

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

OIL CONSERVATION DIV.

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APPLICATION OF HOME-STAKE OIL &
GAS COMPANY FOR AN INCREASE IN THE
DEPTH BRACKET ALLOWABLE FOR THE
SOUTH MCCORMACK-SILURIAN POOL, LEA
COUNTY, NEW MEXICO.

Case No. 12322

APPLICATION

Home-Stake Oil & Gas Company seeks an order increasing the depth bracket allowable for the South McCormack-Silurian Pool, and in support thereof, states:

1. The South McCormack-Silurian Pool (the "Pool") was created by Division Order No R-3295, dated September 1, 1967, and currently includes the following acreage:

Township 22 South, Range 37 East, N.M.P.M.

Section 16: NW $\frac{1}{4}$, NE $\frac{1}{4}$ SW $\frac{1}{4}$, SE $\frac{1}{4}$
Section 21: NE $\frac{1}{4}$
Section 22: NW $\frac{1}{4}$, S $\frac{1}{2}$


The depth bracket allowable for the Pool is 187 barrels of oil per day, with a limiting GOR of 2000:1.

2. Applicant has recently drilled and completed the HSOG Well No. 2 in the Pool, in the SE $\frac{1}{4}$ SE $\frac{1}{4}$ of Section 22. The well is capable of producing more than 187 BOPD, without waste. Therefore, applicant requests promulgation of special rules for the Pool providing for a depth bracket allowable of 230 BOPD. Producing the wells at the higher rate will not damage the reservoir nor reduce the ultimate recovery of oil and gas from the Pool.

4. The granting of this application is in the interests of conservation and the prevention of waste.

WHEREFORE, applicant requests that, after notice and hearing, the relief requested above be granted.

Respectfully submitted,

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

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Attorney for Home-Stake Oil & Gas Company