Called in Ly Bill Carr 4/1/85
April 24, 1985

Memo

*From* FLORENE DAVIDSON

Staff Specialist

To

Southland Royalty Company
New Oil Pool Creation and
Wiscovery allowable
Peoples State 32 # 1

660/5 # E

32-185-35 E

Lea County

5E/4 SE/4

Wolfcamp

Oil Conservation Santa Fe, New Mexico

4/8/85

Memo

From
MICHAEL STOGNER

 $\mathscr{T}_{o}$ 

8568

Petroleum Engineer

discovery allowable should be

55,545

15' KB.

M.S.

Oil Conservation Santa Fe, New Mexico

#### CAMPBELL & BLACK, P.A.

LAWYERS

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April 12, 1985

## HAND DELIVERED

R. L. Stamets, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Case 8568: Application of Southland Royalty Company For Pool Creation and Discovery Allowable, Lea County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the Application of Southland Royalty Company in the above-referenced case. Southland Royalty Company respectfully requests that this matter be included on the docket for the April 24, 1985 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,

William F. Carr

WFC/cv enclosures

cc: Ms. Julie Stevens

#### BEFORE THE

#### OIL CONSERVATION DIVISION

#### NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF SOUTHLAND ROYALTY COMPANY FOR POOL CREATION AND DISCOVERY ALLOW-ABLE, LEA COUNTY, NEW MEXICO.

Case 8568

### APPLICATION

Comes now, SOUTHLAND ROYALTY COMPANY, by its undersigned attorneys, and hereby makes application for an order designating a new pool as a result of the discovery of hydrocarbons in the Wolfcamp formation in its Peoples State 32 No. 1 Well located in Unit P of Section 32, Township 18 South, Range 35 East, Lea County, New Mexico, and a discovery allowable to the Peoples State 32 No. 1 Well, and in support of its application would show the Division:

- 1. Applicant has recently completed its Peoples State 32 No. 1 Well in the Wolfcamp formation capable of producing oil and gas in paying quantities located 660 feet from the South and East lines of Section 32, Township 18 South, Range 35 East, Lea County, New Mexico. Said well is producing through perforations from 11,124 feet to 11,164 feet and was potentialed as capable of producing 406 barrels of oil per day and 400 mcf of gas per day with no produced water.
- 2. Applicant believes that the following described lands are reasonably proven to be productive of oil and gas in paying quantities from the Wolfcamp formation and should be included in

the original definition of the new pool to be created because of said discovery:

# Township 18 South, Range 35 East, N.M.P.M. Section 32: SE/4 SE/4

- 3. Application respectfully requests that a discovery allowable be assigned to the said Peoples State 32 No. 1 Well.
- 4. Granting this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Southland Royalty Company requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 24, 1985; that notice be given as required by law and the rules of the Division, and that the application be approved.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

y water

Post Office Box 2208

Santa Fe, New Mexico 87501

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ATTORNEYS FOR SOUTHLAND ROYALTY COMPANY