

# Collier Energy, Inc.☆☆

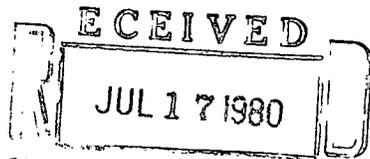
NSP-1207

PHONE 505-746-6520  
BOX 798  
ARTESIA, NEW MEXICO 88210

July 14, 1980

New Mexico Oil Conservation Commission  
P. O. Box 2088  
Santa Fe, New Mexico 87501

*NSP-1207  
Wildcat Queen  
Grass Pool  
Rule 104-D II  
Aug 16, 1980*



OIL CONSERVATION DIVISION  
SANTA FE

RE: Yalty #1  
T-19-S, R-27-E, N.M.P.M.  
Section 23: NE/4 SE/4  
Eddy County, New Mexico  
L-4053

Gentlemen:

Collier Energy, Inc. respectfully requests approval of Rule 104-D (II) and Rule 104-F, State of New Mexico Oil Conservation Commission Rules and Regulations.

The well is located 1650' FSL and 330' FEL. We dedicated only 40 acres to this well. We intended to drill this well to approximately 2200' in the Grayburg. No oil shows were encountered by 1830'; therefore, we plugged back to 1500' and completed the well in a silty, tight gas zone in the Queen. The well was drilled on an orthodox location and in a standard proration unit for oil wells. However, since this well was completed as a gas well, we are requesting approval of the above mentioned rules.

The following information will need to be considered concerning this well:

1. The non-standard unit consists of quarter-quarter sections that are contiguous by a common bordering side.
2. One hundred sixty (160) acres is the standard unit size for this formation. The non-standard unit lies wholly within a single governmental quarter section.
3. Offset operators are Southland Royalty Company and Flag-Redfern Oil Company. They have been notified in writing of our intent. Please find enclosed copy of the letters and certified receipts.
4. Enclosed please find plat showing ownership of all leases offsetting spacing unit, wells completed on acreage, and dedicated acreage.
5. Copy of log on the Yalty #1.
6. We feel that it is an impermeable reservoir with low reserves and that 40 acre proration unit is required to drain reservoir.

If there should be any other information you require to approve this application, we ask that you let us know and we will furnish same to you. Thank you for your assistance in this matter.

Very truly yours,

COLLIER ENERGY, INC.

A handwritten signature in cursive script that reads "Cheri Monk".

CHERI MONK  
Administrative Assistant

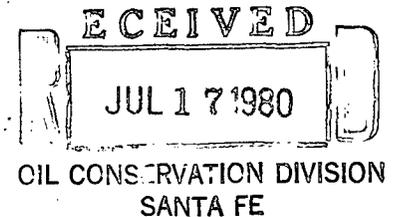
CM/rkp

Enclosures

# Collier Energy, Inc.☆☆

PHONE 505-746-6520  
BOX 798  
ARTESIA, NEW MEXICO 88210

July 14, 1980



Southland Royalty Company  
1100 Wall Tower West  
Midland, Texas 79701

RE: Yalty #1  
T-19-S, R-27-E, N.M.P.M.  
Section 23: NE/4 SE/4  
Eddy County, New Mexico

ATTENTION: Mr. Dick Petrie

Dear Mr. Petrie:

We have recently completed a shallow gas well on the above captioned acreage. The well was initially drilled as a potential oil well in the Grayburg. When no oil shows were encountered by 1830', we plugged back to 1500' and completed a gas well in the Queen.

The location was staked 1650' FSL and 330' FEL in Section 23 of Township 19 South, Range 27 East, which is an unorthodox location for a shallow gas well.

Also, we dedicated 40 acres which is a standard proration unit for a shallow oil well; however, it is a non-standard proration unit for a shallow gas well.

We are presently making application to the Secretary - Director of the New Mexico Oil Conservation Commission to approve an unorthodox location and a non-standard proration unit. If you have no objections to this application and therefore waive your right of protest, please so indicate in the space provided below and return one executed copy to our office as soon as possible.

If you should have any questions concerning this matter, please feel free to call us. We sincerely appreciate your assistance.

Very truly yours,

COLLIER ENERGY, INC.

*Timothy D. Collier*  
Timothy D. Collier  
President

Approved And Accepted this  
\_\_\_\_\_ day of July, 1980.

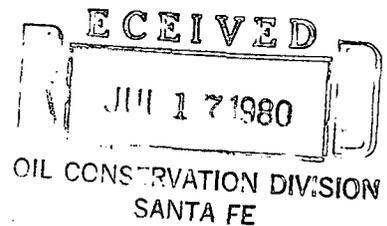
SOUTHLAND ROYALTY COMPANY

By \_\_\_\_\_

# Collier Energy, Inc.☆☆

PHONE 505-746-6520  
BOX 79B  
ARTESIA, NEW MEXICO 88210

July 14, 1980



Flag-Redfern Company  
P. O. Box 2280  
Midland, Texas 79701

RE: Yalty #1  
T-19-S, R-27-E, N.M.P.M.  
Section 23: NE/4 SE/4  
Eddy county, New Mexico

ATTENTION: Mr. Bob Garst

Dear Mr. Garst:

We have recently completed a shallow gas well on the above captioned acreage. The well was initially drilled as a potential oil well in the Grayburg. When no oil shows were encountered by 1830', we plugged back to 1500' and completed a gas well in the Queen.

The location was staked 1650' FSL and 330' FEL in Section 23 of Township 19 South, Range 27 East, which is an unorthodox location for a shallow gas well.

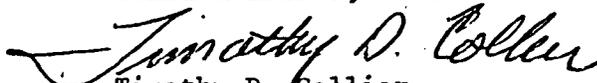
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If you should have any questions concerning this matter, please feel free to call us. We sincerely appreciate your assistance.

Very truly yours,

COLLIER ENERGY, INC.

  
Timothy D. Collier  
President

Approved And Accepted this  
\_\_\_\_\_ day of July, 1980.

FLAG-REDFERN COMPANY

BY \_\_\_\_\_

P23 0406136

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

SENT TO	
Blong Redfern Co.	
STREET AND NO.	
P.O. Box 2280	
P.O., STATE AND ZIP CODE	
Midland TX 79701	
POSTAGE	\$ 15
CERTIFIED FEE	80¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	45¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 140
POSTMARK OR DATE	
JUL 14 1980	

PS Form 3800, Apr. 1976

P23 0406137

RECEIPT FOR CERTIFIED MAIL

NO INSURANCE COVERAGE PROVIDED—  
NOT FOR INTERNATIONAL MAIL  
(See Reverse)

SENT TO	
Southland Fidelity Co	
STREET AND NO.	
1100 Wall Tower, W.	
P.O., STATE AND ZIP CODE	
Midland TX 79701	
POSTAGE	\$ 15
CERTIFIED FEE	80¢
SPECIAL DELIVERY	¢
RESTRICTED DELIVERY	¢
OPTIONAL SERVICES	
RETURN RECEIPT SERVICE	45¢
SHOW TO WHOM AND DATE DELIVERED	¢
SHOW TO WHOM, DATE, AND ADDRESS OF DELIVERY	¢
SHOW TO WHOM AND DATE DELIVERED WITH RESTRICTED DELIVERY	¢
SHOW TO WHOM, DATE AND ADDRESS OF DELIVERY WITH RESTRICTED DELIVERY	¢
TOTAL POSTAGE AND FEES	\$ 140
POSTMARK OR DATE	
JUL 14 1980	

PS Form 3800, Apr. 1976

RECEIVED

JUL 17 1980

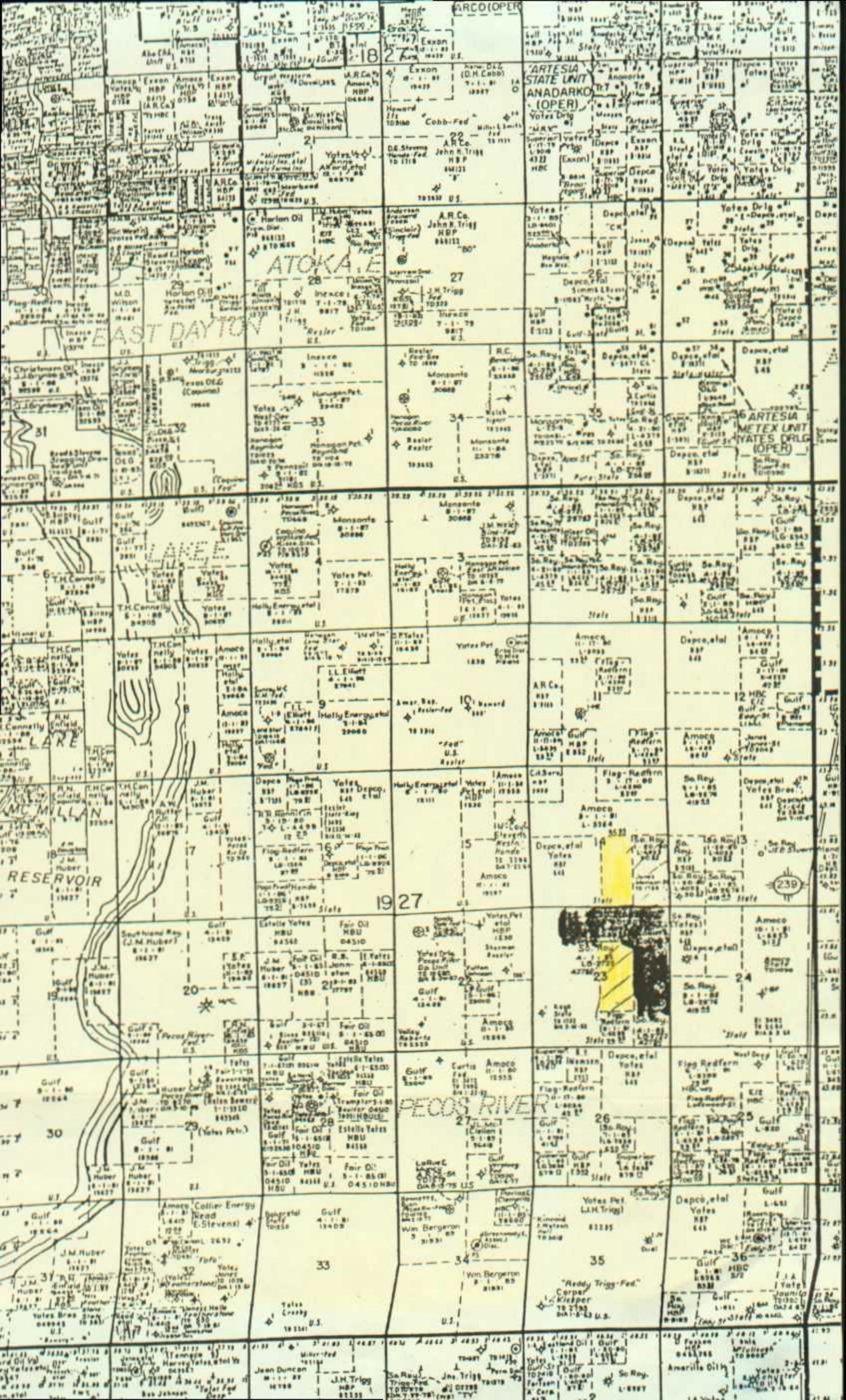
OIL CONSERVATION DIVISION  
SANTA FE

	Southland Royalty Company  L-4053		Southland Royalty Company (YATES) HBP 648
Southland Royalty Company LG-2722	Assigned To Collier Energy, Inc.		(Depco, et al)  I-G
		Collier Energy, Inc.  Yalty #1	Southland Royalty Company  LG-2676
	Flag-Redfern Company  L-6289	Southland Royalty Company LG-2722	

COUNTY EDDY STATE NEW MEXICO  
SECTION 23 TOWNSHIP 19 South RANGE 27 East

## LEGEND:

-  Acreage Assigned to Collier Energy, Inc.-L-4053
-  Southland Royalty Co. Lease LG-2676
-  Southland Royalty Co. Lease HBP
-  Acreage Assigned to Collier Energy, Inc.-LG-2722
-  Flag-Redfern Lease L-6289
-  Southland Royalty Co. Lease-L-2722



ARCO OPER

ARTESIA STATE UNIT ANADARKO (OPER)

ATOKA

EAST DAYTON

ARTESIA METEX UNIT (OPER)

LAKE

RESERVOIR

1927

PECOS RIVER

239



