

**JAMES BRUCE**  
ATTORNEY AT LAW

POST OFFICE BOX 1056  
SANTA FE, NEW MEXICO 87504

369 MONTEZUMA, NO. 213  
SANTA FE, NEW MEXICO 87501

(505) 982-2043 (Phone)  
(505) 660-6612 (Cell)  
(505) 982-2151 (Fax)

[jamesbruc@aol.com](mailto:jamesbruc@aol.com)

June 12, 2018

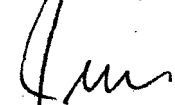
Florene Davidson  
Oil Conservation Division  
1220 South St. Francis Drive  
Santa Fe, New Mexico 87505

Dear Florene:

Enclosed for filing, on behalf of M & M Energy, LLC, are an application for pool creation and pool rules, together with a proposed advertisement. Please set this matter for the July 12, 2018 Examiner hearing.

Thank you.

Very truly yours,



James Bruce

Attorney for M & M Energy, LLC

16278

**BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION**

**APPLICATION OF M & M ENERGY, LLC FOR  
POOL CREATION, A DISCOVERY ALLOWABLE,  
AND SPECIAL POOL RULES, LEA COUNTY,  
NEW MEXICO.**

Case No. 16278

**APPLICATION**

M & M Energy, LLC applies for an order creating a new pool for production of oil from the Yates-Seven Rivers-Queen formation, granting a discovery allowable, and establishing special rules and regulations for the pool, and in support thereof, states:

1. Applicant is the operator of the State 26 Well No. 1 (API No. 30-025-41431), which was drilled at a location 601 feet from the north line and 2018 feet from the east line of Section 26, Township 21 South, Range 35 East, N.M.P.M.
2. The State 26 Well No. 1 was completed in April 2014 in the Yates-Seven Rivers-Queen formation with perforations at 4041-4049 feet subsurface. The well was placed in the Eumont (Yates-Seven Rivers-Queen) Gas Pool, with the NW/4NE/4 of Section 26 dedicated to the well. The well has a depth bracket allowable of 80 barrels of oil per day, with a producing gas: oil ratio of 2000:1.
3. Applicant recently re-entered the well, placed a bridge plug above the original perforations, and perforated the well at 3936-4006 feet subsurface.
3. Applicant believes it has discovered a new common source of supply, and requests that a new pool be created.
4. Applicant requests that:
  - (a) The North Urssey Tank-Yates Seven Rivers Pool be created, originally encompassing the NE/4 of Section 26;

(b) Special rules and regulations for the pool be enacted, providing for (i) spacing of 40 acres, (ii) wells to be located no closer than 330 feet to a quarter-quarter section line, (iii) an allowable of 1200 barrels of oil per day, and (iv) all other rules be in conformance with statewide rules.

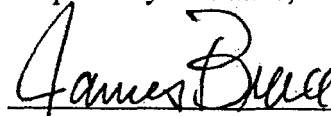
(c) A discovery allowable be granted for the pool; and

(d) The pool rules be made effective retroactive to May 1, 2018.

5. The granting of this application is in the interests of conservation, the prevention of waste, and the protection of correlative rights.

**WHEREFORE**, applicant requests that, after notice and hearing, the Division grant the relief requested above.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Bruce", is written over a horizontal line.

James Bruce  
Post Office Box 1056  
Santa Fe, New Mexico 87504  
(505) 982-2043

Attorney for M & M Energy, LLC