

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

RECEIVED

SEP 16 1963

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF PENNZOIL COMPANY FOR APPROVAL
OF AN UNORTHODOX WELL LOCATION,
AND SIMULTANEOUS DEDICATION,
LEA COUNTY, NEW MEXICO.

CASE: 9003

A P P L I C A T I O N

Comes now PENNZOIL COMPANY, by and through its attorneys, KELLAHIN & KELLAHIN, and applies to the New Mexico Oil Conservation Division for approval of an unorthodox oil well location in the Shipp Strawn Pool for its Vierson #3 well to be located 150 feet FSL and 1980 feet FEL of Section 4, T17S, R37E, NMPM, and the simultaneous dedication of said acreage to the Vierson #2 well and the Vierson #3 well, and in support thereof would show:

1. Applicant has the right to drill and develop the W/2SE/4 of Section 4, T17S, R37E, NMPM, Lea County, New Mexico.

2. Applicant proposes to drill its Vierson #3 well in the Shipp-Strawn Pool at a location 150 feet FSL and 1980 feet FEL of said section.

3. Rule 4 of the Special Rules for the subject pool (Order R-8062-a) provides that standard well locations shall be within 150 feet of the center of a quarter-quarter section.

4. The subject well requires an exception to Rule 4 of the Special Rules of the pool in order to be at the optimum location to test the Shipp Strawn Pool in the W/2SE/4 of said section.

5. Applicant further seeks to simultaneously dedicate the said W/2SE/4 to both the Vierson #2 well and the Vierson #3 well.

6. Applicant seeks to drill the subject well in order to protect its acreage from drainage by Exxon's New Mexico "EX" State #2 well which has a bottom hole location of 146 feet from the South boundary of the Pennzoil tract.

7. Notice to affected offset operators is being sent as required by the rules of the Division.

WHEREFORE, applicant seeks approval of the application as requested.

Kellahin & Kellahin

By 

W. Thomas Kellahin
P. O. Box 2265
Santa Fe, NM 87504

CERTIFICATE OF MAILING

I hereby certify under oath that on the 16th day of September, 1986, I caused to be mailed by regular mail a true and correct copy of the foregoing letter and application to the following:

Conoco Inc.
P. O. Box 1959
Midland, Texas 79702

Conoco Inc.
Attn: Mr. Hugh Ingram
P. O. 460
Hobbs, New Mexico 88240

Chevron U.S.A., Inc.
Attn: Mr. Mark Castello
P. O. Box 1150
Midland, Texas 79702

Exxon Corporation
P. O. Box 1600
Midland, Texas 79702

Yates Petroleum Corp.
207 South 4th Street
Artesia, New Mexico 88210

Barbara T. Fasken
1901 First National Bank
303 West Wall
Midland, Texas 79701

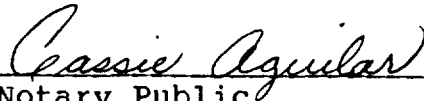
Phillips Petroleum Company
4001 Penbrook
Odessa, Texas 79762


W. Thomas Kellahin

STATE OF NEW MEXICO)
) ss
COUNTY OF SANTA FE)

The foregoing instrument was acknowledged before me this 16th day of September, 1986, by W. Thomas Kellahin.

My Commission Expires:


Notary Public

9-26-87