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August 5, 1992

HAND-DELIVERED

William J. LeMay, Director
Oil Conservation Division
New Mexico Department of Energy,
Minerals and Natural Resources
State Land Office Building
Santa Fe, New Mexico 87503

RECEIVED

AUG 5 1992

OIL CONSERVATION DIV.
SANTA FE

10541

Re: In the Matter of the Application of Bird Creek Resources, Fortson Oil Company and Ray Westall Operating, Inc., for Special Pool Rules for the East Herradura Bend-Delaware Pool, Eddy County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the Application of Bird Creek Resources, Fortson Oil Company and Ray Westall Operating, Inc., in the above-referenced case. Bird Creek Resources, Fortson Oil Company and Ray Westall Operating, Inc., respectfully request that this matter be placed on the docket for the September 3, 1992 Examiner hearings.

Very truly yours,


WILLIAM F. CARR

WFC:mlh

Enclosures

cc w/enclosures: Mr. Herb Ware
Collins & Ware, Inc.
303 West Wall Avenue, Suite 2200
Midland, Texas 79701

BEFORE THE
OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION
OF BIRD CREEK RESOURCES, FORTSON
OIL COMPANY AND RAY WESTALL
OPERATING, INC., FOR SPECIAL
POOL RULES FOR THE EAST
HERRADURA BEND-DELAWARE POOL,
EDDY COUNTY, NEW MEXICO.

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AUG 5 1992

OIL CONSERVATION DIV.
SANTA FE
CASE NO. 1054

APPLICATION

BIRD CREED RESOURCES, FORTSON OIL COMPANY and RAY WESTALL OPERATING, INC., ("Applicants") through their undersigned attorneys, make application to the Oil Conservation Division for promulgation of Special Pool Rules and Regulations for the East Herradura Bend-Delaware Pool, including a gas-oil ratio of 10,000 cubic feet of gas per barrel of oil produced and in support thereof states:

1. Applicants are the operators of all wells in the East Herradura Bend-Delaware Pool.
2. The East Herradura Bend-Delaware Pool was created by Oil Conservation Division Order No. R-8179, dated April 1, 1986 and now includes the following described acreage:

Township 22 South, Range 28 East, N.M.P.M.:

Section 34: NE/4
Section 35: W/2

Township 23 South, Range 28 East, N.M.P.M.:

Section 2: NW/4

3. The wells in this pool are produced under statewide rules that limit production to 142 bbls of oil per day and a gas oil ratio of 2000 cubic feet of gas per barrel of oil produced.

4. Applicants seek the promulgation of Special Rules and Regulations for this pool which will increase the limiting gas-oil ratio to 10,000 cubic feet of gas per barrel of oil produced.

5. Approval of this application will protect the correlative rights of each operator in this pool by affording each the opportunity to produce its just and equitable share of gas and oil from this pool, will prevent the waste of hydrocarbons and is otherwise in the best interest of conservation.

WHEREFORE, Bird Creek Resources, Fortson Oil Company and Ray Westall Operating, Inc., request that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on September 3, 1992, and after notice and hearing as required by law, the Division enter its Order approving this application.

Respectfully submitted,

CAMPBELL, CARR, BERGE
& SHERIDAN, P.A.

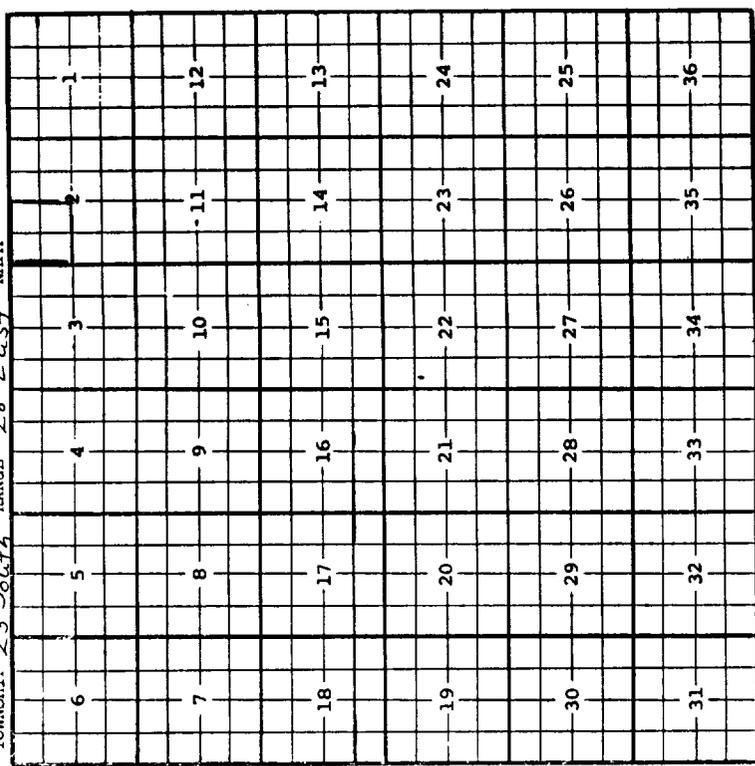
By: 

WILLIAM F. CARR
Post Office Box 2208
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ATTORNEYS FOR BIRD CREEK
RESOURCES, FORTSON OIL COMPANY
and RAY WESTALL OPERATING, INC.

COUNTY Eddy POOL East Herradura Bend - Delaware

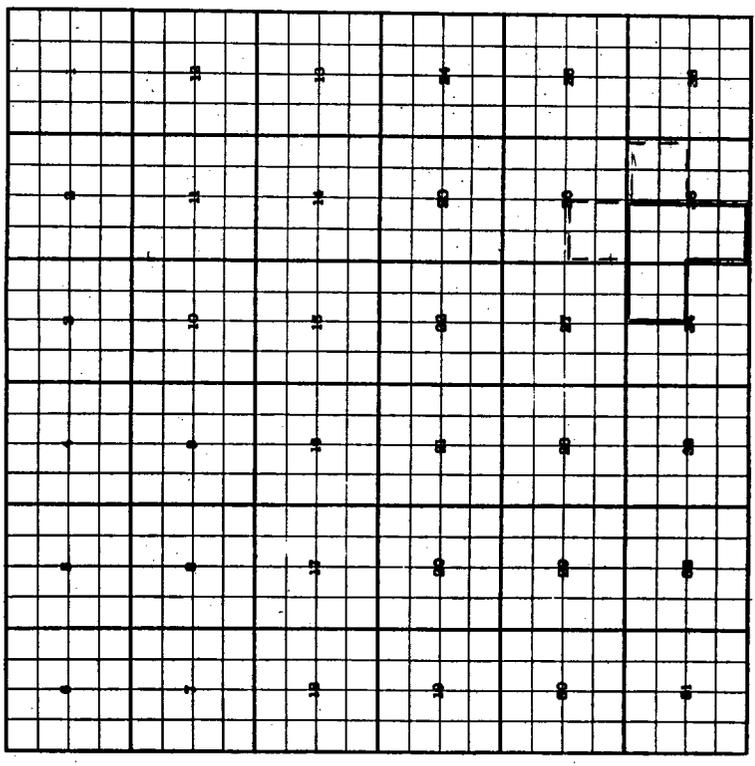
TOWNSHIP 23 South RANGE 28 East NMSPM



Description: NW 1/4 Sec. 2 (R-8129, 3-14-86)

County Eddy Pool East Herradura Bend - Delaware

TOWNSHIP 22 South RANGE 28 East NEW MEXICO PRINCIPAL MERIDIAN



Ext: NE 1/4 sec 34, W 1/2 sec 35 (R-8945, 5-31-89)