, R-29-E;
No. 14 Cave Pool Unit located in Unit G, Sec. 4, T-17-S, R-29-E;
No. 16 Cave Pool Unit located in Unit E, Sec. 3, T-17-S, R-29-E;
No. 19 Cave Pool Unit located in Unit K, Sec. 4, T-17-S, R-29-E;
No. 30 Cave Pool Unit located in Unit O, Sec. 4, T-17-S, R-29-E;
No. 32 Cave Pool Unit located in Unit A, Sec. 9, T-17-S, R-29-E;
No. 41 Cave Pool Unit located in Unit E, Sec. 8, T-17-S, R-29-E;
No. 51 Cave Pool Unit located in Unit L, Sec. 5, T-17-S, R-29-E;
No. 53 Cave Pool Unit located in Unit H, Sec. 7, T-17-S, R-29-E;
No. 8Q Red Twelve Levers Federal located in Unit I, Sec. 33, T-16-S, R-29-E;
No. 12 Red Twelve levers Federal located in Unit D, Sec. 33, T-16-S, R-29-E;
No. 4 Red Twelve State located in Unit O, Sec. 5, T-17-S, R-29-E;
No. 6 Red Twelve State located in Unit K, Sec. 5, T-17-S, R-29-E;
No. 2 State located in Unit C, Sec. 4, T-17-S, R-29-E;
No. 1 Theos State located in Unit G, Sec. 5, T-17-S, R-29-E, all located in Eddy County.

CHAVES AND EDDY COUNTIES
Creating and Extending Pools (Case 12772)

The Oil Conservation Division, upon its own motion, has called this hearing to consider the extension of pools in Chaves and Eddy Counties, and the creation of the following pools in Chaves and Eddy Counties:

BUZZARD CANYON-WOLFCAMP GAS POOL, T-20-S, R-21-E, Eddy County; the discovery well is the Yates Petroleum Corporation #1 Blacktail "ATT" Federal Well located in Unit K of Sec. 21. Said pool would comprise the S/2 of Sec. 21;

COMANCHE-WOLFCAMP GAS POOL, T-10-S, R-27-E, Chaves County; the discovery well is the Yates Petroleum Corporation, #1 Canner "AUF" State Com. Well located in Unit M of Sec. 30. Said pool would comprise the W/2 of Sec. 30;

COTTONWOOD RANCH-PENNSYLVANIAN GAS POOL, T-6-S, R-25-E, Chaves County; the discovery well is the Yates Petroleum Corporation, #5 Hewitt "IM" Federal Well located in Unit I of Sec. 25. Said pool would comprise the S/2 Sec. 25;

NORTH FOOR RANCH-PRE-PERMIAN GAS POOL, T-8-S, R-26-E, Chaves County; the discovery well is the Yates Petroleum Corporation, #1 Percentage "APR" Well located in Unit O of Sec. 3. Said pool would comprise the E/2 of Sec. 3.

FREN-CISCO-CANYON POOL, T-17-S, R-31-E, Eddy County; the discovery well is the Marbob Energy Corporation No. 1 Poteet Strawberry Federal Well located in Unit H of Sec. 10. Said pool would comprise the NE/4 of Sec. 10.

RED LAKE SHORES-GLORIETA-YESO POOL, T-17-S, R-28-E, Eddy County; the discovery well is the Chi Operating, Inc. No. 1 Little Toot "9" State Well located in Unit D of Sec. 9. Said pool would comprise the NW/4 of Sec. 9.

RED SPRING-PENNSYLVANIAN GAS POOL, T-5-S, R-25-E, Chaves County; the discovery well is the Yates Petroleum Corporation No. 6 Paulette "PV" State Well located in Unit M of Sec. 16. Said pool would comprise the W/2 of Sec. 16.

RIO PENASCO-SAN ANDRES GAS POOL, T-18-S, R-26-E, Eddy County; the discovery well is the Read & Stevens, Inc. No. 1 West Dayton Well located in Unit P of Sec. 19. Said pool would comprise the SE/4 of Sec. 19.

STRYCHNINE DRAW-ATOKA GAS POOL, T-20-S, R-21-E, Eddy County; the discovery well is the Arco Permian No. 1 Jaguar Federal "26" Well located in Unit A of Sec. 26. Said pool would comprise the E/2 of Sec. 26.

STYCHNINE DRAW-STRAWN GAS POOL, T-20-S, R-21-E, Eddy County; the discovery well is the Arco Permian No. 1 Jaguar Federal "26" well located in Unit A of Sec. 26. Said pool would comprise the E/2 of Sec. 26. IN THE ABSENCE OF OBJECTION, THIS CASE WILL BE TAKEN UNDER ADVISEMENT.

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ORDERS ENTERED

LEA COUNTY
Special Pool Rules (Case 11986) (Reopened)

The Oil Conservation Division, upon its own motion, has ordered to rescind the temporary special pool rules for the Tatum-Upper Pennsylvanian Pool, Lea County. This is Order No. R-11059-A; the hearing was held October 18, 2001.

EDDY COUNTY
Waterflood Project (Case 12512)

Exxon Mobil Corporation has received an order for a waterflood project for a positive production response pursuant to the New Mexico enhanced oil recovery act, Eddy County. This is Order No. R-10460-C; the hearing was held October 19, 2001.

RIO ARriba COUNTY
Compulsory Pooling (Cases 12635/12705) (De Novo)

D.J. Simmons Inc. has received an order denying motion to dismiss case 12705 for compulsory pooling. This is Order No. R-11663-B; the hearing was signed November 2, 2001.

EDDY COUNTY
Compulsory Pooling (Case 12654)

Chi Energy, Inc. has received an order for compulsory pooling in Eddy County. This is order No. R-11679; the hearing was held September 20, 2001.

LEA COUNTY
Special Pool Rules (Case 12681)

Yates Petroleum Corporation has received an order for temporary special rules and regulations for the Big-Dog Atoka Pool, located in Lea County. This is Order No. R-11680; the hearing was held June 28, 2001.

RIO ARRIBA COUNTY
Non-Standard Gas Spacing and Proration Unit (Case 12688)

McElvain Oil & Gas Properties, Inc. has received an order for approval of a non-standard 505.20-acre gas spacing and proration unit comprising Lots 3 and 4, the S/2 NW/4 and the SW/4 of Sec. 5, and all of Sec. 6, both in T-25-N, R-2-W, Rio Arriba County, for all formations or pools developed on 320-acre spacing. This unit shall be dedicated to the proposed No. 3 Cougar Com "5" Well to be drilled at a standard gas well location within the NW/4 of Sec. 5 to test the Blanco-Mesaverde Gas Pool. This is Order No. R-11675; the hearing was held October 18, 2001.

RIO ARRIBA COUNTY
Compulsory Pooling (Case 12693)

McElvain Oil & Gas Properties, Inc. has received an order for compulsory pooling in Rio Arriba County. This is Order No. R-11681; the hearing was held September 20, 2001.

EDDY COUNTY
Compulsory Pooling (Case 12712 – Dismissed)

Dismissed is the application of Mewbourne Oil Company seeking an order for compulsory pooling in Eddy County. This is Order No. R-11676; the hearing was held October 18, 2001.

EDDY COUNTY
Compulsory Pooling (Case 12714 – Dismissed)

Dismissed is the application of Southwestern Energy Production Company seeking an order for compulsory pooling in Eddy County. This is Order No. R-11677; the hearing was held October 18, 2001.

LEA COUNTY
Compulsory Pooling (Case 12715)

Permian Resources, Inc. has received an order for compulsory pooling in Lea County, New Mexico. This is Order No. R-11682; the hearing was held September 6, 2001.

RIO ARRIBA COUNTY
Non-Standard Gas Spacing Unit and an Unorthodox Coal Gas Well Location (Case 12728)

Energen Resources Corporation has received an order to drill its proposed No. 112 San Juan "32-5" Unit Well, at an unorthodox coal gas well location 410 feet from the South line and 1320 feet from the East line, or 150 feet from the West line, (Lot 4/Unit P) of irregular Sec. 19, T-32-N, R-5-W, Rio Arriba County. The well is to be dedicated to a non-standard 355.25-acre gas spacing unit comprising all of irregular Secs. 18 and 19, T-32-N, R-5-W, Rio Arriba County. This is order No. R-2319-A; the hearing was held September 20, 2001.

LEA COUNTY
Compulsory Pooling (Case 12729)

Leonard Resource Investment Corporation has received an order for compulsory pooling in Lea County, New Mexico. This is Order No. R-11683; the hearing was held September 20, 2001.

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ADMINISTRATIVE ORDERS

RIO ARRIBA COUNTY
Non-Standard Location (Order NSL-565-A)

Conoco, Inc. has received an order for a replacement Pictured Cliffs gas well, the No. 2 Jicarilla "20" Well, located 349 feet from the South line and 596 feet from the West line (Unit M) of Sec. 20, at an unorthodox location within an existing standard 160-acre gas spacing and proration unit comprising the SW/4 of Sec. 20, T-25-N, R-4-W, South Blanco-Pictured Cliffs Pool, Rio Arriba County. This is Order NSL-565-A, signed November 5, 2001.

EDDY COUNTY
Non-Standard Location (Order NSL-4658)

Kukui Operating Company has received an order for a non-standard gas well location within the S/2 of Sec. 35, T-23-S, R-29-E, Eddy County, being a standard 320-acre lay-down gas spacing unit in the Wolfcamp (Laguna Grande-Wolfcamp Gas Pool), Strawn Atoka, and Morrow formations. This 320-acre unit is to be dedicated to the No. 3 Goodnight "35" Federal Well to be drilled at an unorthodox gas well location 440 feet from the South line and 660 feet from the West line (Unit M) of Sec. 35. This is Order NSL-4658, signed November 2, 2001.

SANDOVAL COUNTY
Non-Standard Location (Order NSL-4659)

Elm Ridge Resources, Inc. has received an order for an unorthodox Gallup-Dakota oil location for its proposed No. 1 Bonita Canyon Well to be drilled 1185 feet from the North line and 950 feet from the East line (Unit A) of Sec. 23, T-23-N, R-4-W, Sandoval County. The NE/4 NE/4 of Sec. 23 is to be dedicated to the well in order to form a standard 40-acre oil spacing and proration unit within the South Lindrith Gallup-Dakota Oil Pool. This is Order NSL-4659, signed November 5, 2001.

CHAVES COUNTY
Non-Standard Location (Order NSL-4660)

Devon SFS Operating, Inc. has received an order for an off-pattern non-standard Morrow gas well location for its proposed No. 1 Stock Tank "15" Federal Well, to be drilled 1980 feet from the South line and 990 feet from the West line (Unit L) of Sec. 15, T-28-S, R-28-E, Undesignated Buffalo Valley-Pennsylvanian Gas Pool, Chaves County. The W/2 of Sec. 15 is to be dedicated to this well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Buffalo Valley-Pennsylvanian (Prorated) Gas Pool. This is Order NSL-4660, signed November 5, 2001.

CHAVES COUNTY
Non-Standard Location (Order NSL-4661)

Yates Petroleum Corporation has received an order to re-enter the plugged and abandoned Phillips Oil Company No. 1 State "1-36" Well, to be redesignated the No. 1 General "AWL" Well located 2206 feet from the North line and 660 feet from the East line (Unit H) of Sec. 36, T-7-S, R-28-E, Chaves County, at an unorthodox gas well location that is 2206 feet from the North line and 660 feet from the East line (Unit H) of Sec. 36. This is Order NSL-4661, signed November 5, 2001.

SAN JUAN COUNTY
Non-Standard Location (Order NSL-4662)

Williams Production Company has received an order for an unorthodox gas well location, the No. 167-B Rosa Unit Well, located 955 feet from the North line and 2205 feet from the East line (Unit B), Sec. 8; The E/2 of Sec. 8, T-31-N, R-6-W, San Juan County, is to be dedicated to the proposed well in order to form a standard 320-acre stand-up gas spacing and proration unit for the Basin-Dakota Pool. This is Order NSL-4662, signed November 5, 2001.

CHAVES COUNTY
Non-Standard Location (Order NSL-4663)

Yates Petroleum Corporation has received an order for a non-standard gas well location to be applicable to any and all formations and/or pools from the surface to the base of the Strawn formation that are developed on 320-acre spacing. The N/2 of Sec. 25, T-11-S, R-27-E, Chaves County, is to be dedicated to this well in order to form a standard 320-acre gas spacing and proration unit. This is Order NSL-4663, signed November 6, 2001.

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NORTHWESTERN NEW MEXICO

<u>Operator & Well No.</u>	<u>Location</u>	<u>Remarks</u>
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NEW LOCATIONS:**SAN JUAN COUNTY:**

Merrion Oil & Gas Corp. #4R Hi Roll	35-27N-13W 790/N; 990/W	WAW Fruitland PC.
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COMPLETIONS:**RIO ARriba COUNTY**

Pure Resources LP #306M Rincon Unit	34-27N-7W 2-26/N; 1610/W	Basin Dakota; Completed 8/23/01.
Pure Resources LP #165M Rincon Unit	27-27N-6W 1158/N; 1980/W	Basin Dakota; Completed 8/23/01.
Conoco Inc. #130E San Juan 28 7 Unit	2-27N-7W 2200/N; 1900/W	Basin Dakota; Completed 7/13/01.
Conoco Inc. #189M San Juan 28 7 Unit	35-28N-7W 700/N; 1255/W	Basin Dakota; Completed 7/30/01.
Mallon Oil Co. #2 Jicarilla 29 2 6	6-29N-2W 1500/S; 440/E	La Jara Canyon Tertiary; Completed 8/1/01.
Mallon Oil Co. #2 Jicarilla 29 3 11	11-29N-3W 2050/N; 630/E	Blanco, East-Pictured Cliffs; Completed 7/15/01.
Mallon Oil Co. #2 Jicarilla 29 3 11	11-29N-3W 2050/N; 630/E	Cabresto Canyon Tertiary; Completed 7/15/01.
Pure Resources LP #303M Rincon Unit	33-27N-7W 1816/N; 870/W	Basin Dakota; Completed 9/6/01.
Pure Resources LP #227M Rincon Unit	28-27N-7W 944/S; 660/W	Basin Dakota; Completed 9/6/01.

SAN JUAN COUNTY

Dugan Prod. Corp. #1 Phillips	5-24N-9W 1890/N; 790/E	Basin Fruitland Coal; Completed 10/7/87.
Dugan Prod. Corp. #1 Phillips	5-24N-9W 1890/N; 790/E	Bisti Pictured Cliffs; Completed 10/7/87.
Burlington Res. O&G Co. #3M Culpepper Martin SRC	33-32N-12W 1060/N; 1905/W	Basin Dakota; Completed 9/8/01.
Burlington Res. O&G Co. #3M Culpepper Martin SRC	33-32N-12W 1060/N; 1905/W	Blanco-Mesaverde; Completed 9/8/01.
Burlington Res. O&G Co. #26B Allison Unit	9-32N-7W 2450/S; 2460/W	Blanco-Mesaverde; Completed 9/7/01.
Conoco Inc. #2B Hubbard LS	30-32N-11W 660/S; 1660/W	Blanco-Mesaverde; Completed 8/7/01.
XTO Energy, Inc. #8 L C Kelly	3-30N-12W 1460/N; 1005/E	Aztec Pictured Cliffs; Completed 8/18/01.
XTO Energy, Inc. #9 L C Kelly	3-30N-12W 790/S; 915/W	Aztec Pictured Cliffs; Completed 8/22/01.
Burlington Res. O&G Co. #14C Culpepper Martin	32-32N-12W 1645/S; 1815/E	Blanco-Mesaverde; Completed 9/14/01.
Conoco Inc. #4B Moore LS	23-32N-12W 800/S; 1820/E	Blanco-Mesaverde; Completed 8/20/01.
Burlington Res. O&G Co. #41B Allison Unit	29-32N-6W 170/N; 1960/W	Blanco-Mesaverde; Completed 8/30/01.
Conoco Inc. #2B Hubbard LS	30-32N-11W 660/S; 1660/W	Blanco-Mesaverde; Completed 8/7/01.

NORTHWESTERN NEW MEXICO, continued:

<u>Operator & Well No.</u>	<u>Location</u>	<u>Remarks</u>
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COMPLETIONS, continued:**SAN JUAN COUNTY, continued:**

XTO Energy, Inc. #8 L C Kelly	3-30N-12W 1460/N; 1005/E	Aztec Pictured Cliffs; Completed 8/18/01.
XTO Energy, Inc. #1R Hartman	28-29N-11W 1210/N; 660/W	Fulcher Kutz Pictured Cliffs; Completed 9/21/01.
XTO Energy, Inc. #3 Pan American Federal Gas Com B	31-30N-11W 660/S; 660/E	Aztec Pictured Cliffs; Completed 9/14/01.

ZONE ABANDONMENTS:**RIO ARriba COUNTY**

Louis Dreyfus Nat. Gas Corp. #1 Miles Federal	5-26N-7W 710/N; 1750/W	Basin Dakota; Zone abandoned 6/12/01.
Louis Dreyfus Nat. Gas Corp. #1 Miles Federal	5-26N-7W 710/N; 1750/W	Largo Gallup; Zone abandoned 6/12/01.
Caulkins Oil Co. #781 Breech B	14-26N-7W 1800/S; 1150/W	Basin Dakota; Zone abandoned 8/14/01.

SAN JUAN COUNTY

Burlington Res. O&G Co. #117 Huerfano Unit	16-26N-10W 990/S; 990/E	Basin Dakota; Zone abandoned 8/23/01.
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TEMPORARY ABANDONMENT:**SAN JUAN COUNTY**

Amoco Prod. Co. #2A Storey LS	35-28N-8W 1500/S; 1830/E	Blanco-Mesaverde; Zone abandoned 1/31/00.
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NORTHEASTERN NEW MEXICO**SANTA FE DISTRICT****NEW LOCATIONS:****COLFAX COUNTY**

El Paso Energy Raton LLC #39 VPR B	18-30N-18E 519/S; 1307/E	Vermejo.
El Paso Energy Raton LLC #30 VPR D	13-30N-17E 117/N; 108/E	Vermejo.
El Paso Energy Raton LLC #67 VPR D	26-31N-17E 2630/N; 1265/W	Vermejo.
El Paso Energy Raton LLC #68 VPR D	2-30N-17E 1021/S; 1119/E	Vermejo.
El Paso Energy Raton LLC #69 VPR D	25-31N-17E 1748/S; 1331/W	Vermejo.
El Paso Energy Raton LLC #79 VPR D	15-30N-18E 1215/S; 935/E	Vermejo.

NORTHEASTERN NEW MEXICO, continued:**SANTA FE DISTRICT, continued:**

<u>Operator & Well No.</u>	<u>Location</u>	<u>Remarks</u>
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PLUGGED AND ABANDONED WELL:**COLFAX COUNTY**

El Paso Energy Raton LLC #41 VPR B	4-29N-19E 999/S; 999/E	Plugged and Abandoned 8/15/91.
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SOUTHEASTERN NEW MEXICO**HOBBS AREA****NEW LOCATIONS:****CHAVES COUNTY**

Yates Pet. Corp. #1 Enforcer AZX State	3-12S-27E 660/N; 1980/E	Wildcat Pre-Cambrian.
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Yates Pet. Corp. #1 Naughty Bad State	35-11S-27E 660/N; 660/E	Wildcat Pre-Cambrian.
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RE-ENTRY:**LEA COUNTY**

Cameron Oil & Gas Inc. #2 Federal 6	6-18S-33E 1650/S; 330/W	Queen.
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COMPLETIONS:**CHAVES COUNTY**

Yates Pet. Corp. #2 Big Sky ABY State	26-8S-33E 1980/S; 1980/W	Atoka Pool; Spd. 7/31/00; Compl. 3/7/01; Elev. 4347 GR; TD 11,630; PBTD 11,100; Top Pay (Morrow) 10516; perfs 10516-10894; Treat Acidize w-4900 gals. acid w-3000 SCF N2 bbl. + 50% methanol 50 BS; frac w-90,635 gals. frac water 70q CO2 foamed + 128,000# 20/40; IP 3/20/01: Flow, 24 hrs., 17 BO, 57 BW, 260 MCF, 12/64" CH, TP 480, CP Pkr.; Csg. 11 @ 378 w/245; 8-5/8 @ 3824 w/1400; 5 @ 11637 w/900; 2-7/8 @ 10431; Tops: Rustler 1995, Yates 2565, GB 3858, Tubb 6630, Abo 7485, Canyon 9658, Strawn 10052, Atoka 10332, Miss. 10900, Morrow 10626.
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Elks Oil Co. #1 Sunfish State	32-9S-27E 1980/S; 1980/E	(Re-entry of BHP Pet. Inc. P&A, Old TD 6780); Foor Ranch Pool; Re-entered 3/6/01; Compl. 3/23/01; Elev. 3913 GR; TD 6782; PBTD 6752; Top Pay (Pre Permian) 6584; perfs 6584-96; Treat 3000 gals. 20% Hcl.; IP 3/23/01: Flow, 24 hrs., 0 BO, 0 BW, 167,000, SI; Csg. 5 @ 6782 w/600; Tops: N/A.
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EDDY COUNTY

Mack Energy Corp. #13 Jenkins B Federal	20-17S-30E 2310/N; 880/W	Loco Hills Pool; Spd. 2/23/01; Compl. 4/19/01; Elev. 3637 RKB; TD 4880; PBTD 4860; Top Pay (Paddock) 4312.5; perfs 4312.5-4715.5; Treat 39,500 gals. acid, 54,000 gals. 40# gel; IP 5/2/01: Pump, 24 hrs., 175 BO, 456 BW, 326 MCF, GOR 1863, Gty. 38; Csg. 13-3/8 @ 465 w/450; 8-5/8 @ 1090 w/600; 5 @ 4874 w/960; 2-7/8 @ 4741; Tops: Qu 2050, SA 2798, Glo. 4235.
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Mack Energy Corp. #7 McIntyre B	2-17S-30E 330/S; 330/W	Loco Hills Pool; Spd. 1/17/01; Compl. 4/22/01; Elev. 3624 RKB; TD 5017; PBTD 4998; Top Pay (Paddock) 4464; perfs 4464-4679; Treat 39,500 gals. acid, 54,000 gals. 40# gel; IP 5/3/01: Pump, 24 hrs., 58 BO, 465 BW, 91 MCF, GOR 1569, Gty. 38; Csg. 13-3/8 @ 436 w/450; 8-5/8 @ 1049 w/550; 5 @ 5012 w/1110; 2-7/8 @ 4694; Tops: Qu 2126, SA 2913, Glo. 4384.
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SOUTHEASTERN NEW MEXICO, continued:**HOBBS AREA, continued:**

<u>Operator & Well No.</u>	<u>Location</u>	<u>Remarks</u>
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COMPLETIONS, continued:**EDDY COUNTY, continued:**

Oxy USA WTP LP #1 Big Hoss State	21-20S-27E 1500/N; 660/E	Avalon Pool; Spd. 6/22/00; Compl. 8/28/00; Elev. 3291 GL; TD 11,000; PBTB 10746; Top Pay (Morrow) 10164; perfs 10164-10178; Treat 4000 gals. 7.5% Hcl. + 2000 SCF N2 + 30% methanol; IP 11/29/00: Flow, 24 hrs., 1 BO, 12 BW, 877 MCF, Open Ch., TP 200; Csg. 13-3/8 @ 625 w/557; 9-5/8 @ 3022 w/1000; 5 @ 10099 w/845; 2-3/8 @ 10084; Tops: WC 8344, Penn. 8626, Canyon 8912, Strawn 9780, Atoka 9984, Morrow 10374.
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R C Bennett Co. #1-Y LaHuerta 32	32-21S-27E 811/N; 1982/W	Burton Flat Pool; Spd. 12/14/01; Compl. 2/26/01; Elev. 3109 GL; TD 11,777; PBTB 11,642; Top Pay (Morrow) 11379; perfs 11379-11440; Treat 64,050 gals. clean fluid, 132 tons CO2, 139,600# 20/40 sd.; IP CAOF 8048.8 MCF, Var. Ch., TP 1617, CP 1628, GOR 248,520/1; Csg. 13-3/8 @ 417 w/400; 8-5/8 @ 2806 w/1005; 4 @ 11760 w/1040; 2-3/8 @ 11316; Tops: Dela 2690, BS 5020, WC 8765, Strawn 10160, Atoka 14030, Morrow 10958.
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LEA COUNTY

Nearburg Prod. Co. #1 New York 14	14-17S-37E 2130/S; 660/W	SE Humble City Pool; Spd. 1/24/01; P&A 2/23/01; Elev. 3744 GR; TD 11720; Csg. 13-3/8 @ 444 w/350; 8-5/8 @ 4650 w/1550; Tops: Yates 3425, SA 5200, Glo. 6835, Tubb 7860, Drk. 8200, WC 9945, Penn. 10980, Strawn 11390, Atoka 11635.
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BTA Oil Producers #1 State "23"Com 20005 JKV-P	23-21S-34E 1650/S; 1980/E	South Wilson Penn.; Spd. 4/22/01; P&A 6/20/01; Elev. 3662 GR; TD 12950; Csg. 13-3/8 @ 1282 w/825; 9-5/8 @ 5308 w/1550; 7 @ 11356 w/665; Tops: Yates 3457, Dela 5736; BS 8042, WC 11165, Morrow 12300.
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David H. Arrington Oil & Gas Inc. #1 Prince Nymph	29-15S-36E 2380/S; 943/E	Caudill; Permo-Upper Penn Pool; Spd. 1/10/00; D&A 1/28/00; Elev. 3902 GL TD 10994; Csg. 13-3/8 @ 425 w/460; 8-5/8 @ 4925 w/770; Tops: X 2100, Yates 3151, SA 4785, Glo. 6337, Bli. 6972, Tubb 7605, Drk. 7822, Abo 8390, WC 9840, Strawn 11764.
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Ocean Energy Inc. #2 Harrod	9-16S-35E 1452/N; 1675/E	North Shoe Bar Pool; Spd. 1/13/01; Compl. 5/1/01; Elev. 4017 GL; TD 12,467; PBTB 12,214; Top Pay (Atoka) 11910; perfs 11910-932; IP 6/21/01: Pump, 24 hrs., 0 BO, 0 BW, 1049 MCF; Csg. 13-3/8 @ 492 w/545; 8-5/8 @ 4780 w/1655; 5 @ 12466 w/1190.
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Occidental Permian LP #533 North Hobbs G-SA Unit	29-18S-38E 2326/S; 1902/E BHL 2263/S; 2053/E	Hobbs Pool; Spd. 5/15/01; Compl. 6/12/01; Elev. 4420 GL; TD 4420; PBTB 4374; Top Pay (Grayburg-San Andres) 4116; perfs 4116-4303; Treat 2600 gals. 15% Hcl.; IP 6/13/01: Pump, 24 hrs., 30 BO, 1381 BW, 34 MCF, GOR 1133, Gty. 35; Csg. 8-5/8 @ 1576 w/850; 5 @ 4420 w/500; 2-7/8 @ 4047; Tops: Anhy 1562, Yates 2646, Qu 3393, GB 3754, SA 4015.
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Nearburg Prod. Co. #5 Python 3 Federal	3-20S-33E 2310/N; 330/E	Teas Pool; Spd. 4/1/01; Compl. 6/8/01; Elev. 3572 GR; TD 10033; PBTB 9934; Top Pay (Bone Spring) 9599; perfs 9599-9754; IP 6/18/01: Pump, 24 hrs., 87 BO, 96 BW, 0 MCF; Csg. 13-3/8 @ 1310 w/1020; 9-5/8 @ 3397 w/1570; 5 @ 10033 w/1885; 2-7/8 @ 9422.
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Chevron USA Inc. #560 Eunice Monument South Unit	36-20S-36E 1290/S; 1370/E	Eunice Monument Pool; Spd. 4/10/01; Compl. 5/17/01; Elev. 3538 GL; TD 4045; PBTB 4030; Top Pay (Grayburg San Andres) 3833; perfs 3833-4012; Treat 2500 gals. 15%, 360 BS; IP 6/20/01: Pump, 24 hrs., 8 BO, 253 BW, 26 MCF, GOR 3250; Csg. 9-5/8 @ 500 w/350; 7 @ 4045 w/850; 2-7/8 @ 4014; Tops: Anhy 1054, X 1145, BX 2529, Yates 2753, SR 2952, Qu 3350, GB 3729.
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Chevron USA Inc. #574 Eunice Monument South Unit	31-20S-37E 100/S; 2489/E BHL 87/S; 2498/E	Eunice Monument Pool; Spd. 12/9/00; Compl. 3/1/01; Elev. 3542 GL; TD 3943; PBTB 3930; Top Pay (Grayburg San Andres) 3772; perfs 3772-3913; Treat 7000 gals. 15%, 460 BS; IP 3/10/01: Pump, 24 hrs., 29 BO, 263 BW, 1 MCF, Gty. 34; Csg. 9-5/8 @ 535 w/350; 7 @ 3943 w/915; 2-7/8 @ 3781; Tops: Anhy 1061, X 1150, BX 2490, Yates 2704, SR 3000, Qu 3330, GB 3659.
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SOUTHEASTERN NEW MEXICO, continued:**HOBBS AREA, continued:**

<u>Operator & Well No.</u>	<u>Location</u>	<u>Remarks</u>
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COMPLETIONS, continued:**LEA COUNTY, continued:**

BTA Oil Producers #1 Burgundy 20005 JV-P	35-21S-34E 1548/N; 660/W	East Grama Ridge Pool; Spd. 10/5/00; Compl. 3/15/01; Elev. 3671 GL; TD 13353; PBTD 12975; Top Pay (Morrow) 11713; perfs 12713-12718; Treat Acidize w-1250 gals. 7.5% MSA 2/1000 scf/bbls. Nitrogen w-78 BS, Frac w-100 gals. MOD-101 w/12700 gals. Alcofoam & 7500# 20/40; Ip 3/15/01: Flow, 24 hrs., 29 BO, 0 BW, 410 MCF, GOR 14138, Gty. 45; Csg. 13-3/8 @ 1297 w/1025; 9-5/8 @ 5272 w/1540; 7 @ 11400 w/600; 5" lnr. @ 10971-13343 w/220; 2-7/8 @ 12663; Tops: Anhy 1734, BX 3687, Yates 4062, Dela. 5542, BS 8354, WC 11286, Strawn 11670, Atoka 11954, Morrow 12528.
Chevron USA Inc. #776 Eunice Monument South Unit	15-21S-36E 2610/N; 1310/E	Eunice Monument Pool; Spd. 5/7/01; Compl. 6/20/01; Elev. 4570 GL; TD 3960; PBTD 3930; Top Pay (Grayburg-San Andres) 3756; perfs 3756-3884; Treat 3450 gals. 15%, 275 BS; IP 6/30/01: Pump, 24 hrs., 30 BO, 1193 BW, 7 MCF, GOR 233; Csg. 9-5/8 @ 500 w/350; 7 @ 3958 w/1050; 2-7/8 @ 3918; Tops: Anhy 1352, X 1441, BX 2606, Yates 2810, SR 2983, Qu 3449, GB 3754.

OLD WELLS RECOMPLETED AND DUAL COMPLETED:**LEA COUNTY**

Nearburg Prod. Co. #1 Sagebrush 24 Fed Com	24-19S-33E 660/N; 990/E	Recomplete from Quail Ridge Morrow to East Gem Delaware; set CIBP @ 13,170 w-5' cmt. & CIBP @ 13050 w/35' cmt.; perfs 7890-7908, acidize w-2000 gals. 7.5% acid; frac w-40,000# sd.; set 2-3/8 tubing @ 7846; Ret. to Prod. 6/14/00: Pump, 24 hrs., 55 BO, 70 BW, 43 MCF, GOR 811, Gty. 54; Orig. well data: Spd. 9/14/99; Elev. 3688 GR; TD 13,538; Csg. 13-3/8 @ 429 w/400; 8-5/8 @ 5200 w/1550; 5 @ 13538 w/1920; Tops: Rustler 1550, BX 3170, SR 3708, Qu 4385, Dela. 6066, BS 7942, WC 11014, Penn. 11458, Strawn 12108, Atoka 12438, Morrow 12718.
Pogo Prod. Co. #14 Covington A Federal	25-22S-32E 1650/N; 1650/E	Recomplete from Red Tank Bone Spring to W. Red Tank Delaware; set CIBP @ 8800; perfs 8046-66, 8528-48, acidize w-2000 gals. 7.5% Hcl., frac w-26,000# 20/40 sd.; set 2-3/8 tubing @ 7834; Ret. to Prod. 7/17/01: Pump, 24 hrs., 62 BO, 201 BW, 43 MCF, GOR 678, Gty. 41.8; Orig. well data: Spd. 4/27/66; Elev. 3753 GL; TD 8966; Csg. 10 @ 800 w/800; 7-5/8 @ 4670 w/1150; 4 @ 8966 w/1100; Tops: Anhy 4562, Dela. 4877, Bell Canyon 4942, Cherry Canyon 5748, Brushy Canyon 6999, BS 8700.

ADDITIONAL INFORMATION ON WELLS PREVIOUSLY COMPLETED:**EDDY COUNTY**

Concho Resources Inc. #1 West Shugart "19" Federal	19-18S-31E 2310/N; 990/W	North Shugart Bone Spring Pool; 4000 gals. NEFE; 2-7/8 @ 8298; GOR 1185, Gty. 39.4; Tops: Premier 3872, Dela. 4020, BS 5900.
Concho Resources Inc. #4 West Shugart "29" Federal	29-18S-31E 822/S; 2310/W	West Shugart Delaware Pool; Treat 1000 gals. 7.5% NEFE, Frac w-31000 gals. YF120 LG, 87755# 16/30; 2-7/8 @ 4994; GOR 4000, Gty. 41; Tops: Yates 2140, SR 2550, Qu 3230, GB 3860, SA 4140, Dela. 4500.

LEA COUNTY

Nearburg Prod. Co. #1 Anaconda 11 Federal	11-20S-33E 660/N; 660/E	Teas Delaware Pool; Treat acidize 2-1000 gals. 7.5% acid, frac w-24,380# sd.; 2-7/8 @ 6386; GOR 489; 1, Gty. 35; Tops: Rustler 1348, BX 3188, Yates 3428, Dela 5360, BS 8238, 1 st BS 9280.
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SOUTHEASTERN NEW MEXICO, continued:

HOBBS AREA, continued:

<u>Operator & Well No.</u>	<u>Location</u>	<u>Remarks</u>
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ZONE ABANDONMENTS:

CHAVES COUNTY

Yates Pet. Corp. #1 Canner AUF State Com	30-10S-27E 660/S; 660/W	Wildcat Group 2; Zone abandoned 3/1/01.
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EDDY COUNTY

Harvey E. Yates Co. #1Y Taylor Deep 12 Federal	12-18S-31E 2235/S; 2235/W	Tamano Bone Spring; Zone abandoned 5/24/01.
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Mewbourne Oil Co. #1 Chalk Bluff 36 State	36-17S-27E 660/S; 990/W	Illinois Camp, North-Morrow; Zone abandoned 7/17/01.
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Mewbourne Oil Co. #1 Chalk Bluff 36 State	36-17S-27E 660/S; 990/W	WC Logan Draw, SE-Atoka; Zone abandoned 7/17/01.
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Devon SFS Operating Inc. #2 Hackberry 6 Federal Com	6-19S-31E 1980/S; 810/W	Hackberry-Morrow; Zone abandoned 4/1/01.
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EOG Resources Inc. #1 Oak Lake 25 Federal	25-17S-30E 850/N; 750/W	Cedar Lake, North-Morrow; Zone abandoned 3/1/01.
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Yates Pet. Corp. #1 Lucy ALC State	34-21S-31E 330/S; 330/E	Lost Tank-Delaware; Zone abandoned 5/1/01.
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Pogo Producing Co. #1 McMillan 24 State	24-20S-26E 660/S; 660/E	Wildcat Wolfcamp; Zone abandoned 6/1/01.
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LEA COUNTY

Phillips Pet. Co. #9 State 35 Unit	35-17S-34E 1980/N; 660/W	Vacuum-Grayburg-San Andres; Zone abandoned 8/24/01.
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