Care No. 8441.

CAMPBELL & BLACK, P.A.

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DEC

DIL CONSERVATION DIVISION

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December 21, 1984

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: <u>Case 8446</u>: Application of Chama Petroleum Company For Two Unorthodox Gas Well Locations, Lea County, New Mexico.

Dear Mr. Stamets:

Enclosed in triplicate is the application of Chama Petroleum Company in the above-referenced case. Chama Petroleum Company 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 your:

William F. Carr

WFC/cv enclosures

cc: (w/enclosures)

Karen Aubrey, Esq. Mr. Mark Nearburg BEFORE THE

RECEIVED DEC :: 1984 NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS

IN THE MATTER OF THE APPLICATION OF CHAMA PETROLEUM COMPANY FOR TWO UNORTHODOX GAS WELL LOCATIONS, LEA COUNTY, NEW MEXICO.

Case 8446

APPLICATION

Comes now, CHAMA PETROLEUM COMPANY, by its undersigned attorneys, and hereby makes application for an order approving two unorthodox gas well locations, and in support thereof would show the Division:

1. Applicant is the operator of the S/2 of Section 23, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Applicant proposes to re-enter a well in the S/2 of 2. said Section 23 at an unorthodox location 660 feet from the South and East lines of said section.

Applicant is also the operator of the W/2 of Section 3. 25, Township 20 South, Range 34 East, N.M.P.M., Lea County, New Mexico.

Applicant proposes to re-enter a well in the W/2 of 4. said Section 25 at an unorthodox location 1650 feet from the North line and 1980 feet from the West line of said section.

5. Applicant seeks an exception to the well location requirements of Oil Conservation Division Rule 104 C II(a) to

permit the re-entry of the wells at the above-mentioned unorthodox locations to test the Pennsylvanian and Devonian formations.

6. Said unorthodox gas well locations will avoid the drilling of unnecessary wells, will protect correlative rights and prevent waste.

WHEREFORE, applicant prays that this application be set for hearing on January 3, 1985, before the Division's duly appointed Examiner, and that after notice and hearing as required by law, the Division enter its order approving the unorthodox locations, and making such other and further provisions as may be proper in the premises.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By Z lom O William F. Carr

Post Office Box 2208 Santa Fe, New Mexico 87501 (505) 988-4421

ATTORNEYS FOR CHAMA PETROLEUM COMPANY