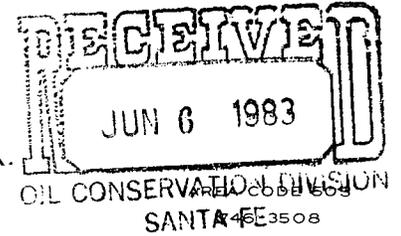


A. J. LOSEE
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P. O. DRAWER 239
ARTESIA, NEW MEXICO 88211-0239



June 3, 1983

Mr. Michael Stogner, Examiner
Energy and Minerals Department
Oil Conservation Division
P. O. Box 2088
Santa Fe, New Mexico 87501

Re: TXO Production Corp.
Case No. 7895

Dear Mr. Stogner:

Enclosed for filing, please find three copies of the Amended Application of TXO Production Corp. for an Exception to the Special Pool Rules of the Vada-Pennsylvanian Pool and for an Unorthodox Oil Well Location, Lea County, New Mexico.

If republication is required, we ask that we be allowed to put on our case on Wednesday, June 8, 1983, the date of the original hearing, subject to objections at the readvertised hearing.

Thank you.

Sincerely yours,

LOSEE, CARSON & DICKERSON, P.A.

A handwritten signature in cursive script, appearing to read "Chad Dickerson".

Chad Dickerson

CD:pvm

cc w/enclosure: Mr. Randy Click
Mr. Ray Graham

BEFORE THE OIL CONSERVATION DIVISION
OF THE STATE OF NEW MEXICO

IN THE MATTER OF THE APPLICATION OF :
TXO PRODUCTION CORP. FOR AN EXCEP- :
TION TO THE SPECIAL POOL RULES OF : CASE NO. 7895
THE VADA-PENNSYLVANIA POOL, AND FOR :
AN UNORTHODOX OIL WELL LOCATION, LEA :
COUNTY, NEW MEXICO :
_____ :

AMENDED APPLICATION

COMES NOW TXO Production Corp., by its attorneys, and
in support hereof, respectfully states:

1. Applicant is the operator of the Bough "C" Penn
formation, underlying:

Township 10 South, Range 34 East, N.M.P.M.

Section 17: W/2 NE/4, E/2 NW/4

containing 160 acres, more or less.

2. By its Order No. R-3179-B, the New Mexico Oil Con-
servation Division promulgated special rules and regulations for
the Vada-Pennsylvanian Pool, which provided, among other things,
for 160-acre spacing units, with wells to be located within 150
feet of the center of each governmental quarter section.

3. Applicant proposes to drill its Vada State "17"
No. 1 Well at a point located 660 feet from the north line and
2,615 feet from the west line of said Section 17, projected as an
oil well.

4. The applicant seeks an exception to Order No.
R-3179-B to permit the drilling of its well as aforesaid, and to

dedicate an 80-acre unit to such well, consisting of E/2 NW/4 of said Section 17.

5. The approval of this application will afford applicant the opportunity to produce its just and equitable share of oil, will prevent economic loss caused by the drilling of unnecessary wells, avoid the augmentation of risk arising from the drilling of an excessive number of wells, and will otherwise prevent waste and prevent correlative rights.

WHEREFORE, applicant prays:

A. That this application be set for hearing before an examiner and that notice of said hearing be given as required by law.

B. That upon hearing the Division enter its order granting an exception to the Special Rules and Regulations for the Vada-Pennsylvanian Pool, and granting applicant permission to drill its Vada State "17" No. 1 Well at a point 660 feet from the north line and 2,615 feet from the west line of said Section 17, and to dedicate the E/2 NW/4 of Section 17 to its well.

C. And for such other and further relief as may be just in the premises.

TXO PRODUCTION CORP.

By: 

Chad Dickerson

LOSEE, CARSON & DICKERSON, P.A.
P. O. Drawer 239
Artesia, New Mexico 88210

Attorneys for Applicant

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