

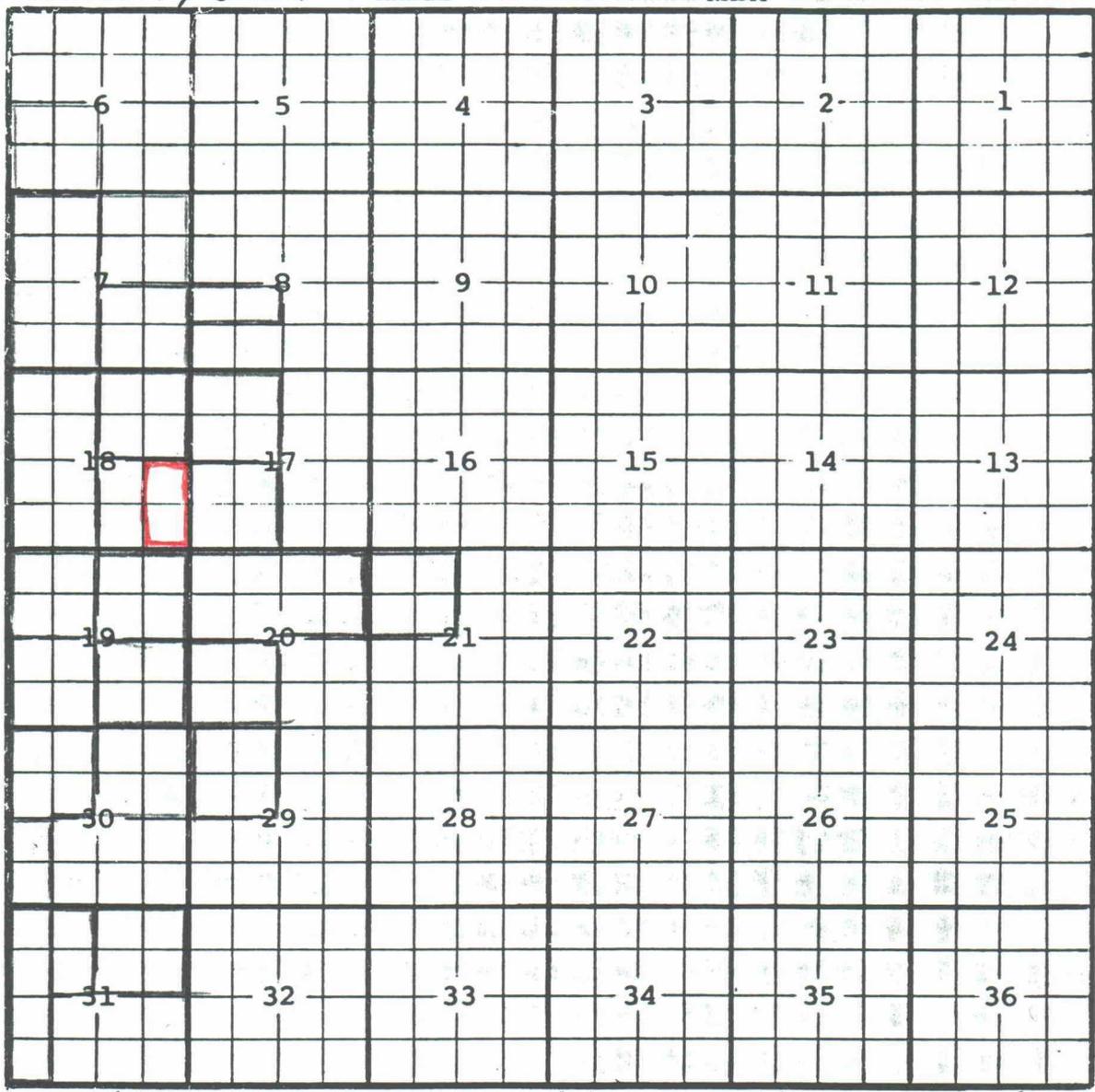
COUNTY *Lea*

POOL *North Vacuum - Abo*

TOWNSHIP *17 South*

RANGE *35 East*

NMPM



Ext: $\frac{W}{2} \frac{W}{2}$ Sec. 31 (R-2705, 6-1-64) - $\frac{W}{2} \frac{SW}{4}$ Sec. 30; $\frac{E}{4} \frac{NW}{4}$ Sec. 31 (R-2771, 10-1-64)
 - $\frac{NW}{4}$ Sec. 19; $\frac{NW}{4}$ Sec. 30 (R-4149, 1-71) - $\frac{SW}{4}$ Sec. 19 (R-4219, 12-1-76) - $\frac{W}{2}$ Sec. 18 (R-4242, 2-1-72)
 - $\frac{W}{2}$ Sec. 7; $\frac{NE}{4}$ Sec. 18; $\frac{SE}{4}$ Sec. 19 (R-4279, 4-1-72) - $\frac{NE}{4}$ Sec. 19 (R-4304, 6-1-72)
 - $\frac{SE}{4}$ Sec. 7; $\frac{SW}{4}$ Sec. 20 (R-4351, 8-1-72) - $\frac{NW}{4}$ Sec. 29; $\frac{NE}{4}$ Sec. 31 (R-4423, 11-1-72)
 - $\frac{N}{2}$ Sec. 20 (R-4486, 3-1-73) - $\frac{N}{2} \frac{SW}{4}$ Sec. 8 (R-4511, 5-1-73) - $\frac{SW}{4}$ Sec. 17; $\frac{SE}{4}$ Sec. 18; $\frac{NW}{4}$ Sec. 21 (R-4604, 8-1-73)
 Ext: $\frac{SW}{4}$ Sec. 6 (R-5143, 2-1-76) Ext: $\frac{NE}{4}$ Sec. 7 (R-5338, 1-1-77)
 Ext: $\frac{NE}{4}$ Sec. 30 (R-5667, 4-1-78) Ext: $\frac{NW}{4}$ Sec. 17 (R-6368, 7-1-80)

NORTH VACUUM-ABO POOL
Lea County, New Mexico

Order No. R-2421, Creating and Adopting Temporary Operating Rules for the North Vacuum-Abo Pool, Lea County, New Mexico, March 1, 1963.

Order No. R-2421-A, March 13, 1964, makes permanent the temporary rules adopted in Order No. R-2421.

Application of Socony Mobil Oil Company, Inc., to create a New Pool for Abo production and for Special Pool Rules, Lea County, New Mexico.

CASE NO. 2739
Order No. R-2421

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on January 23, 1963, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of February, 1963, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Socony Mobil Oil Company, Inc., seeks the creation of a new pool for Abo production and the promulgation of temporary special rules and regulations governing said pool, including a provision for 80-acre spacing units.

(3) That a new oil pool for Abo production should be created and designated the North Vacuum-Abo Oil Pool. This pool was discovered by the Socony Mobil State Bridges Well No. 95, located in Unit P of Section 26, Township 17 South, Range 34 East, NMPM, Lea County, New Mexico. The top of the perforations in the Abo formation is at 9070 feet.

(4) That temporary special rules and regulations establishing 80-acre spacing should be promulgated for the subject pool in order to prevent the possibility of economic loss resulting from the drilling of unnecessary wells and in order to allow the operators in the subject pool to gather information concerning the reservoir characteristics of the pool.

(5) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(6) That the temporary special rules and regulations should be established for a one-year period and that during this one-year period all operators in the subject pool should gather all

available information relative to drainage and recoverable reserves.

(7) That this case should be reopened at an examiner hearing in February, 1964, at which time the operators in the subject pool should appear and show cause why the North Vacuum-Abo Oil Pool should not be developed on 40-acre proration units.

IT IS THEREFORE ORDERED:

(1) That a new pool in Lea County, New Mexico, classified as an oil pool for Abo production is hereby created and designated the North Vacuum-Abo Oil Pool, consisting of the following-described area:

TOWNSHIP 17 SOUTH, RANGE 34 EAST, NMPM
Section 26: SE/4

(2) That special rules and regulations for the North Vacuum-Abo Oil Pool are hereby promulgated as follows, effective March 1, 1963.

**SPECIAL RULES AND REGULATIONS
FOR THE
NORTH VACUUM-ABO OIL POOL**

RULE 1. Each well completed or recompleted in the North Vacuum-Abo Oil Pool or in the Abo formation within one mile of the North Vacuum-Abo Oil Pool, and not nearer to or within the limits of another designated Abo pool, shall be spaced, drilled, operated, and produced in accordance with the Special Rules and Regulations hereinafter set forth.

RULE 2. Each well completed or recompleted in the North Vacuum-Abo Oil Pool shall be located on a standard unit containing 80 acres, more or less, consisting of the N/2, S/2, E/2, or W/2 of a single governmental quarter section; provided, however, that nothing contained herein shall be construed as prohibiting the drilling of a well on each of the quarter-quarter sections in the unit.

RULE 3. The Secretary-Director may grant an exception to the requirements of Rule 2 without notice and hearing when an application has been filed for a non-standard unit comprising a single quarter-quarter section or lot. All operators offsetting the proposed non-standard unit shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an objection to the formation of the non-standard unit within 30 days after the Secretary-Director has received the application.

RULE 4. The first well drilled on every standard or non-standard unit in the North Vacuum-Abo Oil Pool shall be located within 200 feet of the center of either the NW/4 or the SE/4 of a governmental quarter section.

RULE 5. The Secretary-Director may grant an exception to the requirements of Rule 4 without notice and hearing when an application has been filed for an unorthodox location necessitated by topographical conditions or the recompletion of a well previously drilled to another horizon. All operators offsetting the proposed unorthodox location shall be notified of the application by registered or certified mail, and the application shall state that such notice has been furnished. The Secretary-Director may approve the application upon receipt of written waivers from all offset operators or if no offset operator has entered an

(NORTH VACUUM-ABO POOL - Cont'd.)

objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) in the North Vacuum-Abo Oil Pool shall be assigned an 80-acre proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable in the North Vacuum-Abo Oil Pool as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That any well presently drilling to or completed in the Abo formation within the North Vacuum-Abo Oil Pool or within one mile of the North Vacuum-Abo Oil Pool that will not comply with the well location requirements of Rule 4 is hereby granted an exception to the requirements of Rule 4. The operator shall notify the Hobbs District Office in writing of the name and location of the well on or before March 1, 1963.

(2) That any operator desiring to dedicate 80 acres to a well presently drilling or completed in the North Vacuum-Abo Oil Pool shall file a new Form C-128 with the Commission on or before March 1, 1963.

(3) That this case shall be reopened at an examiner hearing in February, 1964, at which time the operators in the subject pool may appear and show cause why the North Vacuum-Abo Oil Pool should not be developed on 40-acre proration units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary.

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

SIMPSON-GALLUP POOL
San Juan County, New Mexico

Order No. R-2375, Creating and Adopting Temporary Operating Rules for the Simpson-Gallup Pool, San Juan County, New Mexico, December 1, 1962, Made Permanent by Order No. R-2375-A, January 29, 1964.

Application of Pan American Petroleum Corporation for the creation of a new Oil Pool and the establishment of Special Rules and Regulations, San Juan County, New Mexico.

CASE NO. 2682
Order No. R-2375

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on November 8, 1962, at Santa Fe, New Mexico, before Daniel S. Nutter, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 21st day of November, 1962, the Commission, a quorum being present, having considered the application, the evidence adduced, and the recommendations of the Examiner, Daniel S. Nutter, and being fully advised in the premises,

FINDS:

(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Pan American Petroleum Corporation, seeks an order creating a new oil pool for Gallup production to be designated the Simpson-Gallup Oil Pool consisting of the following-described acreage in San Juan County, New Mexico:

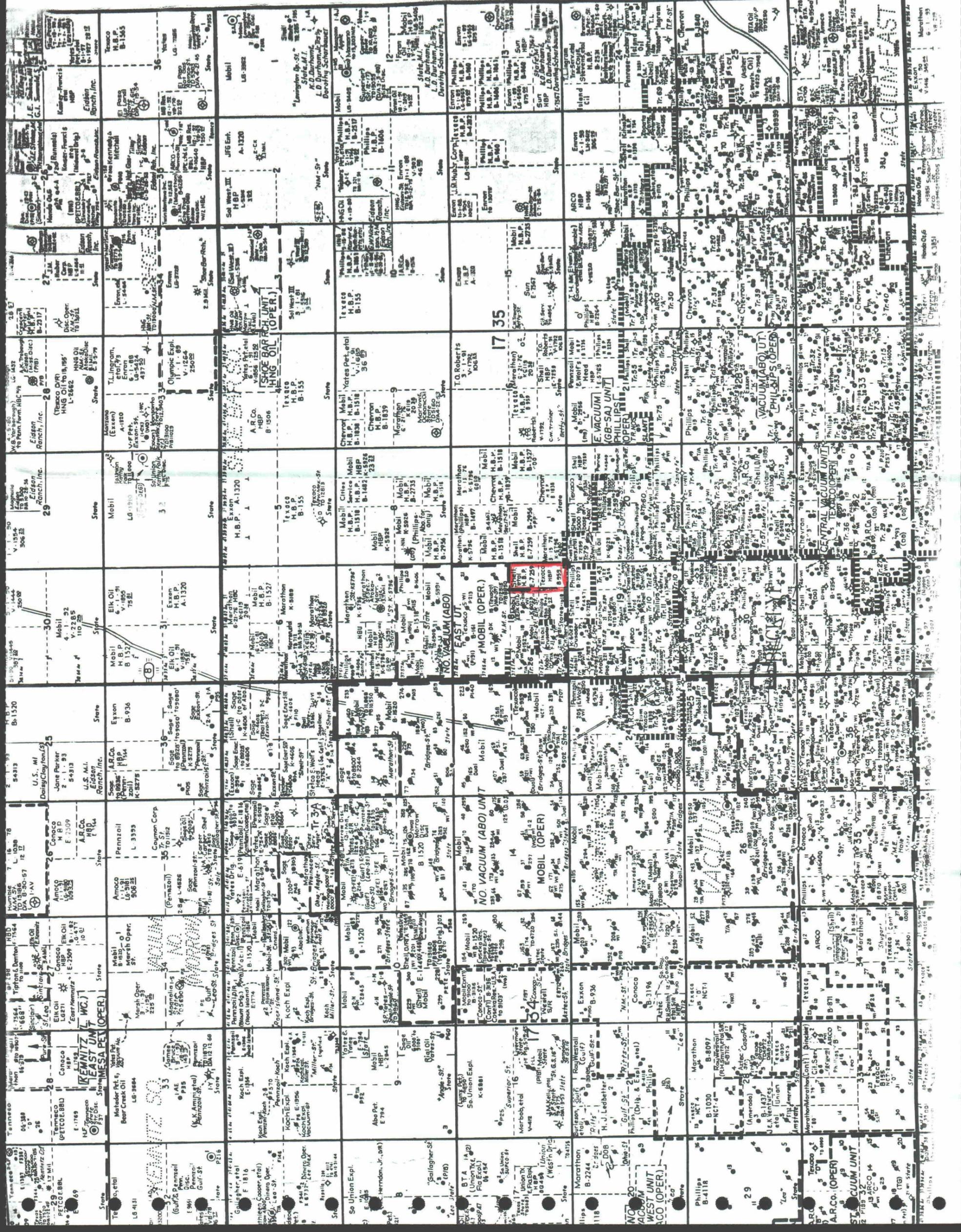
TOWNSHIP 28 NORTH, RANGE 12 WEST, NMPM
Section 23: S/2 Section 25: N/2
Section 24: SW/4 Section 26: NE/4

(3) That the applicant proposes the promulgation of special rules and regulations to govern said pool with a provision for 80-acre oil proration units.

(4) That the Simpson-Gallup Oil Pool was discovered by the Pan American Gallegos Canyon Unit Well No. 83, located in Unit A of Section 26, Township 28 North, Range 12 West, NMPM, San Juan County, New Mexico. This well was completed February 29, 1959. The top of the perforations is at 5548 feet.

(5) That the evidence presently available establishes that the Simpson-Gallup Oil Pool can be efficiently and economically drained and developed on 80-acre oil proration units.

(6) That during the temporary period in which this order will be in effect, all operators in the subject pool should gather all available information relative to drainage and recoverable reserves in said pool.



```
// JOB OCBNDSRC BOND SEARCH FOR DESIRED OPERATOR CODE
* STEP 1 PRINT STATISTICAL WELL LIST OF SELECTED OPERATOR
// ASSGN SYS022,SYSLST
1T201 SYS022 HAS BEEN ASSIGNED TO X'FEE' (TEMP)
// DLBL IJSYSCT,'VSAM.MASTER.CATALOG',,VSAM
// DLBL IJSYSU1,'USER.VSAM.CATALOG.ONE',,VSAM,CAT=IJSYSCT
// DLBL IJSYSU2,'USER.VSAM.CATALOG.TWO',,VSAM,CAT=IJSYSCT
// DLBL SYS026,'OCD.STAT.WELL.SE',,VSAM,CAT=IJSYSU1
// DLBL SYS015,'OCD.STAT.WELL.NW',,VSAM,CAT=IJSYSU1
// DLBL SYS011,'OCD.MASTER.OPER',,VSAM,CAT=IJSYSU2
// EXEC BONDSRCH,SIZE=64K
```

DATE 06/25/91,CLOCK 12/52/29

Case 10350

Mobil Exploration & Producing U.S. Inc.

RECEIVED
LAND/JOINT INTEREST DIVISION

'91 APR 1 10 17 8 AM
APR 5, 1991

P.O. BOX 633
MIDLAND, TEXAS 79702-0633

SNYDER ASSET TEAM
LAND/JOINT INTEREST

PHONE (915) 688-2113
FACSIMILE (915) 688-2050

William J. LeMay
Director, OCD
P. O. Box 2088
Santa Fe, NM 87504

OWENS PETROLEUM, INC.
EXCEPTION TO ORDER R-2421
SHELL STATE NO. 1
SECTION 18-17-S-35-E
LEA COUNTY, NEW MEXICO
C-4003

Dear Mr. LeMay:

After further review, Mobil does not wish to contest the Exception to Order R-2421 concerning the captioned as stated in my letter dated March 25, 1991.

I apologize for any inconvenience this may have caused, and please feel free to call me at (915) 688-2082 should you wish to discuss this matter further.

Very truly yours,

MOBIL EXPLORATION & PRODUCING U.S. INC.
AS AGENT FOR
MOBIL PRODUCING TEXAS & NEW MEXICO INC.



Mark A. Haralson
Staff Landman
Snyder Area

/kc

xc: Owens Petroleum, Inc.
P. O. Box 2911
Midland, TX 79702

Marathon Oil Company
P. O. Box 552
Midland, TX 79702
Attn: Land Dept.

Texaco, Inc.
P. O. Box 2100
Denver, CO 80201
Attn: Land Dept.



STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION

March 28, 1991

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

Owens Petroleum Inc.
PO Box 2911
Midland, TX 79702

Attention: Kennenth R. Owens

RE: Application for non-standard oil proration unit: Shell State Well No. 1 NE/4 SE/4 (Unit I) of Section 18, Township 17 South, Range 35 East, North Vacuum-Abo Pool, Lea County, New Mexico.

Dear Mr. Owens:

On Wednesday, March 27, 1991 an objection to the subject application was filed by Mobil Exploration and Producing U.S. Inc., see copy of letter attached.

Your application will, therefore, be placed on the May 2, 1991 Docket for an Examiner's Hearing. Please provide sufficient notice to all concerned, pursuant to Division General Rules 1207. (a) 2 and 3.

Should you have any questions concerning this matter, please contact me in Santa Fe at (505) 827-5811.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Stogner".

Michael E. Stogner
Chief Hearing Officer/Engineer

MES/ck

c.c. OCD-Hobbs
NM State Land Office - Santa Fe

OIL CONSERVATION DIVISION
RECEIVED

Mobil Exploration & Producing U.S. Inc.

March 25, 1991

P.O. BOX 633
MIDLAND, TEXAS 79702-0633

SNYDER ASSET TEAM
LAND/JOINT INTEREST

PHONE (915) 688-2113
FACSIMILE (915) 688-2050

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William J. LeMay
Director, OCD
P. O. Box 2088
Santa Fe, NM 87504

OWENS PETROLEUM, INC.
EXCEPTION TO ORDER R-2421
SHELL STATE NO. 1,
SECTION 18-17-S-35-E
LEA COUNTY, NEW MEXICO
C-4003

Gentlemen:

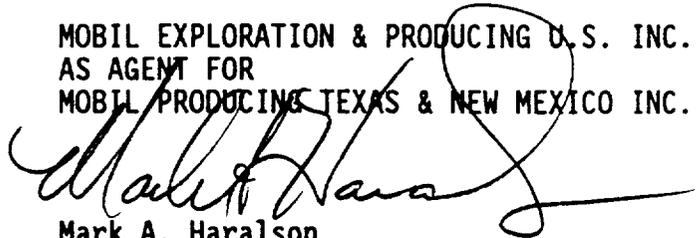
Mobil received notification from Owens Petroleum, Inc. on March 8, 1991 that Owens was requesting an Exception to Order R-2421, Rule 3, in order to obtain a permit to drill an Abo well on a non-standard proration unit.

Please be advised that Mobil wishes to contest this request and would ask that a hearing be scheduled regarding this issue.

Please feel free to call me at (915) 688-2082 should you wish to discuss this matter further.

Very truly yours,

MOBIL EXPLORATION & PRODUCING U.S. INC.
AS AGENT FOR
MOBIL PRODUCING TEXAS & NEW MEXICO INC.



Mark A. Haralson
Staff Landman
Snyder Area

MAH/kc

xc: Owens Petroleum, Inc.
P. O. Box 2911
Midland, TX 79702

Marathon Oil Company
P. O. Box 552
Midland, TX 79702
Attn: Land Dept.

Texaco, Inc.
P. O. Box 2100
Denver, CO 80201
Attn: Land Dept.

M108466A.MAH

FILED
RECEIVED
DIVISION

Mobil Exploration & Producing U.S. Inc.

March 25, 1991

P.O. BOX 633
MIDLAND, TEXAS 79702-0633

SNYDER ASSET TEAM
LAND/JOINT INTEREST

PHONE (915) 688-2113
FACSIMILE (915) 688-2050

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

William J. LeMay
Director, OCD
P. O. Box 2088
Santa Fe, NM 87504

**OWENS PETROLEUM, INC.
EXCEPTION TO ORDER R-2421
SHELL STATE NO. 1,
SECTION 18-17-S-35-E
LEA COUNTY, NEW MEXICO
C-4003**

Gentlemen:

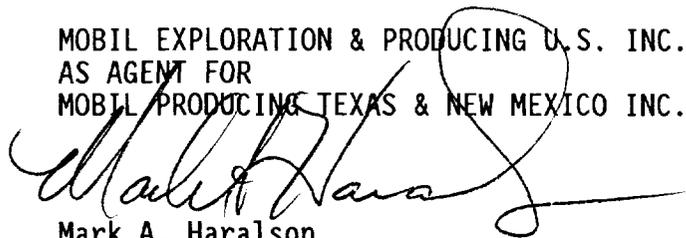
Mobil received notification from Owens Petroleum, Inc. on March 8, 1991 that Owens was requesting an Exception to Order R-2421, Rule 3, in order to obtain a permit to drill an Abo well on a non-standard proration unit.

Please be advised that Mobil wishes to to contest this request and would ask that a hearing be scheduled regarding this issue.

Please feel free to call me at (915) 688-2082 should you wish to discuss this matter further.

Very truly yours,

MOBIL EXPLORATION & PRODUCING U.S. INC.
AS AGENT FOR
MOBIL PRODUCING TEXAS & NEW MEXICO INC.



Mark A. Haralson
Staff Landman
Snyder Area

MAH/kc

xc: Owens Petroleum, Inc.
P. O. Box 2911
Midland, TX 79702

Marathon Oil Company
P. O. Box 552
Midland, TX 79702
Attn: Land Dept.

Texaco, Inc.
P. O. Box 2100
Denver, CO 80201
Attn: Land Dept.



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

BRUCE KING
GOVERNOR

POST OFFICE BOX 2088
STATE LAND OFFICE BUILDING
SANTA FE, NEW MEXICO 87504
(505) 827-5800

March 12, 1991

Owens Petroleum Inc.
P.O. Box 2911
Midland, TX 79702

Attention: Kenneth R. Owens

RE: Application for non-standard oil proration unit: Shell State Well No. 1 NE/4 SE/4 (Unit I) of Section 18, Township 17 South, Range 35 East, North Vacuum-Abo Pool, Lea County, New Mexico.

Dear Mr. Owens:

We may not process the subject application for a non-standard oil proration unit until the required information or plat checked below is submitted.

- A plat must be submitted clearly showing the ownership of the offsetting leases.
- A statement must be submitted that offset operators have been notified of the application by *certified* mail.
- Other: _____

Sincerely,

Michael E. Stogner
Chief Hearing Officer/Engineer

Received 3/11/91
Docket # 4106

Owens Petroleum Inc.
P.O. Box 291
Midland TX 79702

ATTENTION: Francis L. Owens

ADMINISTRATIVE ORDER NSP- (4)

DEAR F. L. Owens:

REFERENCE IS MADE TO YOUR APPLICATION OF ^{dated} March 1, 1990, 1988 FOR A 40-ACRE NON-STANDARD oil PRORATION UNIT CONSISTING OF THE FOLLOWING ACREAGE IN THE North Vassar No. 1 POOL:

Lea County, NEW MEXICO
TOWNSHIP 17 South, RANGE 35 East, NMMP
SECTION 18: NE 1/4, 56 1/2

IT IS MY UNDERSTANDING THAT THIS UNIT IS TO BE DEDICATED TO YOUR Shelf Vassar No. 1 TO BE DRILLED AT A Standard WELL LOCATION 1980 FEET FROM THE South LINE AND 660 FEET FROM THE East LINE (UNIT I) OF SAID SECTION 18.

BY AUTHORITY GRANTED ME UNDER THE PROVISIONS OF Rules 3 and 5 of the THE ABOVE NON-STANDARD GAS PRORATION UNIT, are IS HEREBY APPROVED.

SINCERELY,

WILLIAM J. LEMAY
DIRECTOR

WJL/MES/AG

CC: OIL CONSERVATION DIVISION - WJL
NM OIL AND GAS ENGINEERING COMMITTEE - HOBBS
WJL

Shelf Vassar No. 1
1980
10/1/2007

OIL CONSERVATION
RESERVE
'91 MAR 11
DIVISION
9 38



OWENS PETROLEUM, INC.

P.O. BOX 2911
MIDLAND, TEXAS 79702
915/683-4627



March 1, 1991

William J. LeMay
Director, OCD
P.O. Box 2088
Santa Fe, New Mexico 87504

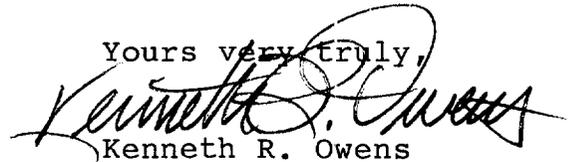
Re: Shell State #1
Unit Letter "I"
Section 18, T-17-S,
R-35-E, NMPM,
Lea County, New Mexico
North Vacuum (Abo) Pool

Dear Mr. LeMay:

Please let this letter evidence my formal request for an exception to Order R-2421, Rule 3, in order to obtain a permit to drill the referenced well on a non-standard proration unit.

Thank you for your time and consideration. If you have any questions, please call me or contact me at FAX (915) 683-1715.

Yours very truly,


Kenneth R. Owens

cc: Mobil E&P U.S. Inc.
P.O. Box 633
Midland, Texas 79702

Texaco Inc.
P.O. Box 2100
Denver, Colorado 80201

Marathon Oil Company
P.O. Box 552
Midland, Texas 79702

NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT

Form C-102
Supersedes C-128
Effective 1-1-65

All distances must be from the outer boundaries of the Section.

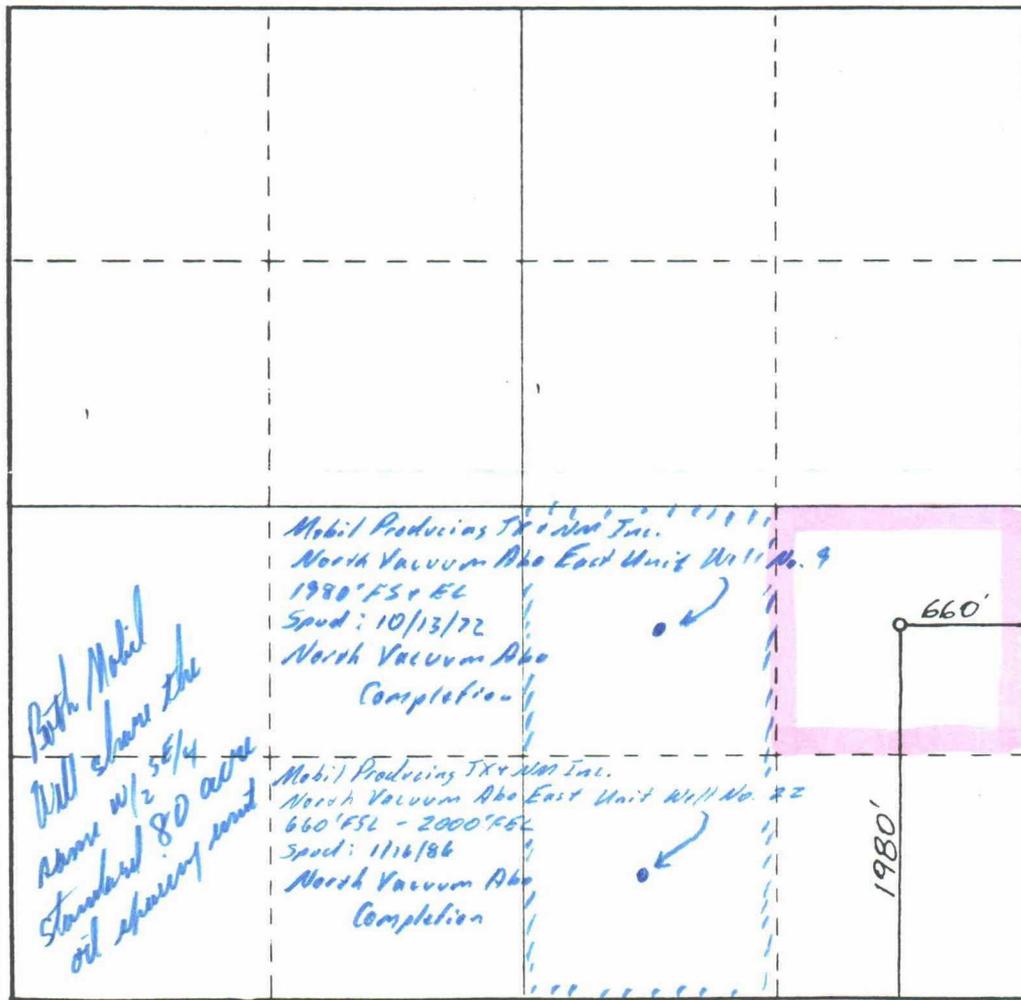
Operator OWENS PETROLEUM, INC.		Lease Shell State			Well No. 1
Unit Letter I	Section 18	Township 17 South	Range 35 East	County Lea County, N.M.	
Actual Footage Location of Well: 1980 feet from the South line and 660 feet from the East line					
Ground Level Elev. 3986.	Producing Formation Abo	Pool North Vacuum (Abo)	Dedicated Acreage: 40 Acres		

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Kenneth R. Owens
Name

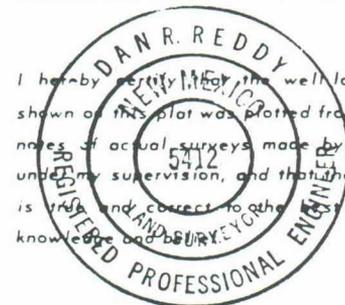
Kenneth R. Owens

Position
President

Company
Owens Petroleum, Inc.

Date
2/12/91

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.



Date Surveyed
February 7, 1991

Registered Professional Engineer
and/or Land Surveyor

Dan R. Reddy

Certificate No.
NM PE&PS NO. 5412



NORTH VACUUM-ABO POOL
Lea County, New Mexico

Order No. R-2421, Creating and Adopting Temporary Operating Rules for the North Vacuum-Abó Pool, Lea County, New Mexico, March 1, 1963.

Order No. R-2421-A, March 15, 1964, makes permanent the temporary rules adopted in Order No. R-2421.

Application of Socovy Mobil Oil Company, Inc., to create a new pool for Abo production and for Special Pool Rules, Lea County, New Mexico.

CASE NO. 9719
Order No. R-2421

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing at 9 o'clock a.m. on January 23, 1965, at Santa Fe, New Mexico, before Elvis A. Utz, Examiner duly appointed by the Oil Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 13th day of February, 1963, the Commission, a quorum being present, having considered the application, evidence adduced, and the recommendations of the Examiner, Elvis A. Utz, and being fully advised in the premises,

FINDS:
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Socovy Mobil Oil Company, Inc., seeks the creation of a new pool for Abo production and the promulgation of temporary special rules and regulations governing said pool, including a provision for 80-acre spacing units.

(3) That a new oil pool for Abo production should be created and designated the North Vacuum-Abó Oil Pool, which was discovered by the Socovy Mobil Oil Company, Unit No. 95, located in Unit F of Section 26, Township 17 South, Range 34 East, N.M.P.M., Lea County, New Mexico. The top of the perforations in the Abo formation is at 9070 feet.

(4) That temporary special rules and regulations establishing 80-acre spacing should be promulgated for the subject pool in order to prevent the possibility of economic loss resulting from the drilling of unnecessary wells and in order to allow the operators in the subject pool to gather information concerning the reservoir characteristics of the pool.

(5) That the temporary special rules and regulations should provide for limited well locations in order to assure orderly development of the pool and protect correlative rights.

(6) That the temporary special rules and regulations should be established for a one-year period and that during this one-year period all operators in the subject pool should gather all

NORTH VACUUM-ABO POOL - Cont'd.)

objection to the unorthodox location within 20 days after the Secretary-Director has received the application.

RULE 6. A standard proration unit (79 through 81 acres) in the North Vacuum-Abó Oil Pool shall be assigned 40 acre proportional factor of 4.77 for allowable purposes, and in the event there is more than one well on an 80-acre proration unit, the operator may produce the allowable assigned to the unit from the wells on the unit in any proportion.

The allowable assigned to a non-standard proration unit shall bear the same ratio to a standard allowable in the North Vacuum-Abó Oil Pool as the acreage in such non-standard unit bears to 80 acres.

IT IS FURTHER ORDERED:

(1) That any well presently drilling to or completed in the Abo formation within the North Vacuum-Abó Oil Pool or within one mile of the North Vacuum-Abó Oil Pool that will not comply with the location requirements of Rule 4 is hereby granted an extended term of performance of Rule 4. The operator shall notify the Hobbs District Office of the name and location of the well on or before March 1, 1963.

(2) That any operator desiring to dedicate 80 acres to a well presently drilling or completed in the North Vacuum-Abó Oil Pool shall file a new Form C-123 with the Commission on or before March 1, 1963.

(3) That this case shall be reopened at an examiner hearing in February, 1964, at which time the operators in the subject pool may appear and show cause why the North Vacuum-Abó Oil Pool should not be developed on 40-acre proration units.

(4) That jurisdiction of this cause is retained for the entry of such further orders as the Commission may deem necessary. DONE at Santa Fe, New Mexico, on the day and year hereinafter designated.

SIMPSON-GALLUP POOL
San Juan County, New Mexico

Order No. R. 275, Creating and Adopting Temporary Operating Rules for the Simpson-Gallup Oil Pool, San Juan County, New Mexico, December 1, 1962, made permanent by Order R-2375-A, January 29, 1964.

Application of Pan American Petroleum Corporation for the creation of a new Oil Pool and the establishment of Special Rules and Regulations, San Juan County, New Mexico.

CASE NO. 1
Order No. R-1

ORDER OF THE COMMISSION

BY THE COMMISSION: This cause came on for hearing on October 2, 1962, at Santa Fe, New Mexico, before Daniel S. Nuttner, Examiner duly appointed by the Conservation Commission of New Mexico, hereinafter referred to as the "Commission," in accordance with Rule 1214 of the Commission Rules and Regulations.

NOW, on this 21st day of November, 1962, the Commission a quorum being present, having considered the application, evidence adduced, and the recommendations of the Examiner, Daniel S. Nuttner, and being fully advised in the premises:

FINDS:
(1) That due public notice having been given as required by law, the Commission has jurisdiction of this cause and the subject matter thereof.

(2) That the applicant, Pan American Petroleum Corporation, seeks an order creating a new oil pool for Gallup production to be designated the Simpson-Gallup Oil Pool consisting of the following-described acreage in San Juan County, New Mexico:

TOWNSHIP 28 NORTH, RANGE 12 WEST, N.M.P.M.
Section 23: S/2 Section 25: N/2
Section 24: SW/4 Section 26: NE/4

(3) That the applicant proposes the promulgation of special rules and regulations to govern said pool with a provision 80-acre oil proration units.

(4) That the Simpson-Gallup Oil Pool was discovered by Pan American Gallegos Canyon Unit Well No. 83, located Unit A of Section 26, Township 28 North, Range 12 W, N.M.P.M., San Juan County, New Mexico. This well was completed February 29, 1959. The top of the perforations is at 5548 feet.

(5) That the evidence presently available establishes that the Simpson-Gallup Oil Pool can be efficiently and economically drained and developed on 80-acre oil proration units.

(6) That during the temporary period in which this order is in effect, all operators in the subject pool should gather available information relative to drainage and recovery reserves in said pool.

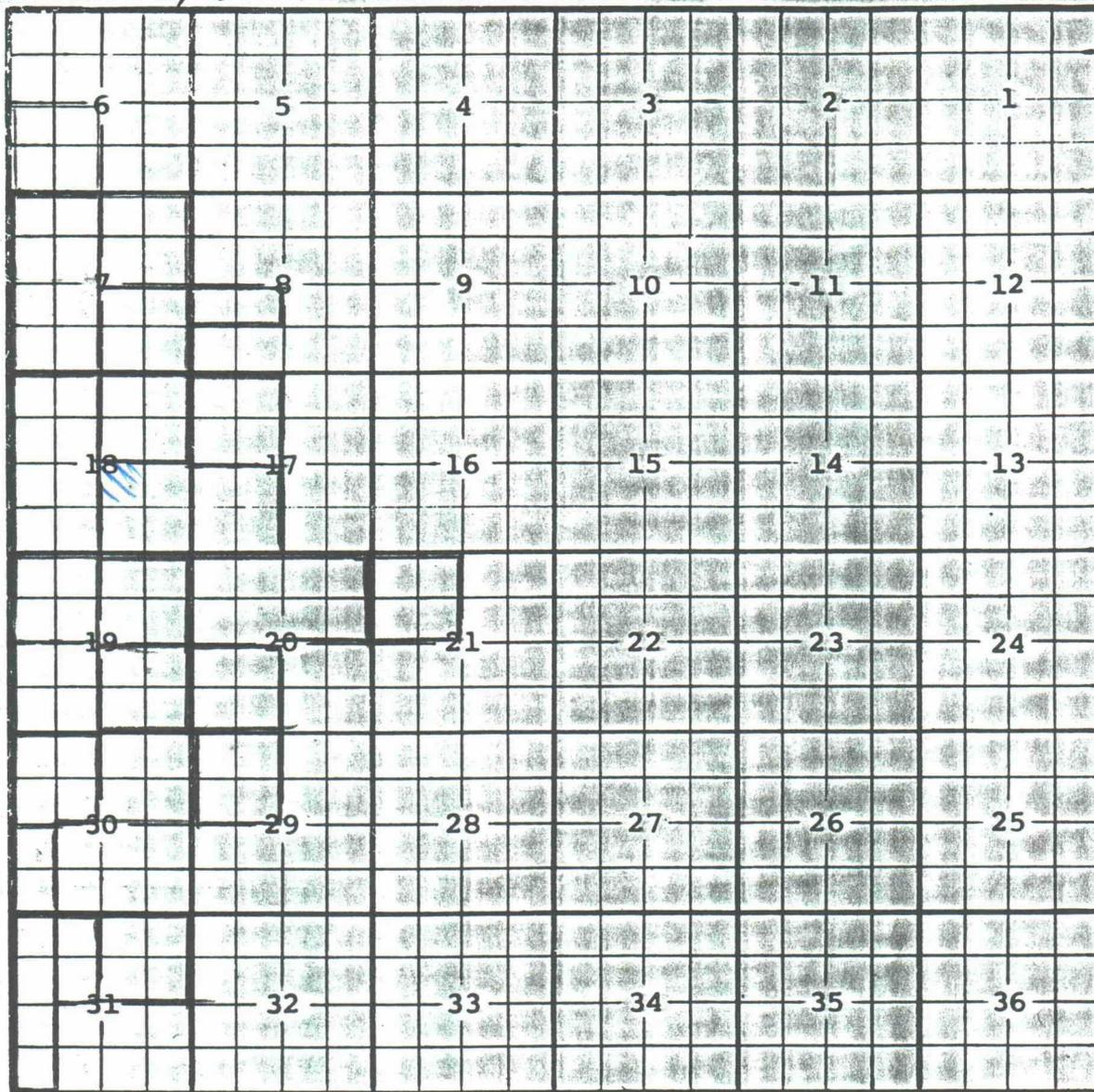
COUNTY *Lea*

POOL *North Vacuum - Abo*

TOWNSHIP *17 South*

RANGE *35 East*

NMPM



Ext: $\frac{W}{2} \frac{W}{2}$ Sec. 31 (R-2705, 6-1-64) - $\frac{W}{2} \frac{SW}{4}$ Sec. 30; $\frac{E}{2} \frac{NW}{4}$ Sec. 31 (R-2771, 10-1-64)
 - $\frac{NW}{4}$ Sec. 19; $\frac{NW}{4}$ Sec. 30 (R-4149, 1-1-71) - $\frac{SW}{4}$ Sec. 19 (R-4219, 12-1-76) - $\frac{W}{2}$ Sec. 18 (R-4242, 2-1-72)
 - $\frac{W}{2}$ Sec. 7; $\frac{NE}{4}$ Sec. 18; $\frac{SE}{4}$ Sec. 19 (R-4279, 4-1-72) - $\frac{NE}{4}$ Sec. 19 (R-4304, 6-1-72)
 - $\frac{SE}{4}$ Sec. 7; $\frac{SW}{4}$ Sec. 20 (R-4351, 8-1-72) - $\frac{NW}{4}$ Sec. 29; $\frac{NE}{4}$ Sec. 31 (R-4423, 11-1-72)
 - $\frac{N}{2}$ Sec. 20 (R-4486, 3-1-73) - $\frac{N}{2} \frac{SW}{4}$ Sec. 8 (R-4511, 5-1-73) - $\frac{SW}{4}$ Sec. 17; $\frac{SE}{4}$ Sec. 18; $\frac{NW}{4}$ Sec. 21 (R-4604, 8-1-73)
 Ext: $\frac{SW}{4}$ Sec. 6 (R-5143, 2-1-76) Ext: $\frac{NE}{4}$ Sec. 7 (R-5338, 1-1-77)
 Ext: $\frac{NE}{4}$ Sec. 30 (R-5667, 4-1-78) Ext: $\frac{NW}{4}$ Sec. 17 (R-6368, 7-1-80)

DATE 02/28/91,CLOCK 14/07/25,DURATION 00/29/42

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