

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE SNYDER CORPORATION
FOR POOL CREATION AND SPECIAL POOL RULES,
EDDY COUNTY, NEW MEXICO.

No. 12501

OIL CONSERVATION
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APPLICATION

Santa Fe Snyder Corporation applies for creation of, and special pool rules for, the North Hackberry-Bone Spring Pool, and in support thereof, states:

1. Applicant is operator of the Hackberry "6" Fed. Well No. 1, located 1980 feet from the south line and 1980 feet from the east line (Unit J) of Section 6, Township 19 South, Range 31 East, N.M.P.M. The well was drilled to test the Morrow formation, but is completed in and producing from the Bone Spring formation (wildcat Bone Spring).

2. Applicant has discovered a separate source of supply, and requests the formation of a new Bone Spring pool, to be designated the North Hackberry-Bone Spring Pool, initially comprised of the SE $\frac{1}{4}$ of Section 6.

3. Applicant requests promulgation of special pool rules for the proposed North Hackberry-Bone Spring Pool, including:

- (a) 160 acre spacing;
- (b) orthodox well locations no closer than 660 feet to the outer boundary of a well unit nor closer than 330 feet to a quarter-quarter section line; and
- (c) a gas:oil ratio of 30,000 cubic feet of gas for each barrel of oil produced.

4. Applicant requests that the special pool rules be made effective as of the date of first production from the well.

5. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

WHEREFORE, applicant requests that, after notice and hearing, the relief requested above be granted.

Respectfully submitted,

A handwritten signature in cursive script that reads "James Bruce". The signature is written in dark ink and is positioned above a horizontal line.

James Bruce
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Attorney for Santa Fe Snyder
Corporation