CAMPBELL & BLACK. P.A.

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LAWYERS

JACK M CAMPBELL BRUCE D. BLACK M CHAEL B. CAMPBELL WILLIAM F. CARR BRADFORD C. BERGE MARK F. SHERIDAN WILLIAM P. SLATTERY PATRICIA A. MATTHEWS JEFFERSON PLACE SUITE I - IIO NORTH GUADALUPE POST OFFICE BOX 2208 SANTA FE, NEW MEXICO 87504-2208 TELEPHONE: (505) 988-4421 TELECOPIER: (505) 983-6043

March 27, 1990

HAND-DELIVERED

William J. LeMay, DirectorOil Conservation DivisionNew Mexico Department of Energy, Minerals and Natural ResourcesState Land Office BuildingSanta Fe, New Mexico 87503

RECEIVED MAR 2 7 1990 OIL CONSERVATION DIVISION

9910 1

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In the Matter of the Application of Harvey E. Yates Company, for an Re: Unorthodox Well Location, Lea County, New Mexico

Dear Mr. LeMay:

Enclosed in triplicate is the application of Harvey E. Yates Company in the abovereferenced case. Harvey E. Yates Company respectfully requests that this matter be placed on the docket for the April 18, 1990 Examiner hearings.

Very truly yours, WILLIAM F. CARR

WFC:mlh Enclosures cc w/enclosures:

Robert G. Armstrong, President Armstrong Energy Corporation Post Office Box 1973 Roswell, New Mexico 88202

Mr. Bob Bell Harvey E. Yates Company Post Office Box 1933 Roswell, New Mexico 88202

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

MAR 2 - 1990 OIL CONSERVATION DIVISION CASE NO. 9910

RECEIVED

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, by and through its undersigned attorneys, hereby makes application to the Oil Conservation Division for approval of an unorthodox well location, and in support thereof would show the Division:

1. Applicant is the operator of the E/2 SW/4 of Section 24, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and proposes to drill a well at a point 1650 feet from the South line and 2310 feet from the West line of said Section 24.

2. Applicant seeks an exception to the well location requirements of Rule 3 of Oil Conservation Division Special Rules and Regulations for the Lea-Bone Springs Pool (Order R-1827) to permit the drilling of the well at the above described unorthodox location to a depth to adequately test the Bone Springs formation.

A standard 80-acre spacing unit comprised of the E/2 SW/4 of said Section
24 will be dedicated to the well.

4. Approval of this application will afford applicant the opportunity to produce its just and equitable share of hydrocarbons underlying this spacing unit and will otherwise be in the best interest of conservation, the prevention of waste and the protection of correlative rights.

WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, and that after notice and hearing as required by law, the Division enter its order granting this application.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: ` F. CARR

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

ATTORNEYS FOR HARVEY E. YATES COMPANY

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

APPLICATION

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Respectfully submitted,

CAMPBELL & BLACK, P.A.

By:

WILLIAM F. CARR Post Office Box 2208 Santa Fe, New Mexico 87504 Telephone: (505) 988-4421

ATTORNEYS FOR HARVEY E. YATES COMPANY

BEFORE THE

OIL CONSERVATION DIVISION

NEW MEXICO DEPARTMENT OF ENERGY, MINERALS AND NATURAL RESOURCES

IN THE MATTER OF THE APPLICATION OF HARVEY E. YATES COMPANY FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

OF RECEIVED MAR 2 7 1990 CASE NO. 990 OIL CONSERVATION DIVISION

APPLICATION

COMES NOW HARVEY E. YATES COMPANY, by and through its undersigned attorneys, hereby makes application to the Oil Conservation Division for approval of an unorthodox well location, and in support thereof would show the Division:

1. Applicant is the operator of the E/2 SW/4 of Section 24, Township 19 South, Range 34 East, N.M.P.M., Lea County, New Mexico, and proposes to drill a well at a point 1650 feet from the South line and 2310 feet from the West line of said Section 24.

2. Applicant seeks an exception to the well location requirements of Rule 3 of Oil Conservation Division Special Rules and Regulations for the Lea-Bone Springs Pool (Order R-1827) to permit the drilling of the well at the above described unorthodox location to a depth to adequately test the Bone Springs formation.

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WHEREFORE, Applicant prays that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on April 18, 1990, and that after notice and hearing as required by law, the Division enter its order granting this application.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By: И F. CARR

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

ATTORNEYS FOR HARVEY E. YATES COMPANY