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December 20, 1984

RECEIVED

DEC 1984

OIL CONSERVATION DIVISION

HAND DELIVERED

Mr. R. L. Stamets  
Director  
Oil Conservation Division  
New Mexico Department of  
Energy and Minerals  
Post Office Box 2088  
Santa Fe, New Mexico 87501

Re: Application of Geo Engineering, Inc. for Exception  
to General Rules 104-F and 104-C, McKinley County,  
New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the application of Geo Engineering, Inc. in the above-referenced case. Geo Engineering, Inc. respectfully requests that this matter be included on the docket for the January 3, 1985 Examiner hearings.

Your attention to this request is appreciated.

Very truly yours,

  
J. Scott Hall

JSH/cv  
enclosures

cc: Mr. Jim Law  
(w/enclosure)

BEFORE THE  
OIL CONSERVATION DIVISION  
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

RECEIVED  
JUN 1954  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF  
GEO ENGINEERING, INC. FOR EXCEPTION  
TO GENERAL RULES 104-F AND 104-C I,  
MCKINLEY COUNTY, NEW MEXICO.

Case No. 8445

APPLICATION

Comes now, GEO ENGINEERING, INC., by and through its undersigned attorneys, and hereby makes application for an exception to the acreage and well location requirements under Division Rules 104-F and 104-C I, and in support of its application would show the Division:

1. Applicant is the operator of certain wells drilled to Menafée formation oil pools in the Mesa Verde formation in the Red Mountain and Chaco Wash Fields, McKinley County, New Mexico.

2. That in order to more effectively drain hydrocarbons from said pools, it is necessary to allow wells drilled in said pools to be located no closer than 10 feet to the quarter quarter section lines and no closer than 165 feet to lands owned by an offset operator.

3. That it is also necessary that the applicant be permitted to develop the Mesa Verde formation within the application area with more than four wells on each 40-acre tract.

4. That the lands subject of this application are within Sections 20, 21, 22, 27, 28, 29 and 30, all of which are located

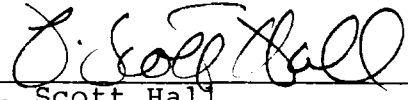
in Township 20 North, Range 9 West, N.M.P.M., McKinley County, New Mexico.

5. The granting of the application will prevent waste and protect the correlative rights of all parties concerned.

WHEREFORE, Geo Engineering, Inc. requests that this application be set for hearing before a duly appointed Examiner of the Oil Conservation Division on January 3, 1985, that notice be given as required by law and the rules of the Division, and that this application for exception to Division Rules 104-F and 104-C I be approved.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By   
J. Scott Hall  
Post Office Box 2208  
Santa Fe, New Mexico 87501  
(505) 988-4421

ATTORNEYS FOR GEO ENGINEERING,  
INC.