BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF ENRON OIL & GAS COMPANY FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

CASE NO. 11534

APPLICATION

COMES NOW ENRON OIL & GAS COMPANY ("Enron"), through its undersigned attorneys, and hereby makes application for an order approving an unorthodox well location, and in support thereof states:

- 1. Applicant is the operator of the SE/4 NW/4 of Section 17, Township 24 South, Range 38 East, N.M.P.M., Lea County. New Mexico and proposes to drill its Greenback State No. 2 Well in the Ellenburger formation, East Fowler-Ellenburger Pool, 1980 feet from the North line and 1330 feet from the West line in Unit F of said Section 17.
- 2. Applicant seeks an exception to Rule 104C of the General Rules and Regulations of the Division to permit the drilling of said well in the Ellenburger formation at the above-described location.
- 3. A standard 40-acre spacing and proration unit comprised of the SE/4 NW/4 of said Section 17 should be dedicated to the well.
 - 4. Approval of this application will afford Enron the opportunity to produce its

just and equitable share of the oil and gas from the Ellenburger formation and will otherwise

be in the best interest of the conservation, the protection of correlative rights and the

prevention of waste.

WHEREFORE, Enron Oil & Gas Company requests that this matter be set for hearing

before a duly appointed Examiner of the Oil Conservation Division on May 16, 1996, and

after notice and hearing as required by law, the Division enter its Order granting this

application and providing such other relief as is proper.

Respectfully submitted,

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ATTORNEYS FOR ENRON OIL

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APPLICATION,