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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. 7976

Order No. R-7385

Application of Morris R. Antweil for reclassification of the North San Simon-Yates Pool as an associated pool, Lea County, New Mexico.

ORDER OF THE DIVISION

BY THE DIVISION:

This cause came on for hearing at 9 a.m. on October 12
19 83, at Santa Fe, New Mexico, before Examiner R. L. Stamets.

NOW, on this _____ day of _____, 19____, the
Division Director, having considered the testimony, the record,
and the recommendations of the Examiner, and being fully advised
in the premises,

FINDS:

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

(2) That the applicant, Morris R
Antweil,

North San Simon-Yates Pool in Township 21 South, Range 35 East, as an associated pool subject to the provisions of Division Order R-5353 including specified oil and gas spacing units and well locations. seeks the reclassification of the

(3) That the vertical limits of said pool consist of the ^{yates} ~~Penrose~~ formation and the horizontal limits include the following acreage:

Township 21 South, Range 35 East, NMPM

Section 19: E/2 E/2

Section 20: NW/4 and W/2 SW/4

Section 28: W/2 SW/4

Section 29: S/2 and NW/4

Section 31: NE/4 NE/4

Section 32: NE/4 and N/2 NW/4

Section 33: NW/4 and N/2 SW/4

North San Simon-Yates

(4) That while the said ~~Bunker Hill Penrose~~ Pool is currently classified as an oil pool, the evidence presently available indicates it is, in fact, an associated oil and gas reservoir.

North San Simon - Yates
(5) That said ~~Bunker Hill Penrose~~ Pool should be reclassified as an associated pool for the production of oil and gas from the ~~Penrose~~ formation and designated the ~~Bunker Hill Penrose~~ *North San Simon - Yates* Associated Pool.

Simon - Yates Associated
(6) That the evidence available at the time of the hearing indicates that said ~~Bunker Hill Penrose Associated~~ *North San Simon - Yates* Pool may be efficiently and economically developed by oil wells on 40-acre spacing and proration units and by gas wells on 160-acre spacing and proration units.

North San Simon - Yates
(7) That the said evidence further indicates that oil wells and gas wells in said ~~Bunker Hill Penrose~~ Associated Pool should be located no closer than 330 feet to any quarter section or quarter-quarter section line.

(8) That the effective date of such reclassification should be ~~March~~ *December* 1, 1983.

IT IS THEREFORE ORDERED:

December
(1) That effective ~~March~~ *December* 1, 1983, the ~~Bunker Hill Penrose~~ *North San Simon - Yates* Pool in ~~Sandoz~~ *Deer* County, New Mexico, is hereby reclassified as an associated pool and redesignated the ~~Bunker Hill Penrose~~ *North San Simon - Yates* Associated Pool.

North San Simon - Yates
(2) That said ~~Bunker Hill Penrose~~ Associated Pool shall be governed by the General Rules and Regulations for the Associated Oil and Gas Pools of Northwest and Southeast New Mexico, promulgated by Order No. R-5353, insofar as said General Rules and Regulations are not inconsistent with the Special Rules and Regulations for the subject pool as hereinafter set forth, in which event the Special Rules shall apply.

SPECIAL RULES AND REGULATIONS

FOR THE

~~BUNKER HILL PENROSE ASSOCIATED POOL~~

North San Simon - Yates

RULE 2. (a) A standard oil proration unit shall be 40 acres. A standard gas proration unit shall be 160 acres.

RULE 2. (b) Oil wells shall be located no closer than 330 feet to the outer boundary of the quarter-quarter section.

Gas wells shall be located no closer than 330 feet to the outer boundary of the quarter-quarter section.

North San Simon - Yates

IT IS FURTHER ORDERED:

(1) That, pursuant to Paragraph A. of Section 70-2-18, N.M.S.A. 1978 Comp., contained in Laws of 1969, Chapter 271, existing gas wells in the ~~Bunker Hill-Penrose~~ Associated Pool shall have dedicated thereto 160 acres in accordance with the foregoing pool rules; or, pursuant to Paragraph C. of said Section 70-2-18, existing wells may have non-standard spacing or proration units established by the Division and dedicated thereto.

North San Simon - Yates

Failure to file new Forms C-102 with the Division dedicating the appropriate acreage to a well or to obtain a non-standard unit approved by the Division within 60 days from the date of this order shall subject the well to cancellation of allowable. Until said Form C-102 has been filed or until a non-standard unit has been approved, and subject to said 60-day limitation, each well presently drilling to or completed in the ~~Bunker Hill-Penrose~~ Associated Pool or in the ~~Penrose~~ formation within one mile thereof shall receive no more than a 40-acre allowable for the pool.

(2) That the effective date of this order shall be ~~March~~ 1, 1983.

(3) That 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

Joe D. Ramey
JOE D. RAMEY
Director

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