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March 4, 1985

RECEIVED

Mr. Richard Stamets
Director
Oil Conservation Division
Post Office Box 2088
Santa Fe, New Mexico 88201

OIL CONSERVATION DIVISION

Re: Cha Cha Gallup Unit No. 32-18,
Section 18, Township 29 North,
Range 14 West, San Juan County,
New Mexico

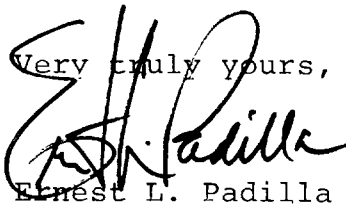
Case 8535

Dear Mr. Stamets:

Enclosed is an Application for Non-Standard
Proration Unit of Slayton Oil Corporation.

Please set this for hearing on March 27, 1985.

Thank you.

Very truly yours,

Ernest L. Padilla

ELP/dd
Encl.

BEFORE THE NEW MEXICO OIL CONSERVATION DIVISION
STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION
OF SIAYTON OIL CORPORATION FOR A
NON-STANDARD PRORATION UNIT, SAN
JUAN COUNTY, NEW MEXICO.

RECEIVED

APPLICATION FOR NON-STANDARD
PRORATION UNIT

Case 8535

Applicant states:

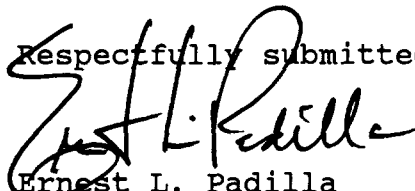
1. That Applicant has drilled its Cha Cha Gallup Unit No. 32-18 Well (the well) 2200' FNL and 2065' FEL of Section 18, Township 29 North, Range 14 West, San Juan County, New Mexico, to test the Cha Cha Gallup Oil Pool.
2. That the special pool rules of the Cha Cha Oil Pool require 80 acre spacing.
3. That the Applicant proposes to dedicate Lots 8 and 9 of said Section 18 to the proposed well.
4. That the Oil Conservation Division and the Oil Conservation Commission have previously issued Orders No. R-7482 and R-7630, respectively concerning proposed proration units for the well.
5. That new evidence now exists that was unavailable for the hearings resulting in the aforesaid Orders.
6. That approval of this application will not impair correlative rights or cause waste in that its approval is in the best interest of conservation.

WHEREFORE, Applicant requests:

1. That this application be set for hearing before an examiner of the division at the next available examiner hearing and that notice of said hearing be given as required by law.
2. That upon hearing the division enter its order approving a non-standard proration unit comprised of Lots 8 and 9 of Section 18, Township 29 North, Range 14 West, NMPM, San Juan County, New Mexico.
3. That Orders R-7482 and R-7630 be vacated.

4. For such other relief as the division may deem appropriate in the premises.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Ernest L. Padilla". The signature is stylized with a large, looping initial "E" and a cursive "Padilla".

Ernest L. Padilla
Attorney for Applicant
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Santa Fe, New Mexico 87501
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