

STATE OF NEW MEXICO  
ENERGY AND MINERALS DEPARTMENT  
OIL CONSERVATION DIVISION

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

CASE NO. 8798 (Reopened)  
Order No. R-8182-A

APPLICATION OF AMERIND OIL COMPANY  
FOR POOL CONTRACTION, POOL CREATION,  
SPECIAL POOL RULES, AND DISCOVERY  
ALLOWABLE, LEA COUNTY, NEW MEXICO.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 8:15 a.m. on March 19, 1986, at Santa Fe, New Mexico, before Examiner David R. Catanach.

NOW, on this 21st day of April, 1986, the Division Director, having considered the testimony, the record, and the recommendations of the Examiner, and being fully advised in the premises,

FINDS THAT:

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

(2) By Order No. R-8182 entered in Case 8798 on March 11, 1986, the Division created, defined, and promulgated special pool rules for the West Casey-Strawn Pool, Lea County, New Mexico.

(3) At the time of the original hearing on January 9, 1986, the applicant, Amerind Oil Company, requested that a discovery allowable in the amount of 56,225 barrels be assigned to the discovery well for said pool, the applicant's Shipp Well No. 1 located in Unit B, Section 33, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico.

(4) The original advertisement for the January 9, 1986 hearing did not contain the applicant's request for a discovery allowable.

(5) This case was readvertised and reopened at the examiner hearing on March 19, 1986.

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(6) Said Shipp Well No. 1 was completed as a discovery well in the Strawn formation on December 4, 1985, in the perforated interval from 11,259 feet to 11,322 feet (log measurement).

(7) Under the provisions of Division General Rule 509, said Shipp Well No. 1 is entitled to and should be assigned a discovery allowable equal to 5 barrels for each foot of depth to the uppermost perforation below ground level, or 56,225 barrels.

IT IS THEREFORE ORDERED THAT:

(1) The discovery well for the West Casey-Strawn Pool created by Division Order No. R-8182, the Amerind Oil Company Shipp Well No. 1 located in Unit B of Section 33, Township 16 South, Range 37 East, NMPM, Lea County, New Mexico, is hereby assigned an oil discovery allowable of 56,225 barrels of oil to be produced within 730 days after the effective date of this order at an approximate rate of 81 barrels per day.

(2) The effective date of this order shall be May 1, 1986.

(3) Jurisdiction of this cause 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.

STATE OF NEW MEXICO  
OIL CONSERVATION DIVISION



R. L. STAMETS  
Director

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