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Telephone 982-4285 Area Code 505

June 28, 1985

OU CONSERVATION DIVISION

Jun 28 1985

Case 8663

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.

 V_{i}

Thomas Kellahir

WTK:ca Enc.

cc: Scott Wilson

Rio Pecos Corporation

110 West Louisiana, Suite 460

Midland, Texas 79701

MS.

OIL CONSERVATION DIVISION

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

Jan 35 1985

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Section .

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

CASE: 8663

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 oil well location in the Casey-Strawn Pool at a location 1470 feet from the North line and 660 feet from the West line of Section 27, T16S, R37E, NMPM, Lea County, New Mexico, and in support thereof would show:

- 1. Applicant has the right to drill and develop the S/2NW/4 of Section 27, T26S, R37E, NMPM.
- 2. Applicant proposes to drill a well to test the Casey-Strawn Pool at a location 1470 feet from the North line and 660 feet from the West line of Section 27, Tl6S, R37E, NMPM.
- 3. The Special Rules of the Casey-Strawn oil pool require a standard location within 150 feet of the center of any governmental quarter-quarter section.
- 4. The subject well will be closer to the outer boundary of the spacing and proration unit than is allowed by the special rules.

- 5. Applicant proposes to dedicate an 80-acre tract consisting of the S/2NW/4 of said Section 27 to the well.
- 6. This application will prevent waste and protect correlative rights.

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

Kellahin & Kellahin

W. Thomas Kallahin

P. O. Box 2265/

Santa Fe, New Mexico 87501

(505) 982-4285

Attorneys for Applicant