

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

MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
MARK F. SHERIDAN
WILLIAM P. SLATTERY

PATRICIA A. MATTHEWS
MICHAEL H. FELDEWERT
DAVID B. LAWRENZ

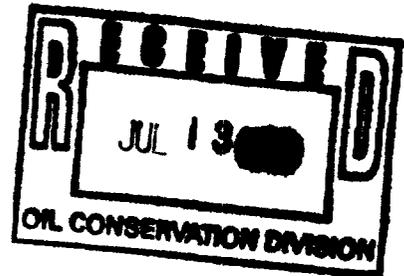
JACK M. CAMPBELL
OF COUNSEL

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87504-2208
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

July 13, 1993

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



10797

Re: Application of Collins and Ware, Inc. for approval of an unorthodox well location, Lea County, New Mexico

Dear Mr. LeMay:

In early June, Collins and Ware, Inc. filed an application for administrative approval of an unorthodox well location for its Kaiser State Well No. 43 located 1000 feet from the South line and 400 feet from the West line of Section 13, Township 21 South, Range 34 East, N.M.P.M., Lea County, New Mexico. On July 12, 1993 we were advised by Mr. Larry Van Ryan that this location would not qualify for administrative approval and that this application would have to be set for hearing.

The purpose of this letter is to request that the application filed by Collins and Ware, Inc. for administrative approval of the above-referenced unorthodox location serve as its application for a hearing on this matter. Collins & Ware, Inc. requests that this application be placed on the Examiner hearing docket for August 12, 1993. Enclosed herewith is a legal advertisement for this case.

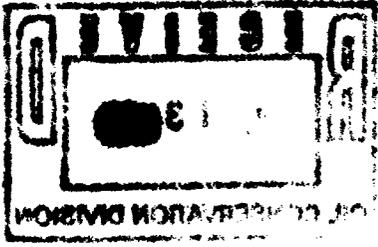
Your attention to this matter is appreciated.

Very truly yours,

WILLIAM F. CARR

WFC:mlh

cc: Mr. Max Guerry, Regulatory Manager
Collins & Ware, Inc.
303 W. Wall, Suite 2200
Midland, TX 79701



CASE 10797:

Application of Collins and Ware, Inc. for an unorthodox well location, Lea County, New Mexico. Applicant seeks approval to drill its Kaiser State Well No. 43 at an unorthodox location 1000 feet from the South line and 400 feet from the West line of Section 13, Township 21 South, Range 34 East. The SW/4 of said Section 13 is to be dedicated to the well. Applicant further requests approval of the unorthodox location as to all prospective pools or formations, including but not limited to the Wilson Yates Seven Rivers Associated Pool, Yates Seven Rivers formation which are spaced on 160-acres. Said well is located approximately ____ miles _____ of _____, New Mexico.

FAX (915) 686-0302

COLLINS & WARE, INC.

303 WEST WALL AVENUE, SUITE 2200

MIDLAND, TEXAS 79701

(915) 687-3435

OIL CONSERVATION DIVISION

REC'D 250

1993 JUN 24 AM 9 04

Oil Conservation Commission
POB 2088
Santa Fe, NM 87504

Attn: Mike Stogner

June 11, 1993

Case No. 10797

Mike:

Please find enclosed our certification requesting administrative approval for an unorthodox location in Lea county.

Please advise if additional information is needed.

Sincerely,


Max Guerry
Regulatory Manager

COLLINS & WARE, INC.

303 WEST WALL AVENUE, SUITE 2200

MIDLAND, TEXAS 79701

(915) 687-3435

CERTIFICATION FOR COLLINS & WARE, INC. SEEKING A PERMIT TO DRILL WHERE DESIGNATED DRILLING TRACT CONSISTING OF 160 SURFACE CONTIGUOUS ACRES IS LOCATED CLOSER THAN 660' TO AN OUTER BOUNDARY AS ESTABLISHED IN RULE 104 (C) (2).

I, Max Guerry, employed by Collins & Ware, Inc. certify:

1. That Collins & Ware, Inc. is the operator of

KAISER STATE 43, Wilson Yates-7R Assoc., more fully described on the Form C-101 and plat attached hereto, showing the drilling (proration or density) unit boundary.

2. That said lease or tract embraces 160 acres, and is a non-standard unit or unorthodox location in that the drilling tract is located 400' from the West section line. This deviation in spacing is necessary because of the initial location (Exhibit A) being located beneath a power line in the area. Due to the location of said power line, the only alternative topographically is to move the location west (Exhibit B).

3. That this is our formal request for administrative approval of said unorthodox location.

CERTIFICATE

I declare, that I am authorized to make this report, that this report was prepared by me, or under my supervision and direction, and that data and facts stated therein are true, correct, and complete, to the best of my knowledge.



Max Guerry

Regulatory Manager

June 11, 1993

**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-4-85

All distances must be from the outer boundaries of the Section

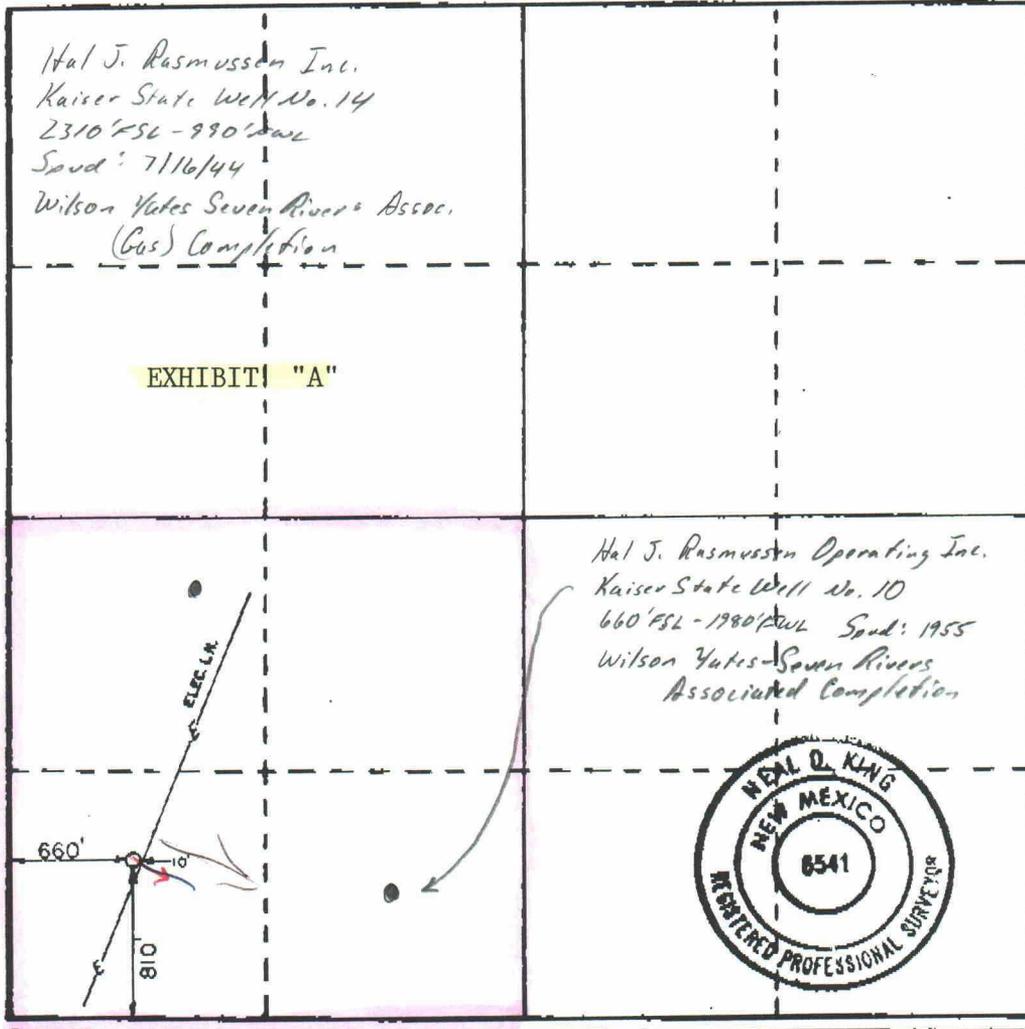
Operator COLLINS AND WARE INC.		Lease KAISER STATE			Well No. 43
Unit Letter M	Section 13	Township 21S	Range 34E	County LEA	
Actual Footage Location of Well: 810 feet from the SOUTH line and 660 feet from the WEST line					
Ground Level Elev. 3652	Producing Formation YATES		Pool Wilson-Yates TR ASSOC	Dedicated Acreage: 1.60 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Name
NEAL D. KING

Position
OWNER

Company
KING SURVEYING

Date
JUNE 9, 1993

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed
JUNE 9, 1993

Registered Professional Engineer and or Land Surveyor
P. L. S. 6541

Certificate No. *Neal D. King*



**NEW MEXICO OIL CONSERVATION COMMISSION
WELL LOCATION AND ACREAGE DEDICATION PLAT**

Form C-102
Supersedes C-128
Effective 1-4-65

All distances must be from the outer boundaries of the Section

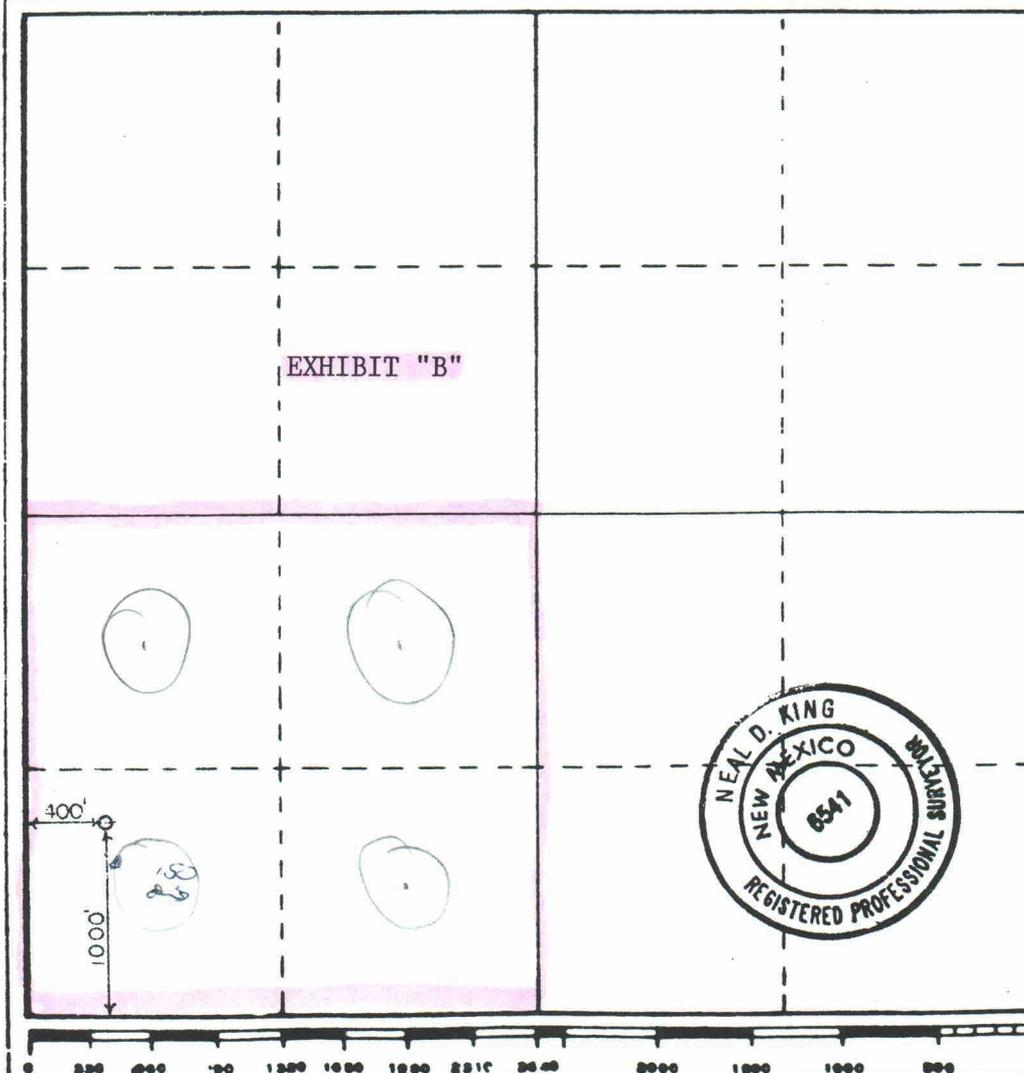
Operator COLLINS AND WARE INC.		Lease KAISER STATE		Well No. 43
Unit Letter M	Section 13	Township 21 South	Range 34 East	County Lea
Actual Footage Location of Well: 1000 feet from the South line and 400 feet from the West line				
Ground Level Elev. 3652.7	Producing Formation water	Pool Wilson water - MR Assoc	Dedicated Acreage: 16.0 Acres	

1. Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc?

Yes No If answer is "yes," type of consolidation _____

If answer is "no," list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____

No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interests, has been approved by the Commission.



CERTIFICATION
I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.
Name NEAL D. KING
Position OWNER
Company KING SURVEYING
Date JUNE 3, 1993
I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.
Date Surveyed June 3, 1993
Registered Professional Engineer and or Land Surveyor <i>Neal D. King</i>
Certificate No. P. L. S. 6541

- Copy -

Submit to Appropriate District Office
State Lease - 6 copies
Fee Lease - 5 copies

State of New Mexico
Energy, Minerals and Natural Resources Department

Form C-101
Revised 1-1-89

OIL CONSERVATION DIVISION
P.O. Box 2088
Santa Fe, New Mexico 87504-2088

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

API NO. (assigned by CCD on New Wells)

5. Indicate Type of Lease
STATE FEE

6. State Oil & Gas Lease No.
B 6807

APPLICATION FOR PERMIT TO DRILL, DEEPEN, OR PLUG BACK

1a. Type of Work:
DRILL RE-ENTER DEEPEN PLUG BACK
b. Type of Well:
OIL WELL GAS WELL OTHER
SINGLE ZONE MULTIPLE ZONE

7. Lease Name or Unit Agreement Name

KAISER STATE

2. Name of Operator
Collins & Ware, Inc.

8. Well No.
43

3. Address of Operator
303 W. Wall, Ste. 2200, Midland, TX 79701

9. Pool name or Wildcat
Wilson Yates-7R Assoc. Pool

4. Well Location
Unit Letter M : 400 Feet From The West Line and 1000 Feet From The South Line
Section 13 Township 21S Range 34E NMPM Lea County

10. Proposed Depth
3850'

11. Formation
Yates

12. Rotary or C.T.
Rotary

13. Elevations (Show whether DF, RT, GR, etc.)
3652.7 GR

14. Kind & Status Plug. Bond
\$50K Blanket

15. Drilling Contractor
Not assigned

16. Approx. Date Work will start
6-21-93

PROPOSED CASING AND CEMENT PROGRAM

SIZE OF HOLE	SIZE OF CASING	WEIGHT PER FOOT	SETTING DEPTH	SACKS OF CEMENT	EST. TOP
12 1/4	8 5/8	32	350	250	Surf.
7 7/8	5 1/2	15.5	3750	750	Surf.

IN ABOVE SPACE DESCRIBE PROPOSED PROGRAM: IF PROPOSAL IS TO DEEPEN OR PLUG BACK, GIVE DATA ON PRESENT PRODUCTIVE ZONE AND PROPOSED NEW PRODUCTIVE ZONE. GIVE BLOWOUT PREVENTER PROGRAM, IF ANY.

I hereby certify that the information above is true and complete to the best of my knowledge and belief.

SIGNATURE Max Guerry TITLE Regulatory Manager DATE 6-11-93
TYPE OR PRINT NAME Max Guerry TELEPHONE NO. 915-687-3435

(This space for State Use)

APPROVED BY _____ TITLE _____ DATE _____

CONDITIONS OF APPROVAL, IF ANY:

COLLINS & WARE, INC.

303 WEST WALL AVENUE, SUITE 2200

MIDLAND, TEXAS 79701

(915) 687-3435

June 21, 1993

BTA Oil Producers
104 South Pecos
Midland, Texas 79701

RE: Kaiser State No. 43
Wilson Yates-7 Rivers Assoc. Pool
SW/4 of Section 13, T21S, R34E
Lea County, Texas

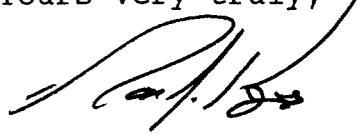
Gentlemen:

Collins & Ware, Inc. requests that BTA Oil Producers waive any objection to the proposed unorthodox location of the above referenced well. Enclosed are plats which delineates our proposed location to be 400 ft. FWL and 1000 ft. FSL of the SW/4 of Section 13, T21S, R34E, Lea County, New Mexico.

The unorthodox location is necessitated by the presents of an overhead power line across the standard location.

If the foregoing meets with you approval, please so indicate by executing one copy of this letter in the space provided below, and return to me in the enclosed envelope. If you should have any questions concerning this matter, please contact the undersigned.

Yours very truly,



Ron J. King
Landman

We hereby waive any objection to the proposed location of Collins & Ware, Inc.'s Kaiser State No. 43 Well, Lea County, New Mexico.

BTA OIL PRDUCERS

By: _____
Name: _____
Title: _____
Date: _____

COLLINS & WARE, INC.

303 WEST WALL AVENUE, SUITE 2200

MIDLAND, TEXAS 79701

(915) 687-3435

June 21, 1993

Mr. Mohammed Merchant, Agent
Warrior, Inc.
P. O. Box 5970
Hobbs, New Mexico 88241

RE: Kaiser State No. 43
Wilson Yates-7 Rivers Assoc. Pool
SW/4 of Section 13, T21S, R34E
Lea County, Texas

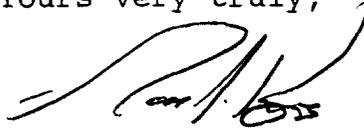
Gentlemen:

Collins & Ware, Inc. requests that Warrior, Inc. waive any objection to the proposed unorthodox location of the above referenced well. Enclosed are plats which delineates our proposed location to be 400 ft. FWL and 1000 ft. FSL of the SW/4 of Section 13, T21S, R34E, Lea County, New Mexico.

The unorthodox location is necessitated by the presents of an overhead power line across the standard location.

If the foregoing meets with you approval, please so indicate by executing one copy of this letter in the space provided below, and return to me in the enclosed envelope. If you should have any questions concerning this matter, please contact the undersigned.

Yours very truly,



Ron J. King
Landman

We hereby waive any objection to the proposed location of Collins & Ware, Inc.'s Kaiser State No. 43 Well, Lea County, New Mexico.

WARRIOR, INC.

By: _____
Name: _____
Title: _____
Date: _____

COLLINS & WARE, INC.

303 WEST WALL AVENUE, SUITE 2200

MIDLAND, TEXAS 79701

(915) 687-3435

June 21, 1993

Phillips Petroleum Company
P. O. Drawer "B"
Bartlesville, Oklahoma 74000

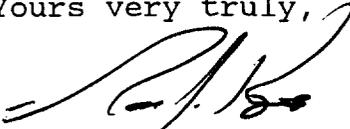
RE: Kaiser State No. 43
Wilson Yates-7 Rivers Assoc. Pool
SW/4 of Section 13, T21S, R34E
Lea County, Texas

Gentlemen:

Collins & Ware, Inc. requests that Phillips Petroleum Company waive any objection to the proposed unorthodox location of the above referenced well. Enclosed are plats which delineates our proposed location to be 400 ft. FWL and 1000 ft. FSL of the SW/4 of Section 13, T21S, R34E, Lea County, New Mexico.

The unorthodox location is necessitated by the presents of an overhead power line across the standard location.

If the foregoing meets with you approval, please so indicate by executing one copy of this letter in the space provided below, and return to me in the enclosed envelope. If you should have any questions concerning this matter, please contact the undersigned.

Yours very truly,


Ron J. King
Landman

We hereby waive any objection to the proposed location of Collins & Ware, Inc.'s Kaiser State No. 43 Well, Lea County, New Mexico.

PHILLIPS PETROLEUM COMPANY

By: _____
Name: _____
Title: _____
Date: _____