Jason Kellahin W. Thomas Kellahin Karen Aubrey KELLAHIN and KELLAHIN Attorneys at Law El Patio - 117 North Guadalupe Post Office Box 2265 Santa Fe, New Mexico 87504-2265

July 3, 1985

Telephone 982-4285 Area Code 505

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JUL 0 1985

OIL CONSERVATION DIVISION

Case 5662

Mr. Richard L. Stamets Oil Conservation Division P. O. Box 2088 Santa Fe, New Mexico 87501

Re: Rio Pecos Corporation

Dear Mr. Stamets:

Please set the enclosed application for hearing on July 31, 1985.

Very truly yours, Thomas Kellahin

;**1**

WTK:ca Enc.

cc: Scott Wilson Rio Pecos Corporation 110 West Louisiana, Suite 460 Midland, Texas 79701

STATE OF NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS OIL CONSERVATION DIVISION

RECEIVED

JUL . 1985

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION OF RIO PECOS CORPORATION, FOR AN UNORTHODOX WELL LOCATION, LEA COUNTY, NEW MEXICO.

CASE: 8662

APPLICATION

Comes now RIO PECOS CORPORATION, by and through its attorneys, Kellahin & Kellahin, and applies to the New Mexico Oil Conservation Division for an order approving an unorthodox gas well location at a location 660 feet from the North line and 660 feet from the West line of Section 34, Tl6S, R34E, NMPM, Lea County, New Mexico, and in support thereof would show:

 Applicant has the right to drill and develop the W/2 of Section 34, T16S, R34E, NMPM.

2. Applicant proposes to drill a well to test the Morrow Formation at a location 660 feet from the North line and 660 feet from the West line of Section 34, T16S, R34E, NMPM.

3. Applicant proposes to dedicate an 320-acre tract consisting of the W/2 of said Section 34 to the well.

4. This application will prevent waste and protect correlative rights.

-1-

WHEREFORE, after notice and hearing, the applicant requests that this application be granted.

Kellahin & Kellahin

By_ W. Thomas Keilahin

P. O. Box 2265 Santa Fe, New Mexico 87501 (505) 982-4285

Attorneys for Applicant