OIL COHSERNATION DM

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March 15, 2000



Hand Delivered

Florene Davidson Oil Conservation Division 2040 South Pacheco Street Santa Fe, New Mexico 87505

Dear Florene:

Enclosed are an original and two copies of an application for pool creation, etc., together with a proposed advertisement, filed on behalf of Santa Fe Snyder Corporation. Please set this case for the April 6, 2000 Examiner hearing. Thank you.

Very truly yours,

J**a**mes Bruce

Attorney for Santa Fe Snyder Corporation

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF SANTA FE SNYDER CORPORATION FOR POOL CREATION AND SPECIAL POOL RULES FOR THE NORTH CASS DRAW-WOLFCAMP POOL, AND APPROVAL OF AN UNORTHODOX OIL WELL LOCATION, EDDY COUNTY, NEW MEXICO.

Case No

APPLICATION

Santa Fe Snyder Corporation seeks creation of the North Cass Draw-Wolfcamp Pool, special pool rules therefor, and approval of an unorthodox oil well location. In support thereof, applicant states:

- 1. Applicant is operator of the Weems Well No. 1, located 990 feet from the north line and 1330 feet from the west line (Unit C) of Section 27, Township 22 South, Range 27 East, N.M.P.M.
- 2. On or about February 6, 2000, applicant re-completed the Weems Well No. 1 in the Wolfcamp formation at a depth of 9062-9114 feet subsurface.
- 3. The Weems Well No. 1 is within one mile of the East Carlsbad-Wolfcamp Gas Pool and the Cass Draw-Wolfcamp Gas Pool, which are gas pools developed on statewide rules with 320 acres well spacing. However, the Weems Well No. 1 is an oil well under Division regulations, and the Division's District Office has so classified the well. As a result, applicant requests that a new pool, designated the North Cass Draw-Wolfcamp Pool, be created by the Division. The original boundaries of the pool should encompass the NW% of Section 27.

- 4. The Weems Well No. 1 is capable of draining more than 40 acres. Therefore, applicant requests promulgation of special pool rules for the North Cass Draw-Wolfcamp Pool, providing for 160 acre well spacing and for orthodox well locations no closer than 330 feet to a quarter-quarter section line. Applicant further requests that the special pool rules be effective as of February 1, 2000.
- 5. Applicant requests that the unorthodox location for the Weems Well No. 1 be approved.
- 6. 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,

James Bruce

Post Office Box 1056

Santa Fe, New Mexico 87504

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Attorney for Santa Fe Snyder Corporation

PROPOSED ADVERTISEMENT

Case 12367:

Application of Santa Fe Snyder Corporation for pool creation and special pool rules for the North Cass Draw-Wolfcamp Pool, unorthodox oil well location, Eddy County, New Mexico. Applicant seeks an order creating the North Cass Draw-Wolfcamp Pool, comprising the NW% of Section 27, Township 22 South, Range 27 East, N.M.P.M., and approving special pool rules for the pool including 160 acre well spacing and special well location Applicant requests that the requirements. pool rules be made effective February 1, 2000. Applicant further requests approval of an unorthodox location for the Weems Well No. 1, located 990 feet from the north line and 1330 feet from the west line (Unit C) of Section The pool is located approximately 1% miles northwest of Otis, New Mexico.