

KELLAHIN AND KELLAHIN

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W. THOMAS KELLAHIN\*

\*NEW MEXICO BOARD OF LEGAL SPECIALIZATION  
RECOGNIZED SPECIALIST IN THE AREA OF  
NATURAL RESOURCES-OIL AND GAS LAW

JASON KELLAHIN (RETIRED 1991)

October 8, 1993

HAND DELIVERED

Mr. William J. LeMay  
Oil Conservation Division  
310 Old Santa Fe Trail  
Santa Fe, New Mexico 87504

Re: Lone Ranger Well No. 21  
Application of Phillips Petroleum Company  
for an Unorthodox Gas Well Location,  
West Ranger Lake-Devonian Gas Pool  
Lea County, New Mexico

Dear Mr. LeMay:

On behalf of Phillips Petroleum Company, please find enclosed our application for an unorthodox gas well location for its Ranger Well No. 21 which we request be set for hearing on the next available Examiner's docket now scheduled for November 4, 1993. Also enclosed is our proposed advertisement to be used for the OCD docket.

By copy of this letter, including the Application to all parties, we are notifying them by certified mail return-receipt requested, that:

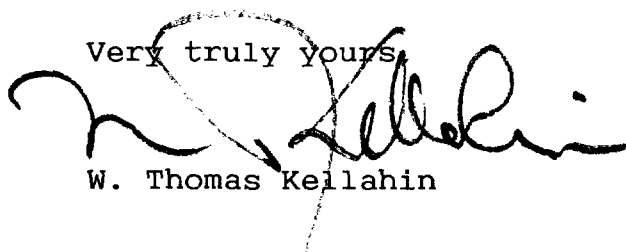
(1) they have the right to appear at the hearing, to make a statement to the Division, to present evidence and cross-examine witnesses either in support of or in opposition to the Application and

(2) advising that failure to appear at the time of the hearing and become a party of record will preclude them from challenging this application at a later date.

Oil Conservation Division  
October 8, 1993  
Page 2.

In accordance with Division Memorandum 2-90, parties who may appear in this case are hereby requested to file a Pre-Hearing Statement with the Division, copy to Applicant, not later than 4:00 PM on Friday, October 29, 1993.

Very truly yours,

A handwritten signature in black ink, appearing to read 'W. Thomas Kellahin', is written over the typed name. The signature is fluid and cursive, with a large initial 'W' and a long, sweeping tail.

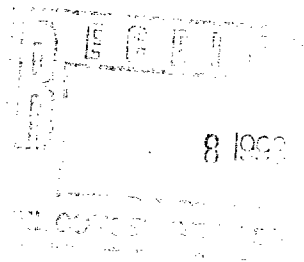
W. Thomas Kellahin

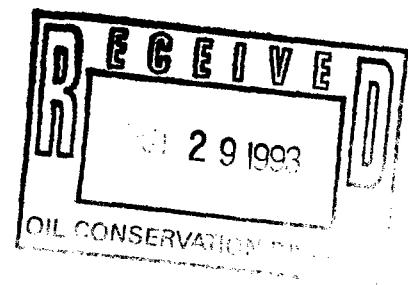
cc: Elizabeth A. Harris, Esq.  
Phillips-Odessa

cc: CERTIFIED MAIL:  
All parties shown in application

Proposed notification/advertisement for OCD docket

Case 10857: Application of Phillips Petroleum Company for an unorthodox gas well location, Lea County, New Mexico. Applicant seeks approval of an unorthodox gas well location for its Lone Ranger Well No. 21 to be drilled 450 feet from the East line and 2260 feet from the South line (Unit I) of Section 27, Township 12 South, Range 34 East, NMPM, West Ranger Lake-Devonian Gas Pool. The E/2 of said Section 27 is to be dedicated to said well forming a standard 320 acre gas spacing unit. Said unit is located approximately 10 miles west of Tatum, New Mexico.





STATE OF NEW MEXICO  
ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT  
OIL CONSERVATION DIVISION

IN THE MATTER OF THE HEARING  
CALLED BY THE OIL CONSERVATION  
DIVISION FOR THE PURPOSE OF  
CONSIDERING:

CASE NO. 10857

APPLICATION OF PHILLIPS PETROLEUM  
COMPANY FOR AN UNORTHODOX GAS WELL LOCATION  
LEA COUNTY, NEW MEXICO

PRE-HEARING STATEMENT

This pre-hearing statement is submitted by PHILLIPS  
PETROLEUM COMPANY as required by the Oil Conservation  
Division.

**APPEARANCE OF PARTIES**

**APPLICANT**

Phillips Petroleum Company  
4001 Penbrook  
Odessa, Texas 79762  
Attn: Elizabeth Harris, Esq.  
(915) 368-1272

**ATTORNEY**

W. Thomas Kellahin  
KELLAHIN AND KELLAHIN  
P.O. Box 2265  
Santa Fe, NM 87504  
(505) 982-4285

**STATEMENT OF CASE**

APPLICANT

The West Ranger Lake-Devonian Gas Pool is a retrograde gas condensate reservoir with the hydrocarbons in a gaseous phase at reservoir conditions.

Phillips Petroleum Company is currently the operator with producing wells in the pool.

The proposed unorthodox gas well location for its Lone Ranger Well No 21 is 450 feet FEL and 2260 feet FSL of section 27 with an E/2 dedication.

The well encroaches on the east side boundary of its spacing unit because 3D seismic interpretation shows this unorthodox location to be structurally high and within a fault block of the reservoir which has not yet been depleted.

**PROPOSED EVIDENCE**


APPLICANT

WITNESSES	EST. TIME	EXHIBITS
Scott Balke (geologist)	20 min.	4 exhibits
Simone Gutberlet (PE)	15 Min.	2 exhibits

**PROCEDURAL MATTERS**

None applicable at this time.

KELLAHIN AND KELLAHIN

By:   
W. Thomas Kellahin  
P.O. Box 2265  
Santa Fe, New Mexico 87504  
(505) 982-4285



STATE OF NEW MEXICO

ENERGY, MINERALS AND NATURAL RESOURCES DEPARTMENT

OIL CONSERVATION DIVISION



BRUCE KING  
GOVERNOR

ANITA LOCKWOOD  
CABINET SECRETARY

POST OFFICE BOX 2068  
STATE LAND OFFICE BUILDING  
SANTA FE, NEW MEXICO 87504  
(505) 827-5800

November 9, 1993

KELLAHIN AND KELLAHIN  
Attorneys at Law  
P. O. Drawer 2265  
Santa Fe, New Mexico 87504

RE: CASE NO. 10857  
ORDER NO. R-10014

Dear Sir:

Enclosed herewith are two copies of the above-referenced Division order recently entered in the subject case.

Sincerely,

*Sally E. Martinez*  
Sally E. Martinez  
Administrative Secretary

cc: BLM - Corral

1993 NOV 14 AM 8 43



**PHILLIPS PETROLEUM COMPANY**

ODESSA, TEXAS 79762  
4001 PENBROOK

EXPLORATION AND PRODUCTION GROUP  
Permian Basin Region

October 29, 1993

**Re: Lone Ranger Well No. 21**  
**LEA COUNTY, NEW MEXICO**

*Case 10857*

Maralo, Inc.  
223 West Wall  
Midland, TX 79702

Gentlemen:

Phillips Petroleum Company has requested the New Mexico Oil Conservation Division to place Phillips Petroleum Company on the November 4, 1993, docket to request approval of the unorthodox location for the Lone Ranger No. 21. This well is to be located within a fifty-foot radius of 2260' FSL and 450' FEL of Section 27, T-12-S, R-34-E, with 320 acres proration unit consisting of the E/2 of the section, Lea County, New Mexico.

If you have no objections to this application, please indicate by signing the waiver below. Please direct any questions to me at (915) 368-1488.

Sincerely,

*L. M. Sanders*  
L. M. Sanders, Supervisor  
Regulatory Affairs

LMS:AF:ehg  
Attachment

RegPro:L.Sand:UorthLRg.21

**WAIVER APPROVAL:**

*R. A. Lowery*

**Name and Title** R. A. LOWERY, PRODUCTION MANAGER

**COMPANY:** Maralo, Inc.

**DATE:** 11/4/93