BILL SELTZER

214 WEST TEXAS, SUITE 507 MIDLAND, TEXAS 79701

August 6, 1991

HAND DELIVERED

William J. LeMay, Director Oil Conservation Division New Mexico Department of Energy Minerals and Natural Resources State Land Office Building Santa Fe, New Mexico 87503 RECEIVED

AUG 7 1991

OIL CONSERVATION DIVISION

Re: Application of Collins & Ware, Inc. for Administrative Approval of an Unorthodox Location for its Fort "7" No. 1 Well located 200' from the North Line and 1980' from the West Line of Section 7, T-24-S, R-29-E, Eddy County, New Mexico

Dear Mr. LeMay:

Collins & Ware, Inc. hereby request administrative approval of an unorthodox well location for its Fort "7" No. 1 Well. The proposed location will be in the Atoka formation, Malaga Atoka Pool at a point 200' from the North Line and 1980' from the West Line of Section 7, Township 24 South, Range 29 East, N.M.P.M., Eddy County, New Mexico. This unorthodox location is necessary due to all orthodox locations fall in the Harroun Lake and the BLM has verbally advised us of their approval at the requested location. Plats are attached indicating the rejected location and BLM approved location.

Texaco Inc., Santa Fe Energy and Eastland Exploration are the Operators of the offsetting spacing unit to the North. Santa Fe Energy and Eastland Exploration operate the properties to the Northwest, West and Southwest Hallwood Petroleum Co. operates the property to the South. Texaco Inc., Collins & Ware, Inc. and Enron Oil & Gas Co. operate the properties to the Northeast, East and Southeast of the proposed spacing unit.

Attached to this application are letters requesting Waivers from all offsetting Operators.

The attached plat also indicates the North-Half of Section 7, T-24-S, R-29-E has been dedicated as acreage for the proration unit and identifying the ownership of the offsetting leases, wells, and operators.

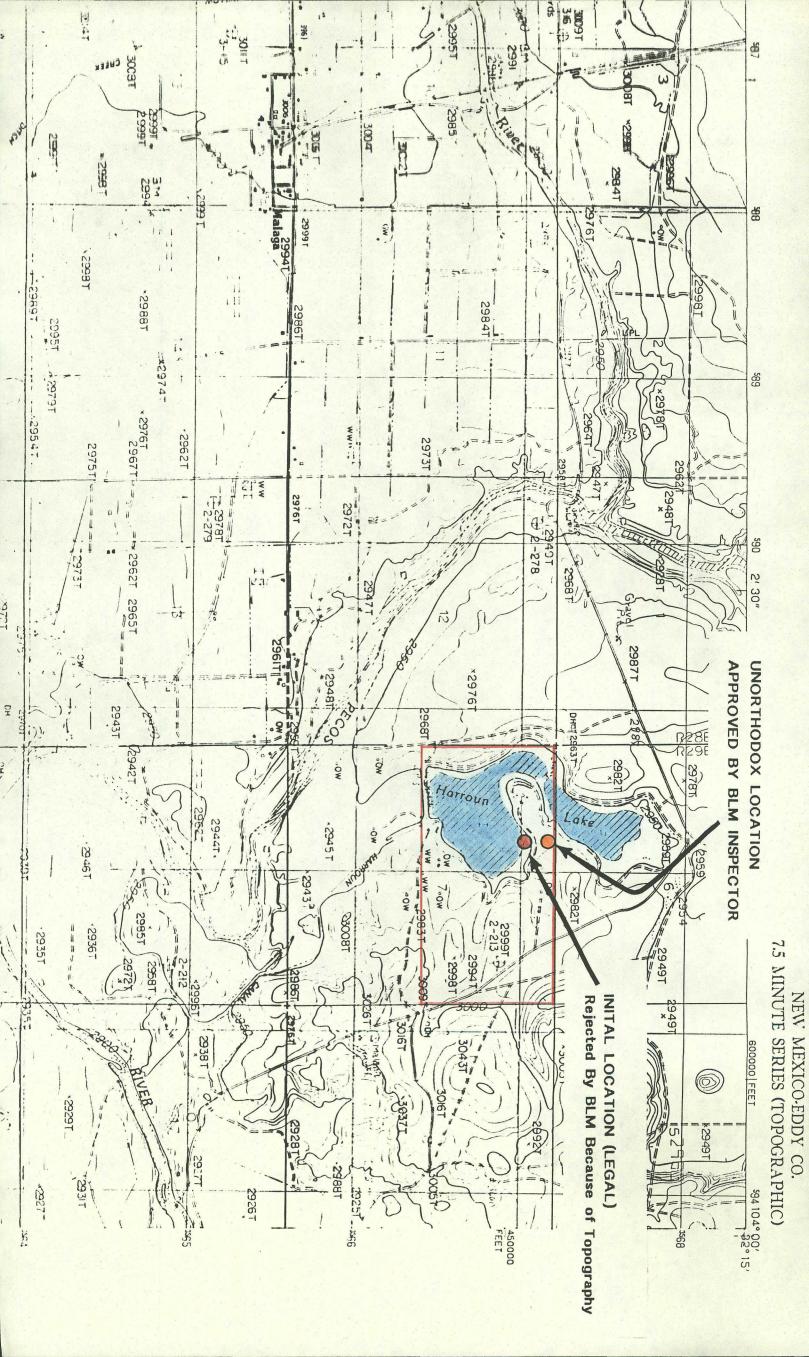
Your consideration of this administrative application is appreciated.

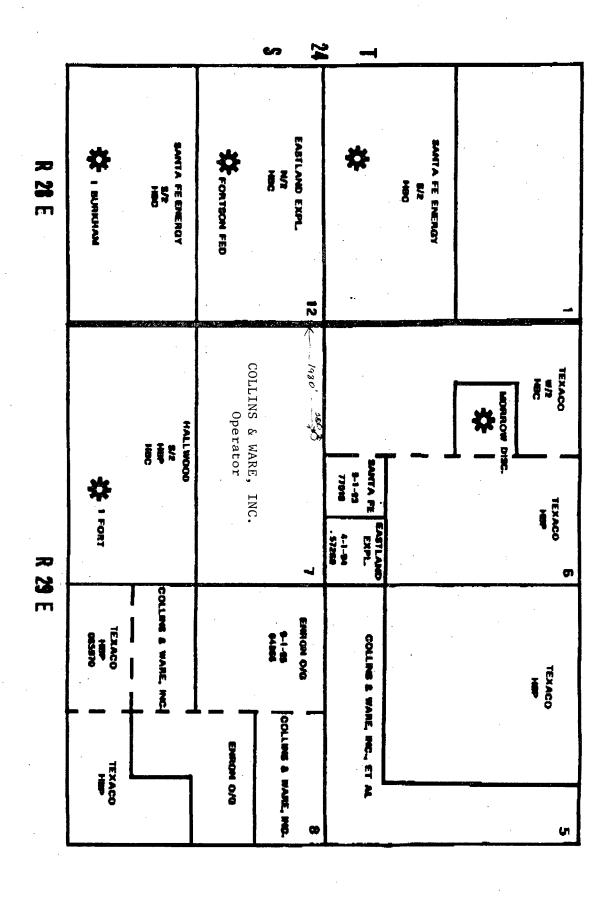
Yours very truly,

Bill Seltzer

BS/kp

cc: Collins & Ware, Inc.





BILL SELTZER

MIDLAND, TEXAS, SUITE 507 OIL CONSERVATION DIVISION RECE VED

FAX 505-827SE7413 AM 9 16

August 29, 1991

151-304Z Re:

Unorthodox Gas Well Location Application Fort "7" Well No. 1, 534 FNL and 1414 FWL (Unit C) T-24-S, R-29-E Section 7 Eddy County, New Mexico

Mr. Michael Stogner Oil Conservation Division P.O. Box 2088 Santa Fe, New Mexico 87501

Dear Mr. Stogner:

Attached please find 5 Waivers from the offset Operators pertaining to Collins & Ware, Inc.'s application covering the above.

We request your administrative approval of our application for the unorthodox location filed with your office on August 16, 1991.

Hard copies of the Waivers will be forwarded today.

Yours very truly

Bill Seltzer

BS/kp Atchs.

LIST OF OFFSET OPERATORS

Santa Fe Energy Co. 550 W. Texas, Suite 1330 Midland, Texas 79701 Attn: Mr. Larry Murphy

Texaco Inc.
P.O. Box 2100
Denver, CO 80201
Attn: Mr. David Sleeper

Eastland Exploration, Inc. 110 N. Marienfeld, Suite 560 Midland, Texas 79701

Hallwood Petroleum, Inc. Stanford Place #3 4582 S. Ulster Street Parkway #1700 Denver, CO 80237 Attn: Ms. Robin Benko

Enron Oil & Gas Co. P.O. Box 2267 Midland, Texas 79702 Attn: Mr. Frank Estep

The undersigned party has no objection to Collins & Ware, Inc.'s application to drill a 12,300' Atoka Test at an unorthodox location in Eddy County, New Mexico, to-wit:

534' FNL and 1414' FWL of Section 7, T-24-S, R-29-E, Eddy County, New Mexico

SANTA FE ENERGY RESOURCES, INC.

Printed Name: T. S. Parker

Title: Attorney-in-Fact

APPROVED

SEM VID

Nex

The undersigned party has no objection to Collins & Ware,

Inc.'s application to drill a 12,300' Atoka Test at an

unorthodox location in Eddy County, New Mexico, to-wit:

534' FNL and 1414' FWL of Section 7, T-24-S, R-29-E, Eddy County, New Mexico

TEXACO INC.

Printed Name:

Title: Cies Manager

The undersigned party has no objection to Collins & Ware, Inc.'s application to drill a 12,300' Atoka Test at an unorthodox location in Eddy County, New Mexico, to-wit:

534' FNL and 1414' FWL of Section 7, T-24-S, R-29-E, Eddy County, New Mexico

THE EASTLAND OIL COMPANY EASTLAND EXPLOIATION, INC., OperAFOR

Printed Name: ROBERT R. DONNEHY Title: VICE PRESIDENT

The undersigned party has no objection to Collins & Ware, Inc.'s application to drill a 12,300' Atoka Test at an unorthodox location in Eddy County, New Mexico, to-wit:

534' FNL and 1414' FWL of Section 7, T-24-S, R-29-E, Eddy County, New Mexico

HALLWOOD PETROLEUM, INC.

Printed Name: Robin Benko

Title: Landman-Western District

The undersigned party has no objection to Collins & Ware, Inc.'s application to drill a 12,300' Atoka Test at an unorthodox location in Eddy County, New Mexico, to-wit:

> 534' FNL and 1414' FWL of Section 7, T-24-S, R-29-E, Eddy County, New Mexico 534' FNL and 1414'

> > ENRON OIL & GAS CO.

Printed Name: Gary L. Thomas
Title: Agent & Attorney-In-Fact

