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RULE - (5) R-2421

Deducted Persage - 80 aurs W/2 SE/4 Seduce, 17,34

March 19, 1985

660 FSL & 1980 FEL 8-17,34

Mr. David Catanach Oil Conservation Commission P.O. Box 2088 Santa Fe, NM 87501

Southern Union Exploration Company

Suite 400

214/742-6051

Texas Federal Building 1217 Main Street Dallas, Texas 75202

> RE: Gallagher "8" State #3 Sec. 8, T17S, R34E Lea County, NM

Dear Mr. Catanach,

Southern Union Exploration Company (SX) respectfully requests the administrative approval of an unorthodox location for the subject well in the North Vacuum (Abo) Field. The subject well was drilled and completed in 1977 as a Morrow gas well in the North Vacuum Atoka Morrow Field at a standard location.

The Morrow zone was recently stimulated with poor results. SX feels that since the Morrow is no longer economical, that testing the Abo would be the best alternative for this well. In order to be able to produce from the Abo, it is necessary that SX request an unorthodox location. This is due to the North Vacuum (Abo) field rules stating that the discovery well must be drilled in either the NW or SE quarter of the quarter section.

Enclosed please find a Form C-102 for the well and a plat showing all offsetting acreage to the proration unit. As can be seen, SX owns all offsetting acreage to the proration unit in the depth range which includes the Abo (8900'). There are offsetting wells on the Lea "A" State Lease in Section 8. These wells are currently operated by Lynx Petroleum; however, Lynx only has rights down to 4821'.

If there are any questions or problems, please feel free to contact me.

Sincerely,

David W. Stevens

Drilling & Production Engineer

David W. Stevens

DWS:bz

**Enclosures** 

## STATE OF NEW MEXICO ENERGY AND MINERALS DEPARTMENT

## OIL CONSERVATION DIVISION

P. O. BOX 2088

SANTA FE, NEW MEXICO 87501

Form C-102 Revised 10-1-78

All distances must be from the outer houndaries of the Section. Cherator Louise Well Ho. Gallagher "8" 3 Southern Union Exploration Company State Unit Letter Section Township Horvio 8 34E 17S Lea Actual Postago Location of Well: 660 South line and 1980 East test from the Ground Level Elev. Producing Formation Pool Dedicated Acreages 4095.5 North Vacuum (Abo) Acton 1. Outline the acreage dedicated to the subject well by colored pencil or hachare marks on the plat below. 2. If more than one lease is dedicated to the well, outline each and identify the ownership thereof (both as to working interest and royalty). 3. If more than one lease of different ownership is dedicated to the well, have the interests of all owners been consolidated by communitization, unitization, force-pooling, etc? Yes 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 interests, has been approved by the Division. CERTIFICATION I hereby certify that the Information contained herein is true and complete to the best of my knowledge and belief. David W. Stevens Position Drilling & Production Engineer Southern Union Exploration  $C\phi$ . March 19, 1985 I hereby certify that the well location shown on this plat was platted from field notes of octual 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 Registered Professional Engineer and/or Land Surveyor Certificate No.

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## SOUTHERN UNION EXPLORATION COMPANY (SX)

## ACREAGE OFFSETTING UNORTHODOX LOCATION

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N/2, NW/4 - SX 100% from 11,873'-13,612' Lease: E-1085 (State)	E/2 - SX 100% from 4,821'-13,612' Lease: E-1085 (State)	
S/2, NW/4 & all SW/4-SX 100% from 4,821'-13,612' Lease: E-1085 (State)	Gallagher 8 State #3 PRORATION UNIT	9
W/2 - SX 100% from 5,000'-13,551' Lease: OG-453 (State)	E/2 - SX 100% from 5,000'-13,631' Lease: OG-454 (State)	

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Scale: 1" = 1000'

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