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

RECEIVED

IN THE MATTER OF THE APPLICATION OF GEO ENGINEERING, INC. FOR EXCEPTION TO GENERAL RULES 104(F) AND 104(C)(1), MCKINLEY COUNTY, NEW MEXICO.

JUL 25 1986

OIL CONSERVATION DIVISION

Case 8974

## APPLICATION

Geo Engineering, Inc., by and through its undersigned attorneys, hereby makes application for an order allowing an exception to the well location requirements under Division Rules 104(F) and 104(C)(1), and in support thereof states:

- 1. The applicant is the owner of 100% of the operating rights for the Menafee Member of the Mesaverde formation underlying the NE/4, W/2 of Section 28, Township 20 North, Range 9 West, N.M.P.M., McKinley County, New Mexico.
- 2. The applicant seeks exception to Oil Conservation Division Rule 104(F) to provide for the location of oil wells no nearer than 165 feet to the lease boundary and no nearer than 10 feet to any quarter quarter section or subdivision inner boundary.
- 3. Applicant seeks further exception to Oil Conservation Division Rule 104(C)(1) allowing the operator to develop the described area with more than four wells on each 40-acre tract.
- 4. The granting of the application will be in the interest of conservation and the prevention of waste and will protect the correlative rights of all parties concerned.

WHEREFORE, Geo Engineering, Inc. requests that this application be set for hearing before the duly appointed examiner of the Oil Conservation Division on August 6, 1986, that notice be given as required by law and the rules of the Division, and that the application be approved.

Respectfully submitted,

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