

W. Thomas Kellahin
Karen Aubrey

Jason Kellahin
Of Counsel

KELLAHIN and KELLAHIN
Attorneys at Law
El Patio - 117 North Guadalupe
Post Office Box 2265
Santa Fe, New Mexico 87504-2265

Telephone 982-4285
Area Code 505

October 10, 1986

RECEIVED

OCT 10 1986

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

OIL CONSERVATION DIVISION

"Hand Delivered"

Re: Pennzoil Company
Unorthodox Well Location
Shipp-Strawn Oil Pool

Case 9022

Dear Mr. Stamets:

Please set the enclosed application for hearing on the next available examiner docket now scheduled for hearing on November 5, 1986.

Very truly yours,


W. Thomas Kellahin

WTK:ca
Enc.

cc: Greg Davis
Pennzoil Company
P. O. Box 1828
Midland, Texas 79701

Paul Bruce
Pennzoil Company
P. O. Box 1828
Midland, Texas 79701

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

RECEIVED

OCT 10 1986

OIL CONSERVATION DIVISION

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

CASE: 9022

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 Waldron Well #2 to be located 1300 feet FNL and 1980 feet FWL of Section 3, T17S, R37E, NMPM, and in support thereof would show:

1. Applicant has the right to drill and develop the E/2NW/4 of Section 3, T17S, R37E, NMPM, Lea County, New Mexico.

2. Applicant proposes to drill its Waldron Well #2 in the Shipp-Strawn Pool at a location 1300 feet FNL and 1980 feet FWL 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 E/2NW/4 of said section.

5. The direction of encroachment is towards the center of the spacing unit to be dedicated to the well and Pennzoil Company is the operator of all affected acreage.

6. The well is in the ¹⁵SE/4NW/4 of said section and is located approximately twenty feet from the South boundary of that forty-acre tract.

7. The offsetting operators to the subject 80-acre spacing unit have been notified of this application all as set forth on the attached certificate of mailing incorporated herein.

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 10th day of October, 1986, I caused to be mailed by certified mail a true and correct copy of the foregoing letter and application to the following:

Mobil Producing Texas & New Mexico Inc.
P. O. Box 633
Midland, Texas 79702

Harvey E. Yates Company
Explorers Petroleum Corporation
Spiral Inc.
P. O. Box 1933
Roswell, New Mexico 88201

Yates Energy Corporation
Fred G. Yates Inc.
Suite 1010, Sunwest Centre
Roswell, New Mexico 88201

Mesa Operating Limited Partnership
P. O. Box 2009
Amarillo, Texas 79189-2009

Sabine Corporation
P. O. Box 3083
Midland, Texas 79702

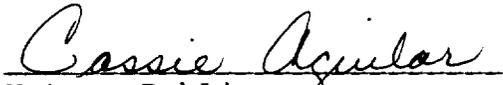
Louisiana Land and Exploration Company
Suite 1200, 2950 North Loop West
Houston, Texas 77092

Amerada Hess Corporation
P. O. Box 2040
Tulsa, Oklahoma 74102


W. Thomas Kellahin

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

The foregoing instrument was acknowledged before me this 10th day of October, 1986, by W. Thomas Kellahin.

My Commission Expires: 9-26-89

Notary Public