

- (c) preliminary data indicates that this Cisco reservoir is a solution-gas drive reservoir, and that a gas cap may exist; and
- (d) preliminary data further indicates that the George "QJ" Federal No. 10 may ultimately recover 232,000 barrels of oil from this Cisco reservoir, and may drain an area of approximately 199 acres.

(9) The geologic and engineering evidence demonstrates that the George "QJ" Federal No. 10 has discovered a new oil pool.

(10) The vertical limits of the pool should initially comprise the Pennsylvanian formation only.

(11) By Order No. R-11691 issued in Case No. 12772 on November 28, 2001, the Division created the Cottonwood Ranch-Pennsylvanian Gas Pool comprising the S/2 of Section 25, Township 6 South, Range 25 East, NMPM. The discovery well for this pool was the Yates Petroleum Corporation Hewitt "IM" Federal Well No. 5 located in Unit I of Section 25, which was completed in the Cisco interval from a depth of 4,865 feet to 5,010 feet.

(12) By Order No. R-11705 issued in Case No. 12781 on December 13, 2001, the Division extended the Cottonwood Ranch-Pennsylvanian Gas Pool to include the W/2 and SE/4 of Section 26, Township 6 South, Range 25 East, and the S/2 of Section 30, Township 6 South, Range 26 East, NMPM.

(13) The Cottonwood Ranch-Pennsylvanian Gas Pool was extended by the Artesia District Office of the Division to include the W/2 and SE/4 of Section 26 due to certain well completion documents filed by Yates that indicated the George "QJ" Federal No. 10 had been completed as a gas well in the Cisco formation.

(14) These well completion documents were filed by Yates prior to the time that the George "QJ" Federal No. 10 began to produce oil.

(15) There is not sufficient geologic and engineering evidence available at the current time to demonstrate that the Cisco interval being produced in the George "QJ" Federal No. 10, the Hewitt "IM" Federal No. 5 and the Cottonwood Ranch "MK" State No. 1 represent a single common source of supply.