

HINKLE, COX, EATON, COFFIELD & HENSLEY

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY, JR.
STUART D. SHANOR
C. D. MARTIN
PAUL J. KELLY, JR.
OWEN M. LOPEZ
DOUGLAS L. LUNSFORD
JOHN J. KELLY
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD*
RICHARD E. OLSON
RICHARD R. WILFONG*
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWETT
JAMES BRUCE
JERRY F. SHACKELFORD*
JEFFREY W. HELLBERG*
ALBERT L. PITTS
THOMAS M. HNASKO
JOHN C. CHAMBERS*
THOMAS D. HAINES, JR.
FRANKLIN H. MCCALLUM*

GREGORY J. NIBERT
DAVID T. MARKETTE*
MARK C. DOW
KAREN M. RICHARDSON*

FRED W. SCHWENDIMANN
DAVID MORAN
JAMES R. MCADAMS*
JAMES M. HUDSON
MACDONNELL GORDON
REBECCA NICHOLS JOHNSON
PAUL R. NEWTON
WILLIAM R. JOHNSON
ELLEN S. CASEY
MARGARET C. LUDEWIG
PATRICIA A. WATTS
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
S. BARRY FAISNER
W. CRAIG BARLOW*
JAMES A. GILLESPIE
KAREN L. COLLIER
GARY W. LARSON
STEPHANIE LANDRY
JERRY D. WORSHAM, J.

OF COUNSEL
O. M. CALHOUN
MACK EASLEY
JOE W. WOOD

CLARENCE E. HINKLE (1901-1985)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1914-1987)

*NOT LICENSED IN NEW MEX CO

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

February 27, 1990

VIA HAND DELIVERY

2800 CLAYDESTA NATIONAL BANK BUILDING

POST OFFICE BOX 3580

MIDLAND, TEXAS 79702

(915) 683-4691

FAX (915) 683-6518

1700 TEXAS AMERICAN BANK BUILDING

POST OFFICE BOX 9238

AMARILLO, TEXAS 79105

(806) 372-5569

FAX (806) 372-9761

700 UNITED BANK PLAZA

POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88202

(505) 622-6510

FAX (505) 623-9332

500 MARQUETTE N.W., SUITE 740

ALBUQUERQUE, NEW MEXICO 87102-2121

(505) 768-1500

FAX (505) 768-1529

RECEIVED

FEB 27 1990

OIL CONSERVATION DIV.
SANTA FE

New Mexico Oil Conservation
Division
State Land Office Building
Santa Fe, New Mexico 87503

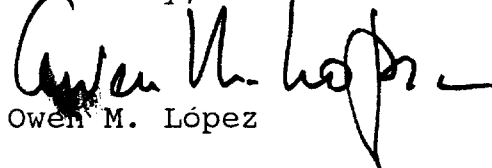
Re: OCD Case No. 9881
Application of Richmond Petroleum, Inc.

Gentlemen:

Please be advised that we erred in our application in the above-referenced matter with respect to the well location for Richmond's Federal 31-4-32 Well No. 2. Rather than 1,617 feet from the South line, the proposed well location is 617 feet from the South line. We, therefore, respectfully request that the matter be continued to the next Examiner hearing scheduled for March 21, 1990 and that Case No. 9881 be readvertised indicating the unorthodox location to be at 617 FSL and 1,939 FWL of Section 32, Township 31 North, Range 4 West, Basin-Fruitland Coal Gas Pool, Rio Arriba County, New Mexico.

We apologize for the error and appreciate your cooperation.

Sincerely,


Owen M. Lopez

OML:frs

c: Steve Roche
Jim Adams
Bob McCamey

HINKLE, COX, EATON, COFFIELD & HENSLEY

ATTORNEYS AT LAW

218 MONTEZUMA

POST OFFICE BOX 2068

SANTA FE, NEW MEXICO 87504-2068

(505) 982-4554

2800 CLAYDESTA NATIONAL BANK BUILDING

POST OFFICE BOX 3580

MIDLAND, TEXAS 79702

(915) 683-4691

FAX (915) 683-6518

1700 TEXAS AMERICAN BANK BUILDING

POST OFFICE BOX 9238

AMARILLO, TEXAS 79105

(806) 372-5569

FAX (806) 372-9761

700 UNITED BANK PLAZA

POST OFFICE BOX 10

ROSWELL, NEW MEXICO 88202

(505) 622-6510

FAX (505) 623-9332

500 MARQUETTE N.W., SUITE 740

ALBUQUERQUE, NEW MEXICO 87102-2121

(505) 768-1500

FAX (505) 768-1529

LEWIS C. COX
PAUL W. EATON
CONRAD E. COFFIELD
HAROLD L. HENSLEY JR.
STUART D. SHANDOR
C. D. MARTIN
PAUL J. KELLY JR.
OWEN M. LOPEZ
DOUGLAS L. LUNSFORD
JOHN J. KELLY
T. CALDER EZZELL, JR.
WILLIAM B. BURFORD
RICHARD E. OLSON
RICHARD R. WILFONG
STEVEN D. ARNOLD
JAMES J. WECHSLER
NANCY S. CUSACK
JEFFREY L. FORNACIARI
JEFFREY D. HEWETT
JAMES BRUCE
JERRY F. SHACKELFORD
JEFFREY W. HELLBERG
ALBERT L. PITTS
THOMAS M. HNASKO
JOHN C. CHAMBERS
THOMAS D. HAINES, JR.
FRANKLIN H. MCCALLUM

GREGORY J. NIBERT
DAVID T. MARKETTE
MARK C. DOW
KAREN M. RICHARDSON
FRED W. SCHWEND MANN
DAVID MORAN
JAMES R. MCADAMS
JAMES M. HUDSON
MACDONNELL GORDON
REBECCA NICHOLS JOHNSON
PAUL R. NEWTON
WILLIAM B. JOHNSON
ELLEN S. CASEY
MARGARET C. LUDEWIG
PATRICIA A. WATTS
MARTIN MEYERS
GREGORY S. WHEELER
ANDREW J. CLOUTIER
S. BARRY PAISNER
W. CRAIG BARLOW
JAMES A. GILLESPIE
KAREN L. COLLIER
GARY W. LARSON
STEPHANIE LANDRY
JERRY D. WORSHAM, II

OF COUNSEL
O. W. CALHOUN
MACK EASLEY
JOE W. WOOD

CLARENCE E. HINKLE (1901-1985)
W. E. BONDURANT, JR. (1913-1973)
ROY C. SNODGRASS, JR. (1914-1967)

*NOT LICENSED IN NEW MEXICO

Mr. Michael Stogner
Hearing Examiner
New Mexico Oil Conservation
Division
State Land Office Building
Santa Fe, New Mexico 87503

Re: Richmond Petroleum, Inc.

Dear Mr. Stogner:

Please find enclosed a copy of the Application filed today on
behalf of the above-referenced Applicant.

Sincerely,

Owen M. Lopez
Owen M. López

OML:frs

enclosure

9881
RECEIVED

FEB 13 1990

OIL CONSERVATION DIV.
SANTA FE

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION

APPLICATION OF RICHMOND
PETROLEUM, INC. FOR AN
UNORTHODOX WELL LOCATION,
RIO ARriba COUNTY, NEW MEXICO.

RECEIVED 9881

FEB 13 1990

OIL CONSERVATION DIV.
SANTA FE

APPLICATION

Richmond Petroleum, Inc. hereby makes application for an Order for an unorthodox gas well location in Section 32, Township 31 North, Range 4 West, Rio Arriba County, New Mexico and in support of its application states:

1. Applicant proposes to drill and operate its Federal 31-4-32 No. 2 well in the W/2 of Section 32, Township 31 North, Range 4 West to a depth sufficient to test the Basin-Fruitland Coal Gas Pool, and seeks to dedicate the W/2 of Section 32 to the well.

2. Rule 7 of Order No. R-8768 regarding the subject pool requires the first well to be drilled and completed at a standard location in the NE/4 or SW/4 of each section.

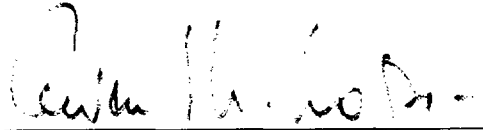
3. Although the proposed well is located in the SW/4 of Section 32, due to topographical and archaeological conditions, it cannot be drilled at a standard location, but can be drilled at an unorthodox location 1,617 feet from the south line and 1,939 feet from the West line, or in the NE/4SW/4 of said Section 32.

4. Approval of the unorthodox well location will prevent the drilling of unnecessary wells, prevent waste and protect correlative rights.

5. Applicant requests this matter be heard at the March 7, 1990 Examiner hearing.

WHEREFORE, Applicant respectfully requests the Division grant the relief requested above.

HINKLE, COX, EATON, COFFIELD
& HENSLEY

A handwritten signature in dark ink, appearing to read "Owen M. Lopez", is written over a horizontal line.

Owen M. Lopez
Post Office Box 2068
Santa Fe, New Mexico 87504-2068
(505) 982-4554

Attorneys for Applicant Richmond
Petroleum, Inc.