BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF TEXACO EXPLORATION AND PRODUCTION INC. FOR AN UNORTHODOX WELL LOCATION, EDDY COUNTY, NEW MEXICO.

RECEIVED

AUG 29 1995

Oil Conservation DivisionASE NO. 1/385

APPLICATION

TEXACO EXPLORATION AND PRODUCTION INC. ("Texaco") through its undersigned attorneys, hereby makes application for an order approving an unorthodox well location, and in support thereof states:

- 1. Texaco is the operator of the SE/4 SE/4 in the Devonian formation and the S/2 in the Morrow formation of Section 28, Township 17 South, Range 31 East, N.M.P.M., Eddy County, New Mexico on which it proposes to drill its Dow "B" 28 Federal No. 1 Well as a wildcat oil well to test the Siluro-Devonian formation, at an unorthodox location 1028 feet from the South line and 1227 feet from the East line in Unit D of said Section 28. If it is unsuccessful in making a Devonian Well, Texaco proposes to attempt to complete this well in the Morrow formation.
- 2. Texaco seeks an exception to the Division's well location requirements to permit the drilling of said well in the Devonian and Morrow formations at the above-described location.

3. A standard 40-acre spacing and proration unit comprised of the SE/4 SE/4 of

said Section 28 will be dedicated to the well in the Devonian formation and a standard 320-

are spacing unit comprised of the S/2 of said Section 28 will be dedicated to the well in the

Morrow formation.

4. Approval of this application will afford Texaco the opportunity to produce its

just and equitable share of the hydrocarbons in the Devonian and Morrow formations and

will otherwise be in the best interest of the conservation, the protection of correlative rights

and the prevention of waste.

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

appointed Examiner of the Oil Conservation Division on September 21, 1995, that notice be

given as required by law, 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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ATTORNEYS FOR TEXACO EXPLORATION

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APPLICATION,