

CAMPBELL & BLACK, P.A.

LAWYERS

JACK M. CAMPBELL
BRUCE D. BLACK
MICHAEL B. CAMPBELL
WILLIAM F. CARR
BRADFORD C. BERGE
J. SCOTT HALL
PETER N. IVES
RUTH S. MUSGRAVE
LOURDES A. MARTINEZ

JEFFERSON PLACE
SUITE 1 - 110 NORTH GUADALUPE
POST OFFICE BOX 2208
SANTA FE, NEW MEXICO 87501
TELEPHONE: (505) 988-4421
TELECOPIER: (505) 983-6043

August 20, 1984

HAND DELIVERED

RECEIVED

AUG 20 1984

OIL CONSERVATION DIVISION

Mr. Joe D. Ramey, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501

Re: Application of Chama Petroleum Company for an Unorthodox
Gas Well Location, Eddy County, New Mexico.

Dear Mr. Ramey:

Enclosed in triplicate is the Application of Chama Petroleum Company in the above-referenced case. Chama Petroleum Company requests that this matter be included on the docket for the Examiner hearings scheduled for September 5, 1984.

Very truly yours,


William F. Carr

WFC/cv
enclosures

cc: Mr. Mark Nearburg

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

RECEIVED

AUG 20 1984

OIL CONSERVATION DIVISION

IN THE MATTER OF THE APPLICATION
OF CHAMA PETROLEUM COMPANY FOR AN
UNORTHODOX GAS WELL LOCATION, EDDY
COUNTY, NEW MEXICO.

Case 8530

APPLICATION

Comes now, CHAMA PETROLEUM COMPANY, by and through its undersigned attorneys and hereby makes application to the Oil Conservation Division for an order approving an unorthodox gas well location and in support thereof, respectfully states:

1. Applicant is the operator of all formations below the top of the Wolfcamp formation underlying the N/2 of Section 5, Township 19 South, Range 26 East, N.M.P.M., Eddy County, New Mexico and proposes to re-enter the Chama Ivey No. 1 Well (previously the Samedan Ivey No. 1 Well) at an unorthodox location 1980 feet from the North line and 660 feet from the East line of said Section 5 to test the Wolfcamp and Pennsylvanian formations.

2. Applicant seeks an exception to the well location requirements of Division Rule 104 B, I, (a) to permit the re-entry of the well at the above-mentioned unorthodox location to test the Wolfcamp and Pennsylvanian formations.

3. A standard 320-acre gas spacing unit comprised of the N/2 of said Section 5 should be dedicated to the well.

4. That approval of this application will afford applicant

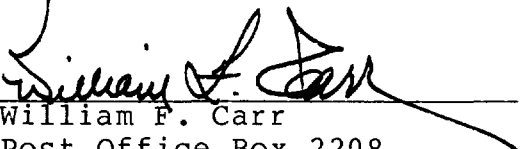
the opportunity to produce its just and equitable share of reserves under the N/2 of said Section 5 and will protect correlative rights.

WHEREFORE, Chama Petroleum Company requests that this application be set for hearing before a duly appointed examiner of the Oil Conservation Division on September 5, 1984, that notice be given as required by law and the rules of the Division, that the Division enter its order granting the applicant permission to re-enter a well 1980 feet from the North line and 660 feet from the East line of said Section 5, and that the N/2 of said Section 5 be dedicated to the well.

Respectfully submitted,

CAMPBELL & BLACK, P.A.

By


William F. Carr
Post Office Box 2208
Santa Fe, New Mexico 87501
(505) 988-4421

ATTORNEYS FOR CHAMA PETROLEUM
COMPANY