

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

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OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION  
OF MANZANO OIL CORPORATION FOR  
CREATION OF A NEW OIL POOL AND  
FOR SPECIAL POOL RULES, EDDY  
COUNTY, NEW MEXICO:

Case No. 9253

APPLICATION

COMES NOW the Applicant, Manzano Oil Corporation ("Manzano"), and requests that the Division create a new oil pool, the Santo Nino Bone Spring Oil Pool, Eddy County, New Mexico.

Applicant requests that the horizontal boundaries of this Bone Spring pool include all of the East-half of the Northeast Quarter of Section 30, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico. In support of this application, Manzano states:

1. Manzano has drilled the discovery well for this new Bone Spring pool. That discovery well is the Elliott Federal Well #1, located in Unit H, Section 30, Township 18 South, Range 30 East, N.M.P.M., Eddy County, New Mexico.

2. Applicant believes that the Bone Spring formation producing from this well represents a separate source of supply from other pools and believes that, currently, the Bone Spring formation in this area is not included within any other pool boundaries.

3. Applicant believes that wells drilled within the proposed Santo Nino Bone Spring Oil Pool will be capable of draining more than forty acres, and therefore requests that the spacing in the proposed pool be established at eighty acres and that each well be located within one hundred fifty feet (150') of the center of a governmental quarter quarter section.

4. Applicant believes that in order to encourage orderly development of this pool, that any operator drilling in the proposed Santo Nino Bone Spring Oil Pool should be allowed to dedicate either the north half, south half, east half, or west half, of any governmental quarter section included within the boundaries of this proposed pool.

WHEREFORE, Applicant prays that the Division enter its order creating a new oil pool named the Santo Nino Bone Spring Oil Pool, that this pool be subject to statewide oil pool rules except that Applicant requests a special pool rule providing for eighty-acre spacing, for dedication of the north half, south half, east half, or west half, of any governmental quarter section as a standard oil proration and spacing unit within this pool and for a standard well location for the pool to be established as any location within 150' of the center of a governmental quarter quarter section.

Respectfully submitted,

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By 

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