

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

**IN THE MATTER OF THE APPLICATION OF
DAVID H. ARRINGTON OIL & GAS, INC. TO AMEND
ORDER NO. R-11667 TO APPROVE AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.**

CASE NO. 12800

RECEIVED
OCT 10 2001
OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

APPLICATION

DAVID H. ARRINGTON OIL & GAS, INC. ("Arrington"), through its undersigned attorneys, hereby makes application to amend Order No. R-11667 (entered in Case No. 12675) to provide for the drilling of a gas well at an unorthodox location in the NW/4 SW/4 (Unit L) of Section 31, Township 16 South, Range 36 East. In support of this application, Arrington states:

1. On October 10, 2001, the Division entered Order No. R-11667 pooling all uncommitted mineral interests from the surface to the base of the Mississippian formation underlying Lots 1-4 and the E/2 W/2 (W/2 equivalent) of Section 31, Township 16 South, Range 36 East, NMPM, Lea County, New Mexico to form a 308.84-acre stand-up gas spacing and proration unit for any and all formations and pools developed on 320-acre spacing within that vertical extent, which presently includes the Undesignated East Shoe Bar-Chester Gas Pool.

2. Order No. R-11667 denied Arrington's request for approval of an unorthodox gas well location on the grounds that Arrington failed to demonstrate an unorthodox location was geologically superior to a standard location. Since the entry of Order R-11667, Arrington has reviewed the relevant data and now has evidence demonstrating an unorthodox location in the NW/4 SW/4 (Unit L) of Section 31 is superior to a standard location within the spacing and proration unit established by Order R-11667.

3. Arrington therefore seeks approval to dedicate the spacing and proration unit established by Order R-11667 to its proposed Double Hackle "31" State Com. Well No. 1 to be drilled at an unorthodox location in the NW/4 SW/4 (Unit L) of Section 31 to a depth sufficient to test any and all formations from the surface to the base of the Mississippian formation.

4. The Division has extended the time for Arrington to commence drilling a well under Order No. R-11667 and that order remains in full force and effect.

5. Approval of this application will be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

6. A list of the names and addresses of the persons to whom notice has been sent is attached hereto as Exhibit A.

WHEREFORE, David H. Arrington Oil & Gas, Inc. requests that this application be set for hearing before an Examiner of the Oil Conservation Division on January 24, 2002, and that after notice and hearing as required by law the Division amend Order No. R-11667 and approve the proposed unorthodox well location.

Respectfully submitted,

HOLLAND & HART

By: 

Michael H. Feldewert
Post Office Box 2208
Santa Fe, New Mexico 87504
Telephone: (505) 988-4421

ATTORNEYS FOR DAVID H. ARRINGTON
OIL & GAS, INC.

EXHIBIT A

**APPLICATION OF DAVID H. ARRINGTON OIL & GAS, INC. TO AMEND ORDER
NO. R-11667 TO APPROVE AN UNORTHODOX
GAS WELL LOCATION, LEA COUNTY, NEW MEXICO.**

Pure Resources, Inc.
500 West Illinois
Midland, Texas 79701
Attn: Mr. Robert Ready

Kriti Exploration, Inc.
1010 Lamar, Suite 750
Houston, Texas 77002

Maralo, L.L.C.
Attn: Joe Pulido
223 West Wall Street
Midland, Texas 79702

Exxon/Mobil
P.O. Box 633
500 West Illinois
Midland, Texas 79702

Carol C. Henry
8 Compound Drive
Santa Fe, New Mexico 87501

Donald Clayton Chapell
110 Morningside Drive
Sarasota, Florida 34236

CASE ~~12500~~

Application of David H. Arrington Oil and Gas, Inc. to amend Order No. R-11667 to approve an unorthodox gas well location, Lea County, New Mexico. Applicant seeks to amend Order No. R-11667 to approve the drilling of its proposed Double Hackle "31" State Com. Well No. 1 from the surface to the base of the Mississippian formation at an unorthodox gas well location in the NW/4 SW/4 (Unit L) of Section 31, Township 16 South, Range 36 East. Said well is to be dedicated to the 308.84-acre W/2 stand up gas spacing and proration unit established by Order No. R-11667 for all formations and/or pools developed on 320-acre spacing, which presently includes but is not necessarily limited to the Undesignated East Show Bar-Chester Gas Pool. Said area is located approximately 4 miles southwest of Lovington, New Mexico.