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RECOGNIZED SPECIALIST IN THE AREA OF
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

August 1, 1995

HAND DELIVERED

Mr. Michael E. Stogner
Chief Hearing Examiner
Oil Conservation Division
2040 South Pacheco
Santa Fe, New Mexico 87505

11365

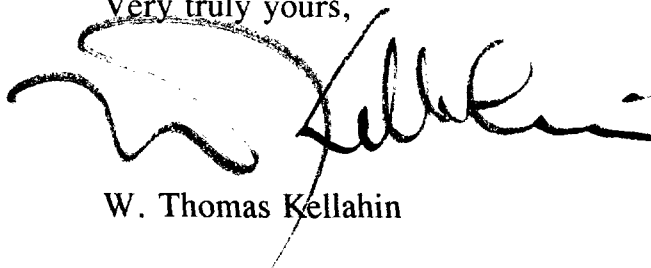
Re: *T. D. Pope Well Nos. 33, 34 & 35*
Application of Collins & Ware, Inc.
for Three Unorthodox Oil Well Locations,
Denton-Devonian Oil Pool,
Chaves County, New Mexico

Dear Mr. Stogner:

On behalf of Collins & Ware, Inc., please find enclosed our application for three unorthodox oil well location for its T. D. Pope Well Nos. 33, 34, and 35 which we request be set for hearing on the next available Examiner's docket now scheduled for August 24, 1995.

All of the interest owners in each of the three spacing units with a proposed unorthodox well, encroaches towards offsetting spacing units with the same owners. Accordingly, there are no parties to whom notice must be given. Our proposed advertisement to be used for the OCD docket is enclosed.

Very truly yours,



W. Thomas Kellahin

cc: Collins & Ware, Inc.
Attn: Craig Young

Proposed notification/advertisement for OCD docket

Case 11365: Application of Collins & Ware, Inc. for three unorthodox oil well locations, Lea County, New Mexico. Applicant seeks approval of three unorthodox oil well locations to be drilled in the Denton-Devonian Pool, Lea County, New Mexico as follows:

T. D. Pope Well No. 33 to be located 1458 feet FNL & 1347 feet FEL (Unit G) of Section 35, T14S, R37E and to be dedicated to a standard 40-acre spacing unit consisting of the SW/4NE/4 of said Section 35;

T. D. Pope Well No. 34 to be located 2510 feet FSL & 1486 feet FEL (Unit J) of Section 35, T14S, R37E to be dedicated to a standard 40-acre spacing unit consisting of the NW/4SE/4 of said Section 35; and

T. D. Pope Well No. 35 to be located 1145 feet FSL & 1513 feet FEL (Unit O) of Section 35, T14S, R37E to be dedicated to a standard 40-acre spacing unit consisting of the SW/4SE/4 of said Section 35.

Said units are located approximately 3 miles southeast of Prairieview, New Mexico.

**STATE OF NEW MEXICO
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT
OIL CONSERVATION DIVISION**

IN THE MATTER OF THE APPLICATION OF
COLLINS & WARE, INC. FOR APPROVAL
OF THREE UNORTHODOX OIL WELL LOCATION,
LEA COUNTY, NEW MEXICO

CASE: 11365

A P P L I C A T I O N

Comes now COLLINS & WARE, INC., by and through its attorneys, KELLAHIN and KELLAHIN, and applies to the New Mexico Oil Conservation Division for approval of three unorthodox oil well locations to be drilled in the Denton-Devonian Pool, Lea County, New Mexico as follows:

T. D. Pope Well No. 33 to be located 1458 feet FNL & 1347 feet FEL (Unit G) of Section 35, T14S, R37E and to be dedicated to a standard 40-acre spacing unit consisting of the SW/4NE/4 of said Section 35;

T. D. Pope Well No. 34 to be located 2510 feet FSL & 1486 feet FEL (Unit J) of Section 35, T14S, R37E to be dedicated to a standard 40-acre spacing unit consisting of the NW/4SE/4 of said Section 35; and

T. D. Pope Well No. 35 to be located 1145 feet FSL & 1513 feet FEL (Unit O) of Section 35, T14S, R37E to be dedicated to a standard 40-acre spacing unit consisting of the SW/4SE/4 of said Section 35.

In support thereof, Applicant states:

1. Applicant, Collins & Ware, Inc. is a working interest owner and the operator for oil wells within the S/2 of Section 26, T14S, R37E and the E/2 of Section 35, T15S, R37E, Lea County, New Mexico, dedicated to the Denton-Devonian Pool.

2. The Denton-Devonian Pool is spaced on statewide 40-acre oil spacing with wells to be located not closer than 330 feet from any side boundary of a spacing unit.

3. All of the interest owners (working interest, royalty and overriding royalty interest) are common in all the Devonian spacing units within the acreage described in paragraph (1) above.

4. On June 6, 1995, the Division issued Order R-10384 which approved Collins & Ware's application to drill its T. D. Pope Well No. 32 at an unorthodox well location 102 feet FNL and 1430 feet FEL (Unit B) of said Section 35.

5. Collins & Ware sought approval to located the T. D. Pope Well No. 32 at the approximate center of a 160-acre tract which had already been developed on 40-acre well density in an attempt to recover additional oil which had not and could not be produced by any existing wells.

6. As a result of the success of the T. D. Pope Well No. 32, Collins & Ware now desires to continue with this "infill" well program by drilling in the approximate center of three more 160-acre tracts.

7. In order to do so, Collins & Ware needs the approval of unorthodox well locations.

8. Each proposed unorthodox well location is located within a 40-acre spacing unit which has an existing Devonian well which has been or will be temporarily abandoned so as not to be produced currently with the "infill well."

9. Each well only encroaches towards offsetting spacing units which have common ownership with the spacing unit containing the encroaching well.

10. Approval of the application will afford the applicant the opportunity to produce its just and equitable share of the hydrocarbons in this portion of the Devonian formation and will otherwise prevent waste and protect correlative rights.

11. Applicant requests that this matter be set for hearing at the next available Examiner's hearing now scheduled for August 24, 1995.

WHEREFORE, Applicant requests that, after notice and hearing, this Application be approved as requested.

KELLAHIN and KELLAHIN

BY 

W. Thomas Kellahin

P. O. Box 2265

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