

STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING
CALLED BY THE OIL CONSERVATION
DIVISION FOR THE PURPOSE OF
CONSIDERING:

CASE NO. 14003
Order No. R-12830

THE APPLICATION OF THE OIL CONSERVATION
DIVISION FOR AN ORDER CREATING A NEW
POOL IN CATRON COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This case came on for hearing at 8:15 a.m. on October 3, 2007, at Santa Fe, New Mexico, before Examiner David K. Brooks.

NOW, on this 22nd day of October, 2007, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner,

FINDS THAT:

(1) Due public notice has been given, and the Division has jurisdiction of this case and its subject matter.

(2) There is need for the creation of a new pool in Catron County, New Mexico for the production of carbon dioxide gas from the Pennsylvanian formation, bearing the designation of Cottonwood Canyon Pool (**Pool Code 97643**). The Cottonwood Canyon Pool was discovered by the Ridgeway Arizona Oil Corporation Cottonwood Canyon Unit Well No. 001 (**API No. 30-003-20022**) located in Unit D of Section 36, Township 1 South, Range 21 West, NMPM, which was completed in the Pennsylvanian formation on December 18, 1998. The top of the perforations is at 3,010 feet.

IT IS THEREFORE ORDERED THAT:

(a) A new pool in Catron County, New Mexico classified as a gas pool for Pennsylvanian production is hereby created and designated as the Cottonwood Canyon Pool, consisting of the following described area:

TOWNSHIP 1 NORTH, RANGE 21 WEST, NMPM

- Section 3: All
Section 4: Lots 1 through 4, Unit Letters G through J,
Lots 5 and 6, Unit Letters O and P
Section 9: Unit Letters A and B, Lots 1 and 2,
Unit Letters G through J, Lots 3 and 4,
Unit Letters O and P
Section 10: All
Section 15: All
Section 16: Unit Letters A and B, Lots 1 and 2,
Unit Letters G through J, Lots 3 and 4,
Unit Letters O and P
Section 21: Unit Letters A and B, Lots 1 and 2,
Unit Letters G through J, Lots 3 and 4,
Unit Letters O and P
Section 22: All
Section 27: All
Section 28: Unit Letters A and B, Lots 1 and 2,
Unit Letters G through J, Lots 3 and 4,
Unit Letters O and P
Section 33: Unit Letters A and B, Lots 1 and 2,
Unit Letters G through J, Lots 3 and 4,
Unit Letters O and P
Sections 34 through 36: All

TOWNSHIP 1 SOUTH, RANGE 21 WEST, NMPM

- Section 3: All
Section 4: Lots 1, 2, 7 through 10, 15 and 16,
19 through 30, Unit Letters I and J,
Unit Letters O and P
Section 9: Unit Letters A and B, Lots 5 through 7,
Unit Letters F and G, Lot 8, Unit Letters
I through K, Lots 3 and 4, Unit Letters
N through P
Section 10: All
Section 15: All
Section 16: Unit Letters A through C, Lots 1 and 2,
Unit Letters F through K, Lots 3 and 4,
Unit Letters N through P
Section 21: Unit Letters A through C, Lots 1 and 2,
Unit Letters F through K, Lots 3 and 4,
Unit Letters N through P
Section 22: All
Section 27: All
Section 28: Lots 5 through 20

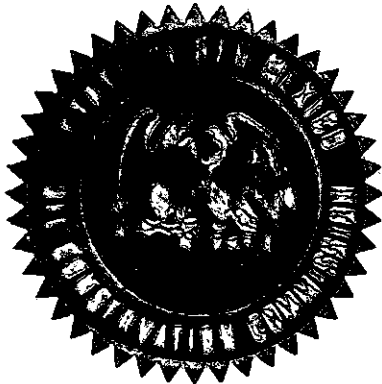
Section 33: Lots 5 through 20
Sections 34 through 36: All

IT IS FURTHER ORDERED THAT:

(1) The effective date of this order and the creation included herein shall be November 1, 2007.

(2) Jurisdiction of this case is retained for the entry of such further orders as the Division may deem necessary.

DONE at Santa Fe, New Mexico on the day and year hereinabove designated.



SEAL

STATE OF NEW MEXICO
OIL CONSERVATION DIVISION

A handwritten signature in black ink, appearing to read "Mark E. Fesmire".

MARK E. FESMIRE, P.E.
Director