KELLAHIN AND KELLAHIN

Attorneys at Law

El Patio - 117 North Guadalupe Post Office Box 2265 Santa Fe, New Mexico 87501 Telephone 982-4285 Area Code 505

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey
James B. Grant

December 19, 1983

Mr. Joe D. Ramey Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Belco Development Corporation

Dear Mr. Ramey:



Case 8046

Please set the enclosed application for the Examiner Docket now scheduled for January 18, 1983, at Santa Fe, New Mexico.

Very truly

Thomas

WTK:ca Enc.

cc: Belco Development Corporation
411 Petroleum Building
204 W. Texas
Midland, Texas 79701

IMC

P. O. Box 71

Carlsbad, New Mexico 88220

Attn: Mr. Walt Thyer

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## STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF BELCO DEVELOPMENT CORPORATION FOR APPROVAL OF AN APPLICATION TO DRILL IN THE R-111-A AREA INCLUDING AN UNORTHODOX WELL LOCATION AND/OR DIRECTIONAL DRILLING, EDDY COUNTY, NEW MEXICO. Case: 8046

## APPLICATION

Comes now BELCO DEVELOPMENT CORPORATION, by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for approval of:

- an Unorthodox well location in the Wolfcamp and Pennsylvanian formation at a location 660 feet from the South and East lines of Section 7, T23S, R31E, NMPM, for a proration and spacing unit consisting of the S/2 of said Section; and in the alternative
- the directional drilling of a well at an unorthodox surface location 1660 feet from the South line and 100 feet from the West line of Section 8, T23S, R31E, with deviation commencing at approximately 12,000 feet to a bottomhole location in the Pennsylvanian formation within 100 foot radius of a point 660 from the South and East lines of Section 7, T23S, R31E, NMPM, Eddy County, New Mexico.

And in support thereof the applicant would show:

1. Applicant is the operator of and has the right to drill and develop the S/2 of Section 7, T23S, R31E, NMPM.

- 2. That said Section 7 and Section 8 are included with the R-lll-A Potash area as designated by the Oil Conservation Division.
- 3. That a copy of this application is being sent to the potash lessee for said acreage which is:

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Carlsbad, New Mexico 88220
Attn: Mr. Walt Thyer

- 4. That the applicant proposes to drill a well to test the Wolfcamp and the Pennsylvanian Formations as setforth above.
- 5. That approval of the application is in the best interest of conservation and the prevention of waste and the protection of correlative rights.

WHEREFORE, applicant requests that after notice and hearing the application be granted as requested.

Kellahin & Kellahin

W. Thomas Kellahin

P. O. Box 2265

Santa Fe, New Mexico 87501

(505) 982-4285