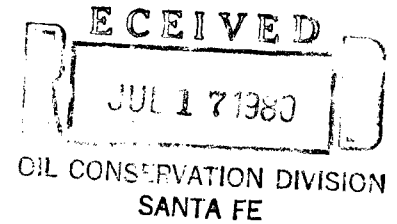


STATE OF NEW MEXICO
DEPARMTENT OF ENERGY & MINERALS
OIL CONSERVATION DIVISION



IN THE MATTER OF THE APPLICATION
OF ADOBE OIL & GAS CORPORATION
FOR APPROVAL OF AN UNORTHODOX
LOCATION, LEA COUNTY, NEW MEXICO

A P P L I C A T I O N

COMES NOW ADOBE OIL & GAS CORPORATION and applies to the New Mexico Oil Conservation Division for approval of its unorthodox well location for its Gray "35" No. 1 well located 660 feet from the South line and 1650 feet from the West line of Section 35. T14S, R33E, Lea County, New Mexico and in support thereof would show:

1. Applicant is the owner of the right to drill on the S/2 of Section 35, T14S, R33E, Lea County, New Mexico.
2. Applicant commenced a Devonian well located 660 feet from the South line and 1650 feet from the West line of said Section 35 projected to a total depth of 13,500 feet.
3. Applicant drilled to a T. D. of 13,062 and has subsequently plugged back the well to a total depth of 12,861 and completed the subject well as a Morrow producer with perforations between 12,382 feet and 12,390 feet.
4. Applicant has obtained a voluntary agreement among the working interests owners in the S/2 of said section and proposes to dedicate the S/2 of said section to this Morrow well.
5. Approval of this application will not impair correlative rights and will prevent waste.

WHEREFORE, APPLICANT RESPECTFULLY REQUESTS THAT THIS application be set for hearing before the Divisions Examiner and that after notice and hearing, the order to be entered authorizing the unorthodox well location.

Respectfully submitted:

Kellahin & Kellahin

by:


W. Thomas Kellahin

P.O. Box 1769

Santa Fe, New Mexico 87501

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC
ADOBE INTERNATIONAL, INC
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY INC
TELEX 743413

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

July 22, 1980



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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

Gentlemen:

Be advised that this office is in receipt of Adobe Oil & Gas Corporation's application for administrative approval for an unorthodox location for the Gray "35" #1. Said location being 660' FSL & 1650' FWL of Section 35, T-14-S, R-33-E, N.M.P.M., Lea County, New Mexico.

This letter shall inform your office that we, as an Offset Operator, have no objection to said unorthodox location, or the designation of the S/2 of Section 35, T-14-S, R-33-E, N.M.P.M., Lea County, New Mexico as the proration unit for said well, and do hereby approve the location and further waive any right to oppose same.

Thank you for your cooperation.

Yours very truly,

ANDERSON OIL COMPANY

By:

A handwritten signature in cursive script, reading "Fred N. Miller, Jr.".

WAIVER GRANTED THIS 29th day
of July, 1980.

xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC.
ADOBE INTERNATIONAL, INC.
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY INC.
TELEX 743413

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

July 22, 1980

RECEIVED
AUG 01 1980
OIL CONSERVATION DIVISION
SANTA FE

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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

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Thank you for your cooperation.

Yours very truly,

By: Thomas I. Baxter, Jr.
THOMAS I. BAXTER, JR.

WAIVER GRANTED THIS 29th day
of July, 1980.

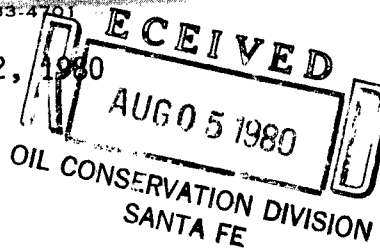
xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC
ADOBE INTERNATIONAL, INC
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY INC
TELEX 743413

July 22, 1980



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

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Re: Gray "35" #1
7268-1
Lea County, New Mexico

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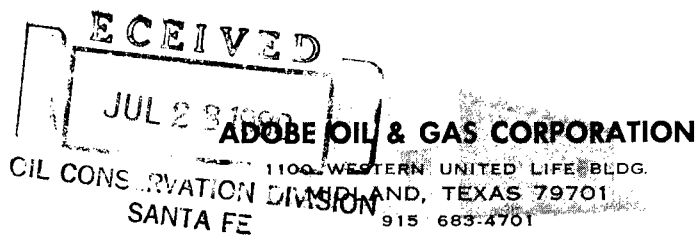
Yours very truly,

ANTARES 79-B, LTD.

By: *S. K. Kelly*

WAIVER GRANTED THIS 21 day
of July, 1980.

xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes



SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC.
ADOBE INTERNATIONAL, INC.
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY INC
TELEX 743413

July 22, 1980

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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

Gentlemen:

Be advised that this office is in receipt of Adobe Oil & Gas Corporation's application for administrative approval for an unorthodox location for the Gray "35" #1. Said location being 660' FSL & 1650' FWL of Section 35, T-14-S, R-33-E, N.M.P.M., Lea County, New Mexico.

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Thank you for your cooperation.

Yours very truly,

LOCO '79 LTD. PARTNERSHIP

By: Robert E. Baling
General Partner

WAIVER GRANTED THIS 24th day
of July, 1980.

xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.

MIDLAND, TEXAS 79701

915 683-4701

July 22, 1980

RECEIVED
JUL 28 1980
OIL CONSERVATION DIVISION
SANTA FE

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC.
ADOBE INTERNATIONAL, INC.
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY, INC.
TELEX 743413

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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

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Thank you for your cooperation.

Yours very truly,

By: _____

ROBERT E. BOLING

WAIVER GRANTED THIS 24 day
of July, 1980.

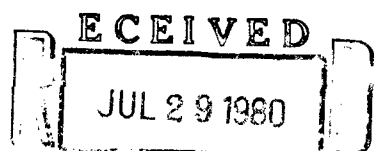
xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC.
ADOBE INTERNATIONAL, INC.
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY, INC.
TELEX 743413

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

July 22, 1980



OIL CONSERVATION DIVISION
SANTA FE

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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

Gentlemen:

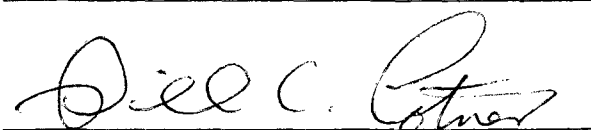
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Thank you for your cooperation.

Yours very truly,

By:


BILL COTNER

WAIVER GRANTED THIS 25 day
of July, 1980.

xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes



July 22, 1980



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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

Gentlemen:

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Yours very truly,

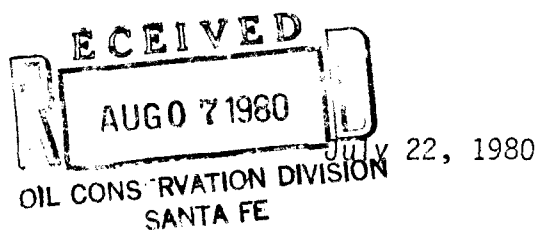
VISA EXPLORATION CORPORATION

By: _____

Michael H. North, Secretary

WAIVER GRANTED THIS 28th day
of July, 1980.

xc: Adobe Oil & Gas Corporation



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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

Gentlemen:

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Thank you for your cooperation.

Yours very truly,

GRACE
~~CLEARY~~ PETROLEUM COMPANY

By: 

WAIVER GRANTED this 4TH day
of AUGUST, 1980.

xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

hsl - 1248

KELLAHIN and KELLAHIN
Attorneys at Law
500 Don Gaspar Avenue
Post Office Box 1769
Santa Fe, New Mexico 87501

Jason Kellahin
W. Thomas Kellahin
Karen Aubrey

Telephone 982-4285
Area Code 505

July 17, 1980

S-11-80

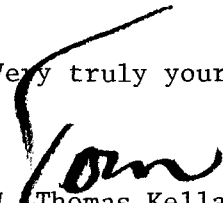
Mr. Joe Ramey
Oil Conservation Division
P.O. Box 2088
Santa Fe, New Mexico 87501

Re: Adobe Oil Company

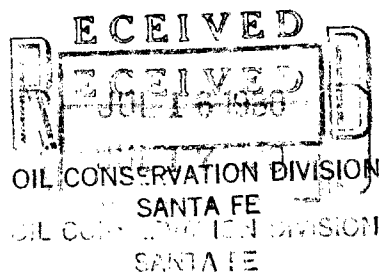
Dear Joe:

Please set the enclosed application for hearing on
August 6, 1980.

Very truly yours,


W. Thomas Kellahin

Encl.
WTK:jm
cc: Mr. Kelly Barnes



File
NSK-1248

July 22, 1980

RECEIVED
OIL CONSERVATION DIVISION
SANTA FE

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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

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Thank you for your cooperation.

Yours very truly,

GULF OIL EXPLORATION & PRODUCTION CO.

By: 

C. F. Kalteyer, Chief Proration Engineer

WAIVER GRANTED this 13 day
of August, 1980.

xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC.
ADOBE INTERNATIONAL, INC.
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY INC
TELEX 743413

July 22, 1980

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

Attention: Mr. Richard Stamets

Re: Gray "35" #1
7268-1
Lea County, New Mexico

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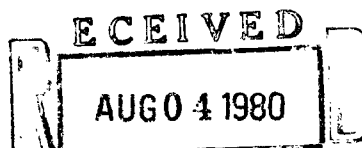
Thank you for your cooperation.

Yours very truly,

By:

JOHN COX

WAIVER GRANTED THIS 30th day
of July, 1980.



xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

OIL CONSERVATION DIVISION
SANTA FE

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

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ADOBE COAL COMPANY
ADOBE HOLLAND, INC.
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ADOBE MARKETING CORPORATION
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ADOBE ROYALTY INC.
TELEX 743413

July 22, 1980

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

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7268-1
Lea County, New Mexico

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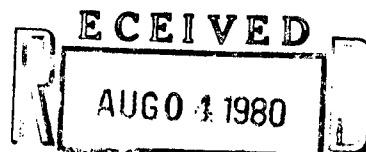
Thank you for your cooperation.

Yours very truly,

By: 

MAX H. CHRISTENSEN

WAIVER GRANTED THIS 31st day
of July, 1980.



OIL CONSERVATION DIVISION
SANTA FE

xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC.
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ADOBE MARKETING CORPORATION
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TELEX 743413

July 22, 1980

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

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7268-1
Lea County, New Mexico

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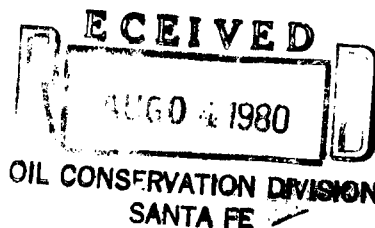
Yours very truly,

CHRISTENSEN PETROLEUM, INC.

By: *M. R. Christensen*

Pres.

WAIVER GRANTED THIS 31st day
of July, 1980.



xc: Adobe Oil & Gas Corporation
1100 Western United Life Building
Midland, Texas 79701
Attention: Kelly M. Barnes

ADOBE OIL & GAS CORPORATION

1100 WESTERN UNITED LIFE BLDG.
MIDLAND, TEXAS 79701
915 683-4701

SUBSIDIARIES
ADOBE COAL COMPANY
ADOBE HOLLAND, INC
ADOBE INTERNATIONAL, INC
ADOBE MARKETING CORPORATION
ADOBE MINING COMPANY
ADOBE ROYALTY INC
TELEX 743413

August 1, 1980

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

Attention: Mr. Dan Nutter
Legal Department

Re: Saunders Deep Prospect
AD-322
Gray "35" #1
Lea County, New Mexico

Gentlemen:

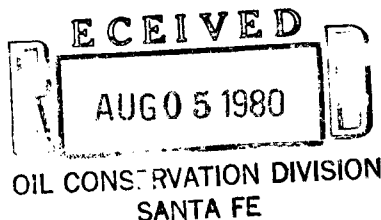
In accordance with your request of July 31, 1980, relative to the captioned well, enclosed please find the following:

- 1) Current land plat of the immediate area around the proposed 320 acre proration unit for the Gray "35" #1.
- 2) List of the offset Operators to the proposed proration unit, all of which have been duly notified of both the location and unit for the Gray "35" #1.

Should you have any questions, or need any assistance from this office, please let me know. Thank you.

Yours very truly,

ADOBE OIL & GAS CORPORATION



Kelly M. Barnes
Kelly M. Barnes
Landman

KMB:pc
enclosures

Charles Gillespie

Robert E. Boling ✓

Loco '79 Ltd. Partnership ✓

Thomas I. Baxter, Jr. ✓

Anderson Oil Corporation ✓

Antares 79-B, Ltd. ✓

Visa Exploration Corporation ✓

Petroleum Corporation of Texas

B.B.L., Ltd.

Christensen Petroleum, Inc. ✓

Max H. Christensen ✓

John L. Cox ✓

Bill Cotner ✓

MAPCO, Inc.

Gulf Oil Exploration & Production Co.

Cleary Petroleum Corporation ✓