BEFORE THE

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OIL CONSERVATION DIVISION

MAY 23 1995

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURGES

IN THE MATTER OF THE APPLICATION OF ANSON GAS CORPORATION FOR DIRECTIONAL DRILLING AND AN UNORTHODOX OIL WELL LOCATION, LEA COUNTY, NEW MEXICO.

CASE NO. 1/309

APPLICATION

AnSon Gas Corporation, through its undersigned attorneys, hereby makes application pursuant to Oil Conservation Division Rule 111 to directionally drill its AnSon Byers 12L No. 1 Well to the Strawn formation, South Humble City-Strawn Pool, and in support of this application states:

- 1. Applicant is the operator of the N/2 SW/4 of Section 12, Township 17 South, Range 37 East, N.M.P.M., Lea County, New Mexico.
- 2. Applicant proposes to re-enter the plugged Nearburg Byers 12L No. 1 Well at a surface location 1980 feet from the South line and 810 feet from the West line of said Section 12, and directionally drill to a proposed unorthodox bottomhole location within 50 feet of a point 1650 feet from the South line and 900 feet from the West line of said Section 12, with the intent of testing the Strawn formation.
- 3. Applicant proposes to dedicate to the AnSon Byers 12L No. 1 Well a standard spacing or proration unit comprised of the N/2 SW/4 of said Section 12.

4. Directionally drilling this well will enable AnSon Gas Corporation to

efficiently produce the reserves which underlie the above-described proration unit.

5. Approval of this application will enable the Applicant to produce hydrocarbons

that otherwise would not be produced and will be in the best interest of conservation, the

prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant requests that this matter be set for hearing before a duly

appointed Examiner of the Oil Conservation Division on June 15, 1995, that notice be given

as required by law and the rules of the Division, and that the Division enter its Order granting

this application and providing such other relief as is proper.

Respectfully submitted,

CAMPBELL, CARR & BERGE, P.A.

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WILLIAM F. CARR

Post Office Box 2208

Santa Fe, New Mexico 87504

Telephone: (505) 988-4421

ATTORNEYS FOR ANSON GAS CORPORATION

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