

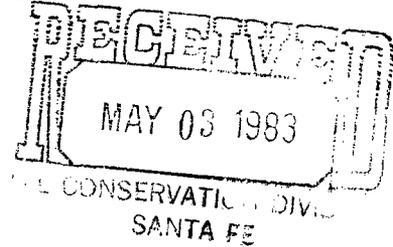
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May 3, 1983

Joe D. Ramey, Director
Oil Conservation Division
New Mexico Department of
Energy and Minerals
Post Office Box 2088
Santa Fe, New Mexico 87501



Case 7888

Re: Application of Cabana Oil Corporation for a non-standard
proration unit and an unorthodox well location, Lea County,
New Mexico

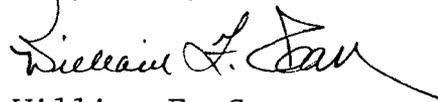
Dear Mr. Ramey:

Enclosed in triplicate is the application of Cabana Oil Corporation in the above-referenced case.

The applicant requests that this matter be included on the docket for the examiner hearing scheduled to be held on May 25, 1983.

Your attention to this request is appreciated.

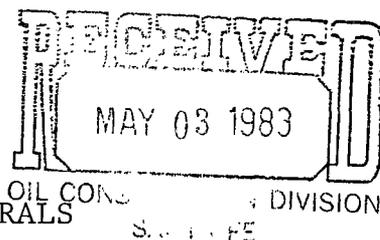
Very truly yours,


William F. Carr

WFC:mdl
encl.

cc: Mr. Jim Hatchett

BEFORE THE
OIL CONSERVATION DIVISION
NEW MEXICO DEPARTMENT OF ENERGY AND MINERALS



IN THE MATTER OF THE APPLICATION
OF CABANA OIL CORPORATION FOR
AMENDMENT OF ORDER NUMBER R-7220
TO PROVIDE FOR A NON-STANDARD
PRORATION UNIT AND AN UNORTHODOX
LOCATION, LEA COUNTY, NEW MEXICO

CASE 7888

APPLICATION

Comes now, CABANA OIL COMPANY, by its undersigned attorneys, and hereby applies to the Oil Conservation Division for an Order amending Division Order Number R-7220 to provide for a non-standard proration unit and an unorthodox well location in the Yeso formation, Lea County, New Mexico, and in support of its application states:

1. By Oil Conservation Division Order R-7220 entered in Case Number 7758 on February 21, 1983 Applicant obtained approval for a non-standard proration unit to be comprised of the SE/4 SW/4 and Lot 4 of Section 32, Township 17 South, Range 38 East, N.M.P.M., Lea County, New Mexico which contains, due to survey variations, 66.87-acres and approval for an unorthodox well location 1000 feet from the South line and 1080 feet from the East line of said Section 32

for a well to test the Abo formation.

2. Pursuant to Order R-7220 applicant diligently drilled a well at the approved unorthodox location to the Abo formation.

3. Applicant was unable to complete a commercial well in the Abo formation but has recompleted and obtained commercial production in the Yeso formation.

4. Applicant seeks approval of the herein before described unorthodox well location and non-standard proration in the Yeso formation.

WHEREFORE, applicant respectfully requests that the Division set this matter for hearing before a duly appointed examiner, and that after notice and hearing as required by law the Division enter its Order amending Order R-7220 to provide for an unorthodox location of 1000 feet from the South line and 1080 feet from the East line of Section 32 and a non-standard spacing or proration unit in the Yeso formation to be comprised at the SE/4 SW/4 in Lot 4 of said Section 32 and to granting such other and further relief as may be appropriate in the premises.

Respectfully submitted,

CAMPBELL, BYRD & BLACK, P.A.

By  _____

William F. Carr
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