



NEW MEXICO
DIVISION
MARCH 18 1994

PHONE 505 - 623-5053
400 N. KENTUCKY AVE.
POST OFFICE BOX 1737
ROSWELL, NEW MEXICO
88202-1737

March 18, 1994

New Mexico Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87504

Case 10958

Attention: Mr. David Catanach

RE: Request For Unorthodox Location Hearing
Hanagan Petroleum Corporation
#1 Leapin Lizard Federal
Section 4 - T14S - R29E
421' FNL & 2381' FWL
Chaves County, New Mexico

Dear David:

The above referenced #1 Leapin Lizard location is located within the boundaries of the Lone Wolf Devonian, South Field. The well spacing for this field has been returned to standard 40 acre spacing from a temporary special rule spacing of 160 acres. The well is located on federal lands and we have recently filed the APD for this 9,800' Devonian test. The well will be located at an unorthodox location as it is located less than 330' (actual footage is 258') from the center line of section 4-T14S-R29E. It is not located less than 330' from any lease boundaries and Hanagan Petroleum Corporation controls all offset locations. I have attached a survey plat and land plat showing the well location and lease ownership.

We request approval of this unorthodox location based on geologic factors.

It is my understanding, following our 4/17/94 phone conversation, that this issue will be required to be brought to hearing as it cannot be handled administratively. Therefore, I would request that you please place this issue on the next available hearing docket and inform me of the date of the hearing.

I appreciate your help on this matter and will be happy to answer any of your questions or concerns. My phone number in Roswell is 623-5053.

Sincerely,

HANAGAN PETROLEUM CORPORATION

Michael G. Hanagan
Vice President

Submit to Appropriate
District Office
State Lease-4 copies
Fee Lease-3 copies

OIL CONSERVATION DIVISION

DISTRICT I
P.O. Box 1980, Hobbs, NM 88240

P.O. Box 2088

Santa Fe, New Mexico 87504-2088

DISTRICT II
P.O. Drawer DD, Artesia, NM 88210

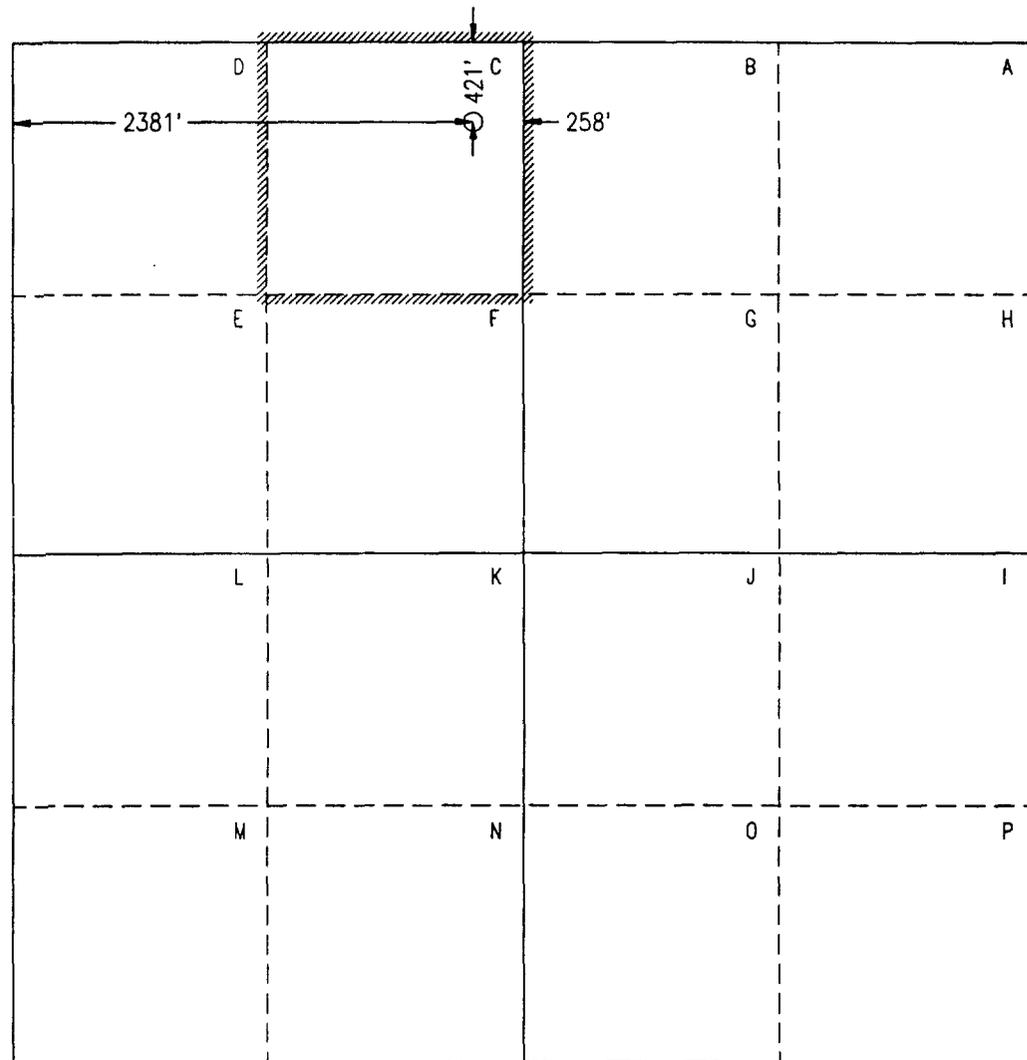
DISTRICT III
1000 Rio Brazos Rd., Aztec, NM 87410

WELL LOCATION AND ACREAGE DEDICATION PLAT

All distances must be from the outer boundaries of the Section.

Operator Hanagan Petroleum Corporation			Lease Leapin Lizard			Well No. 1		
Unit Letter C	Section 4	Township 14S	Range 29E		NMPM	County Chaves		
Actual Footage Location of Well: 421 feet from the North line and 2381 feet from the West line.								
Ground level Elev. 3684		Producing Formation Devonian			Pool Lone Wolf Devonian		Dedicated Acreage: 40 Acres	

- Outline the acreage dedicated to the subject well by colored pencil or hachure marks on the plat below.
- If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty).
- If more than one lease of different ownership is dedicated to the well, have the interest of all owners been consolidated by communitization, unitization, force-pooling, etc.?
 - Yes No If answer is "yes", type of consolidation _____
 - If answer is "no", list the owners and tract descriptions which have actually been consolidated. (Use reverse side of this form if necessary.) _____
 - No allowable will be assigned to the well until all interests have been consolidated (by communitization, unitization, forced-pooling, or otherwise) or until a non-standard unit, eliminating such interest, has been approved by the Division.



OPERATOR CERTIFICATION

I hereby certify that the information contained herein is true and complete to the best of my knowledge and belief.

Signature

Printed Name

Michael G. Hanagan

Position

Vice President

Company

Hanagan Petroleum Corporation

Date

March 11, 1994

SURVEYOR CERTIFICATION

I hereby certify that the well location shown on this plat was plotted from field notes of actual surveys made by me or under my supervision, and that the same is true and correct to the best of my knowledge and belief.

Date Surveyed

March 7, 1994

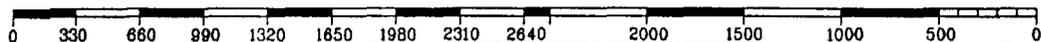
Signature

Professional

Certificate No.

10324

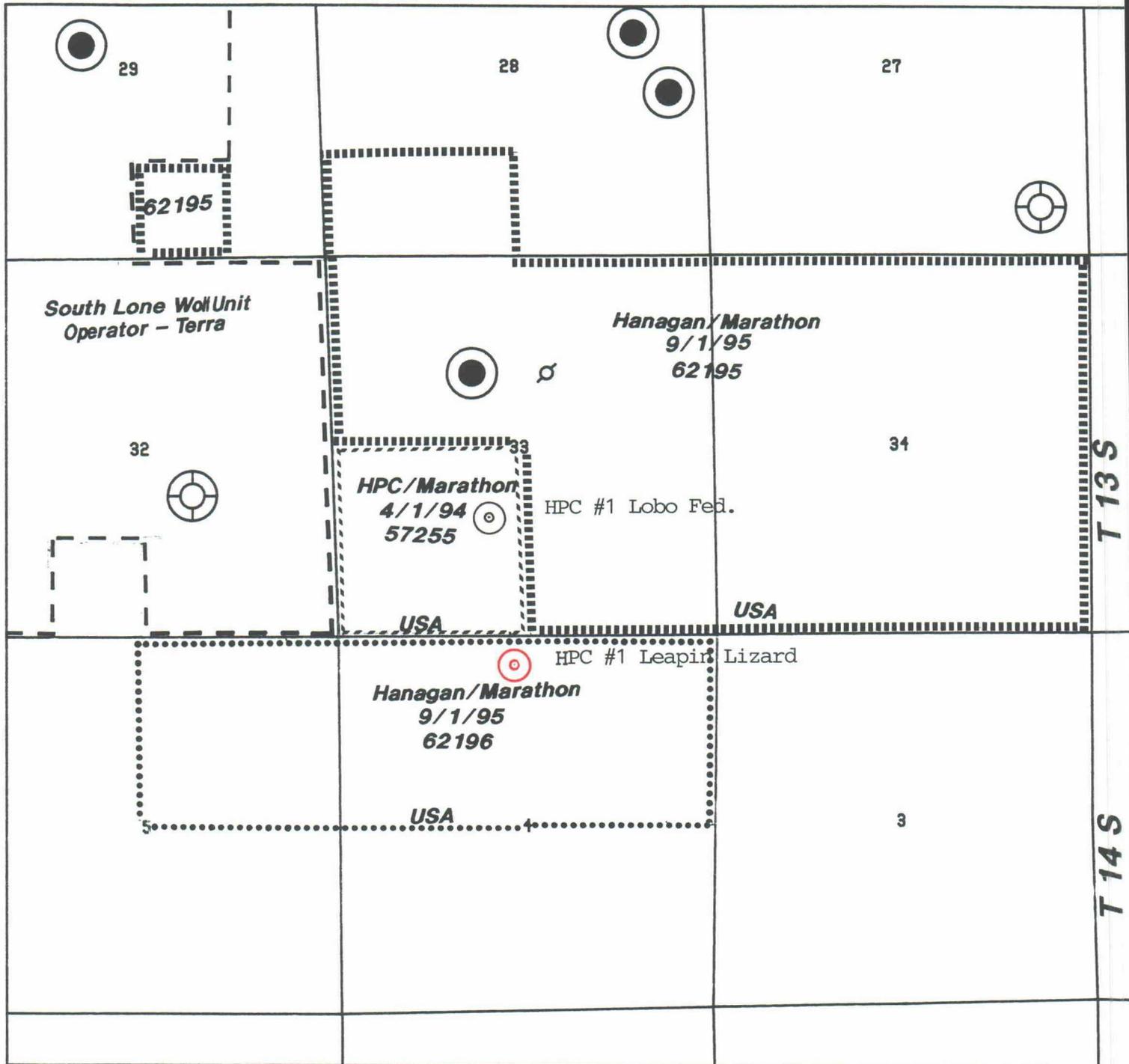
10324



15 Miles East of Hagerman, New Mexico.

File No. A-0347

R 29 E



Hanagan Petroleum Corporation
LEASEHOLD MAP
South Lone Wolf Prospect
Chaves County, New Mexico